

Address:	Maryon House 115 - 119 Goldhurst Terrace London NW6 3EY		4
Application Number(s):	2016/3545/P	Officer: Ian Gracie	
Ward:	Swiss Cottage		
Date Received:	23/06/2016		
Proposal: Construction of a four storey residential building with basement to provide 11 residential units (3 x 1 bed, 6 x 2 beds and 2 x 3 beds), associated landscaping and refuse store to the front of the site following demolition of existing four storey residential building.			
Background Papers, Supporting Documents and Drawing Numbers:			
<p>Drawing nos. (Prefix: 15033-) P010; X100; X110; X120; X130; X310; X311; D100; D110; D120; D130; D310; D311; P090A; P100A; P110C; P120A; P130A; P140A; P210A; P211A; P212A; P213A; P310A; P311A. D15000 Rev P1; D15001 Rev P1.</p> <p>Reports: Cover Letter prepared by Savills dated 23 June 2016; Design & Access Statement prepared by KSR Architects dated June 2016; Planning Statement prepared by Savills dated June 2016; Report on a Phase 1 Risk Assessment prepared by Elliott Wood Partnership Ltd dated May 2016; Structural Engineering Report and Subterranean Construction Method Statement dated June 2016; Surface Water Flood Risk Assessment prepared by Water Environment Ltd dated 09/06/16; SUDS Drainage Statement prepared by Elliott Wood dated 07/06/16; A3 Landscape Design Proposal prepared by John Davies Landscape dated 22 June 2016; Basement Impact Assessment prepared by Site Analytical Services Ltd dated May 2016; Sustainability & Energy Statement prepared by Integration dated 20 June 2016; Planning Compliance Report prepared by KP Acoustics dated 20/06/2016; Detailed Daylight & Sunlight Report prepared by GVA Schatunowski Brooks dated June 2016; Arboricultural Impact Assessment prepared by Landmark Trees dated 21st June 2016; Construction Management Plan pro forma v2.0 dated May 2016; Overheating Analysis prepared by Integration dated 8th June 2017.</p>			
RECOMMENDATION SUMMARY: Grant conditional planning permission subject to Section 106 legal agreement			
Applicant:	Agent:		
Hive 1 Ltd c/o Agent	Savills 33 Margaret Street London W1G 0JD		

ANALYSIS INFORMATION

Land Use Details:			
	Use Class	Use Description	Floorspace (GIA sqm)
Existing	<i>C3 Dwelling House</i>		399 sqm
Proposed	<i>C3 Dwelling House</i>		996 sqm

Residential Use Details:						
	Residential Type	No. of Bedrooms per Unit				
		1	2	3	4	Total
Market	Flat	3	6	2		11

Parking Details:		
	Parking Spaces (General)	Parking Spaces (Disabled)
Existing	6	0
Proposed	0	0

OFFICERS' REPORT

Reason for Referral to Committee: Major development involving the construction of more than 10 new dwellings or more than 1000 sq. metres of non-residential floorspace [clause 3(i)]; and which is subject to the completion of a Section 106 legal agreement for matters which the Director of Regeneration and Planning does not have delegated authority [clause 3(iv)].

1. SITE

- 1.1 The application site comprises a four storey residential development comprising six duplex units located on the east side of Goldhurst Terrace within the South Hampstead Conservation Area. The application building is considered to make a neutral contribution to the conservation area. This particular part of the Conservation Area is prominent by way of its consistency in scale, use and architectural detail. The application site contrasts with this, however, only in architectural detail, as a result of being constructed in the 1960s following the site's terminal damage from a World War II bomb.
- 1.2 To the rear, the application site features a large rear garden, in contrast to properties to both sides of the application site which feature outriggers of varying depths. The rear of the site is bordered by a two storey building with pitched roof which is of residential use. There are no windows on the rear elevation of this building that face towards the application site.
- 1.3 The application site is located approximately 600m south of the Finchley Road London Underground Station and benefits from excellent access to public transport.

2. THE PROPOSAL

- 2.1 Planning permission is sought for the construction of a four storey building plus basement level to provide 11 residential units (3 x 1 bed, 6 x 2 beds and 2 x 3 beds).
- 2.2 The proposed building would occupy the full width of the application site. The building line would be set 6.7m from the front boundary wall and between 4.9-6.2m from the rear boundary wall, allowing for amenity space and landscaping to the front and rear of the property.
- 2.3 The proposed front elevation has three 'townhouse' components, each with paired windows staggered over three storeys to a parapet aligned with the neighbouring eaves. Each of the three has a two-storey square bay, lined in stone and in-filled with full-height metal-framed windows and timber board panels. The third floor of the building would be of a mansard style design with three dormers to the front elevation.
- 2.4 To the rear elevation the building would incorporate a stepped rear to provide the terraces to each unit for private amenity space. In terms of materials the building would be of brick construction with a metal clad roof level.

