

294-295 High Holborn



DP9 Ltd
100 Pall Mall
London
SW1Y 5NQ

Affordable Housing Statement

Introduction

This note has been prepared by DP9 Planning Consultants. It provides clarification on the approach towards addressing the planning policy requirement for the provision of affordable housing pursuant to the proposed development at 294-295 High Holborn, herein referred to as the 'Site'.

The proposed redevelopment of the Site comprises the delivery of retail and office uses alongside 10 residential units.

Planning Policy

The London Borough of Camden's ('LB Camden' or 'the Council') Development Management Policies Document 2010 includes two key policies relating to the provision of housing and affordable housing. Specifically:

DP1 – Mixed Use Development

Where more than 200 sqm of additional floorspace is created, LB Camden require up to 50% of all additional floorspace to be provided as housing. The proposed development will provide a quantum of residential floor on-site which is fully compliant with the requirements of Policy DP1.

DP3 – Contributions to the supply of affordable housing

All developments with a capacity for 10 or more additional dwellings (or 1,000 sqm of residential floorspace or more) are required to make a contribution to the supply of affordable housing. The Council will expect the affordable housing contribution to be made on-site, but where it cannot practically be achieved on-site, the Council may accept off-site affordable housing, or exceptionally a payment-in-lieu.

For schemes where an affordable housing contribution is required however the total amount of residential floorspace is below 5,000 sqm (gross) a sliding scale approach applied to determine the quantum of affordable housing floorspace required.

In determining whether the affordable housing contribution should be made on site, the policy states that the Council will take into account:

- a) access to public transport, workplaces, shops, services and community facilities;*
- b) the character of the development, the site and the area;*
- c) site size, and constraints on including a mix of market and affordable tenures;*
- d) the economics and financial viability of the development including any particular costs associated with it;*
- e) the impact on creation of mixed and inclusive communities; and*
- f) any other planning objectives considered to be a priority for the site."*

Further, supporting text to policy DP3 states that ‘*the Council accepts that off-site solutions will be necessary where it is not practical to include affordable housing within a market housing development, for example where the development is relatively small (up to 3,500 sq m gross)*’ [Para 3.13].

In addition, the supporting policy text states that when considering whether an off-site affordable housing contribution is appropriate, the Council will also have regard to the following criteria:

- “• *physical constraints of the site or premises would make on-site affordable elements impractical for management purposes;*
- *the management or service charges of an on-site scheme would be too costly for affordable housing providers or occupiers to meet;*
- *particular costs associated with the development would require an excessively high amount of subsidy for on-site provision, but the economics of the development do not preclude making an off-site affordable housing contribution;*
- *the necessary affordable housing funding is unlikely to be secured within a reasonable timescale to enable an on-site scheme;*
- *an off-site contribution will maximise the overall delivery of housing and affordable housing.*” [Para 3.14]

With regards to the delivery of off-site affordable housing, the Council will seek provision on sites within reasonable proximity to the proposed market housing. Where this is not achievable, a financial contribution towards affordable housing may be excepted in exceptional circumstances, for example, if:

- “• *no suitable affordable housing sites are likely to come forward in the short or medium-term; or*
- *the appropriate affordable housing contribution is too small to form a stand-alone development and there are no opportunities to link it to an alternative development nearby.*”

Application of Planning Policy

The proposals for the Site include the creation of 10 residential units approximately 1,430 sqm (gross) of residential floorspace, including associated facilities (cycle parking/refuse). Based on the Policy DP3 calculation, this equates to a requirement of the proposals to provide 204 sqm of affordable residential floorspace.

On-site Affordable Housing

In prime locations, private schemes, such as this, developers will seek ensure a higher specification for the internal common parts, than would be supplied for a typical affordable housing block. Alongside the capital outlay, the ongoing management costs of maintaining these areas would have to be jointly met by the affordable element of the Scheme. With a single core shared between would result in either higher service charges for affordable tenants, or a Registered Provider (RP) subsidising these higher costs in order to maintain affordability for its tenants. This could have an impact on the RPs potential revenue streams and consequently their financial offers for the affordable housing. On this basis, it is not appropriate to consider an affordable housing solution whereby a separate lobby and core is accommodated.

The scheme’s architect has explored architecturally whether there is any opportunity to include a second core within the proposed building’s footprint on the Site.

The built footprint of the Site is heavily constrained by its narrow plot which provides a very narrow frontage along High Holborn. In addition, the Site can only be accessed from High Holborn with no opportunity to introduce access from the rear due to the closed boundary with Lincoln’s Inn. The inclusion of an additional entrance lobby and core at ground level alone would be highly detrimental on the Site’s

ability to provide an active and vibrant frontage. This would be contrary to planning policy which encourages the provision of active ground floor uses within the Central London area. In addition, the elongation of the proposed retail floorspace from the inclusion of a second core would have a profoundly detrimental effect on the Site's ability to deliver high quality and lettable retail floorspace. This could affect our client's ability to deliver the overall development and will certainly detract from the Council and design team's objective for providing activity at ground level.

Nonetheless, in the event that a second core could be physically accommodated at ground level, then the inclusion of affordable units on the site is not appropriate for the following reasons:

- The location of the Site is not appropriate for affordable housing occupants including families. Specifically there is limited open space, educational facilities and amenities in the local area.
- Whereby a level of housing management is required for the affordable housing. This is likely to be costly to a Registered Provider (RP) who is unlikely to have a local Housing Office or base, therefore having to use more resources from other areas to manage the properties.
- Where affordable housing is provided on-site it would be highly preferable to a (RP) for it to be situated in a separate block to the private accommodation. Shared blocks are problematic due to the discount on the private values located directly above affordable units and also the impact of service charges for the affordable operator.
- In the event that socially rented units were considered appropriate for the Site, due to the high value location and low weekly rents for socially rented units, it is questionable whether the viability would allow for any social rented units to be delivered on-site following the overall reduction in residential units as described above.
- No prospect of entertaining a second core on the site without significantly impacting on the site's ability to provide an active frontage and other uses in the building. This is a narrow site that is already incorporating a lot of activity and use. A second core with additional access for cycle parking/refuse and fire strategy is not feasible.
- As the core will serve both office and residential floors, it will be of significant quality which is likely to lead to high service charges. The management of these costs would be too high for a social rent or intermediate rent product (if viably feasible).
- Intermediate product to buy (such as shared ownership) not deliverable as unit size limited on floorplate. Based on values in the area, significantly beyond the ownership levels for the GLA shared ownership criteria.

1. Off-site provision

- The client does not own any other sites in the borough nor is aware of any other opportunities where affordable housing could be delivered.

2. Financial Payment in Lieu

- As per planning policy, this is appropriate for small schemes of circa 3,500 sqm GIA. This scheme is less than 1,700 sqm. A policy compliant payment in lieu is therefore appropriate.