- 2.5 The development would include excavation works to provide a basement level measuring 415sqm which would involve excavating 4.5m under natural ground level. The basement would provide accommodation for 3 units. The basement would be articulated with two lightwells to the front elevation which would serve a unit located within the basement. These lightwells would project 2.4m from the front of the property and measure 3.1m wide. To the rear would be a further two lightwells which measure 1.8m wide and 4.5m in depth and would include a stair leading up to the garden level.
- 2.6 Within the front garden area would be the provision of bin storage, cycle stands and space for gas meters.
- 2.7 Internally, the plan form of the building is 2 to 3 units per floor. There will be a central core providing level access to the units.
- 2.8 During the course of the application, an amendment to the proposal was sought on grounds of design alterations requested by officers, following this the applicant requested to include an additional unit (Unit 6A). Officers accepted this amendment and fully re-consulted on the application as a result on 30th March 2017, as explained in paragraph 4.4.

3 RELEVANT HISTORY

- 3.1 There is little relevant planning history for the application site. The applicant did however apply for pre-application advice:

2016/0949/PRE – Demolition of Maryon House and provision of new 5 storey 11 residential unit building. **Pre-application advice issued on 29/04/2016.**

4 CONSULTATION SUMMARY

Statutory consultees

4.1 Thames Water

Thames Water advised that they have no objection with regard to water infrastructure capacity. Thames Water also recommend a number of conditions are placed on the decision notice such as a piling method statement and a Groundwater Risk Management Permit.

Local groups

4.2 Combined Residents Association of South Hampstead (CRASH)

Objection received a summary of which is provided below:

- The extent of the basement is excessive. There is already an application for a new basement in the immediate area at 109 Goldhurst

Terrace. The effect of such a large basement on surface water and other drainage has not been properly taken into account. The site is in an area of concentrated hard surfaces. It is recommended that the size of the basement be reduced. It is a mistake for the Council to consider each basement application individually and not to consider the collective effect of multiple basements or of the surrounding drainage issues.

- The proposed street façade is unsympathetic with the surrounding buildings. More effort should be given to harmonising the new building with its surrounds. The existing building is even less sympathetic to its surroundings. However, that does not mean that the new building should perpetuate this lack of respect for the conservation area.

4.3 Hampstead Conservation Area Advisory Committee (CAAC)

No objection received.

Adjoining occupiers

- 4.4 Public consultation on the application was carried out twice on this application due to the application being amended from its original submission. Once on 20/07/2016, the second on 30/03/2017 by means of 25 letters to neighbouring/nearby occupiers. A site notice was erected on 15/07/2016 and then subsequently on 30/03/2017. A press notice was published on 21/07/2016 and then also 30/03/2017.

<i>Number of letters sent</i>	25
<i>Total number of responses received</i>	6
<i>Number in support</i>	0
<i>Number of objections</i>	6

- 4.5 6 objections have been received, a summary of which is provided below:

Transport

- Goldhurst Terrace is already tight for on street parking. There are currently 6 units allowed parking, therefore, there should not be any more granted at the address.
- The proposed development will have significant impact on traffic parking and road safety. The construction works will cause congestion in the area.
- The increase in occupancy will increase the need for parking and traffic on a very narrow road (which already has scarce parking and is congested at times).

Housing

- The configuration of the number of single and double bedroom units should meet the needs of the borough by assessing the stock already available and already permitted. Therefore the number of

these units should be in check with that stock, and if necessary, the number of 3 & 4 bedroom units should replace those.

Design

- The design itself is unlike anything on the street. The compatibles are not in the same local area, and the front of the structure, roof, and windows should reflect the streetscape that already exists along the two sides of the subject street.

Conservation

- We need to preserve post-war architecture from the 1950s and 60s for future prosperity. The existing building has been there for 60 years and has its place in the ever evolving story of the street scene and street life of Camden.

Basement

- The excavation and building of the basement requires increase in foundations and underpinning within the boundary lines of the adjoining properties. The Basement Impact Assessment acknowledges 'very slight damage'. The occupants in these adjoining properties can take little comfort from such phrasing.
- The Basement Impact Assessment states that the 'foundation depths of adjacent properties are not known', which is also of little comfort to the occupants in the adjoining properties.
- Merely underpinning one side will not prevent movement to the other side's foundations which will cause stress on these over 100 years old houses, so damage may even occur after the development work is completed.
- We are extremely concerned that the excavation will have a detrimental effect on the structural integrity of our property.

Trees

- In light of the tree being very near 121 Goldhurst Terrace, the increase in risk to it from the basement design of the development is of concern to the occupants.

Daylight/Sunlight

- The Daylight Sunlight report acknowledges that there will be a loss of light, although states this will not be of an unacceptable level. There is no need for there to be any loss of light/privacy.

Construction works

- The demolition work will be unavoidably noisy and create considerable dust and air pollution.

- The construction work and heavy vehicles will create considerable disruption in Goldhurst Terrace and the surrounding roads.
- 6 months is too long of a construction period.

Following the re-consultation, the following objection was made by the owner/occupier of Flat 2, 121 Goldhurst Terrace:

Basement

- The plan still has a basement, which necessitates building and excavation. The Basement Impact Assessment Audit (BIAA) still notes “slight damage” (assumably Burland Category 2). However, none of the new material acknowledges that the present boundary of 115-119 and 121 does not presently have an adjoining party wall. Unlike the vast majority of planning applications the proposal involves extending to a party wall and even having to underpin it. There is no necessity however to have this and so the objection is on the grounds of layout and density is still maintained;
- More importantly approval of the current plan that has a basement risks creating a precedent. This is a material consideration and reason the current plan should be rejected. It is likely that many along Goldhurst Terrace and Camden in general will be receiving basement planning application for basement excavation if the present one is approved and it is likely to face the same issues as others boroughs where initial approvals set a precedent leading to spikes and having to introduce restrictions on basement constructions (Islington, Westminster, Kensington and Chelsea).
- The BIAA suggests ‘considering’ preloading temporary props. But mere consideration will provide no use, it should be a condition of the work, and it should be a measure that the applicant would put forward itself and in any event be a condition of any work. The application has no mention of monitoring points, there is nothing to show how the movement of the building is to be monitored, such as by means of optical survey studs or remote sensors. Also, the applicant has not provided (nor are any found in the BIAA) any floating calculation/uplifting check to show that the basement will not pop out or explanation of stage by stage checks for the temporary construction stages when dealing with the basement (or at least mention that construction will always be with pressure relief drainage provided). In the event that any planning application is approved these should be conditions of the approval.

Trees

- The inclusion of the basement is also putting greater risk to the trees/ecology in the conservation area. The revised drawings/plans have not addressed this aspect and the trial pit in the initial plan did not extend the entire scope of the proposed foundations/party walls (which are necessary because the plan is to have a basement and

extend to party walls). Removal of the basement and not going all the way to party walls lessens this risk.

Transport

- The revised plan is still of such a scale, that it will have an effect on traffic. The increase from 12 bedrooms to 19 bedrooms on this narrow street cannot help cause this after work has completed, and during the construction phase it will increase the danger on the highway in the narrow one way streets that surround. For context removal of the basement means the 19 bedroom plan, drops to 15 bedrooms which is still more than the present building of 12 but at least is likely to lessen traffic.

5 POLICIES

5.1 National Planning Policy Framework 2012

5.2 The London Plan 2016

5.3 Mayor's Supplementary Planning guidance

5.4 Camden Local Plan 2017

- G1 – Delivery and location of growth;
- H1 – Maximising housing supply;
- H3 – Protecting existing homes;
- H4 – Maximising the supply of affordable housing;
- H5 – Protecting and improving affordable housing;
- H6 – Housing choice and mix;
- H7 – Large and small homes;
- C5 – Safety and security
- C6 – Access for all
- A1 – Managing the impact of development;
- A2 – Open Space
- A3 – Biodiversity;
- A4 – Noise and vibration
- A5 – Basements
- D1 – Design;
- D2 – Heritage;
- CC1 – Climate change mitigation
- CC2 – Adapting to climate change
- CC3 – Water and flooding
- CC4 – Air quality
- CC5 – Waste
- T1 – Prioritising walking, cycling and public transport;
- T2 – Parking and car-free development
- T3 – Transport infrastructure
- T4 – Sustainable movement of goods and materials

5.5 Supplementary Planning Guidance

CPG1 – Design (2015)
CPG2 – Housing (2015)
CPG3 – Sustainability (2015)
CPG6 – Amenity (2011)
CPG7 – Transport (2011)

6 ASSESSMENT

6.1 The principal consideration material to the determination of this application are summarised as follows:

7	Land use
8	Affordable housing
9	Conservation and design
10	Basement
11	Quality and mix of proposed accommodation
12	Neighbour amenity
13	Transport
14	Sustainability
15	Trees and landscaping
16	Land contamination
17	Planning obligations

7 LAND USE

7.1 Self-contained housing is regarded as the priority land-use of the Camden Local Plan. The proposal would provide an additional five self-contained residential units following the demolition of the six existing units. As such the provision of new residential accommodation is compliant with policies H1 and H2 of the Camden Local Plan long as it meets the Council's residential development standards and does not harm the amenity of neighbouring and existing and future occupiers.

8 AFFORDABLE HOUSING

8.1 Local Plan policy H4 (Maximising the supply of affordable housing) requires an affordable housing contribution for all schemes that provide one or more additional homes and involve an addition of 100sqm (GIA) or more of residential floorspace. As the proposal would provide 11 new homes with a total uplift of 675sqm (GIA) an affordable housing contribution is required.

8.2 Policy H4 uses a sliding scale to calculate the target floorspace for developments that provide one or more additional homes and have capacity for fewer than 25 additional homes. The target starts at 2% for the one homes and

increasing by 2% for each additional home. The target for a scheme with capacity for an additional 7 dwellings would be 14% of the proposed floorspace.

- 8.3 As the calculation relies on Camden Planning Guidance, (CPG8) which has not yet been updated to respond to the Local Plan, the target is applied to gross external area as opposed to gross internal area, so in this instance the target would be 16% of 844sqm (GEA) (675sqm x 1.25) equating to 118sqm. Policy H4 acknowledges that smaller schemes with an uplift of less than 10 units cannot provide the target floorspace on site and requires a payment in lieu, which in this instance would be £312,700 (118sqm x £2,650).
- 8.4 The applicant has submitted a Financial Viability Report, prepared by Affordable Housing Solutions, which concludes that the proposed scheme is not capable of delivering any affordable housing contribution without becoming unviable.
- 8.5 The applicant's viability information was subsequently assessed by a third party auditor, BPS, who were satisfied that because the proposed scheme was at 'break-even' point it cannot viably make any affordable housing contributions.
- 8.6 BPS also note that there is scope for residential values to change once the proposal is completed. It would be possible to secure a post-construction review mechanism be secured via a Section 106 agreement to capture any uplift in profits from the proposal. However, officers have negotiated a payment of £109,445 which equates to approximately 35% of £312,700. This would be broadly comparable with the threshold approach in the Mayor's Affordable Housing and Viability SPG. Officers consider this to be a fair offer in light of the fact that the scheme is currently not capable of providing any affordable housing contribution.
- 8.7 In light of this, it is considered that the proposal is acceptable on affordable housing grounds and is in accordance with policy H4 of the Local Plan.

9 CONSERVATION AND DESIGN

- 9.1 Policy D1 requires development proposals to respect the local context and character, preserve or enhance the local historic environment and heritage assets and integrate well with the surrounding streets and open spaces.
- 9.2 With regards to heritage, Policy D2 states that the council will preserve and, where appropriate, enhance Camden's rich and diverse heritage assets and their settings, including conservation areas.

Existing building

- 9.3 The existing building, which is a post-war purpose built block of flats is not identified as a positive contributor to the South Hampstead Conservation Area. It is a four-storey building composed of three sets of stacked two-bay duplexes, the upper storeys of each being rendered, creating two rendered bands across the building at first and third floor levels, punctuated by a narrow full-height

brick pilaster. The unrendered lower floors each have a small projecting balcony.

- 9.4 In views south along the terrace, the site is largely screened by the mature trees in its unlandscaped front garden, while in views from across the junction with Fairhazel Gardens to the south-west it is more prominent. While the three vertical pieces approximate the surrounding plot widths and its eaves line holds close to that of its neighbours, the flatness of its elevation appears as a jarring break in the otherwise very modelled street frontage.
- 9.5 Goldhurst Terrace, at least in its northern portion, consists of three-storey red-brick villas and apartment buildings, some with square bays, some canted, these being one or two storeys in height, some buildings with gables and others with flat eaves. The effect of the subtle variations is a highly regular townscape, composed of strong building lines and boundary treatments, a consistent material palette, repetitive plot widths and massing. Disruptions are limited to isolated mansard roofs and post-war buildings with the flatter massing of Maryon House and others.
- 9.6 It is therefore considered that the loss of the existing building would not cause harm to the character and appearance of the Conservation Area.

Proposed building

- 9.7 The proposed design makes a strong contextual response to the dominant Victorian/Edwardian townscape but in a modern idiom, and one which would correct some of the shortcomings of the existing building. The proposal is more successful in its response than the 4-and-a-half storey modern block, No.83-85, which has two sets of coupled square bays in dark red brick, which breaks the eaves line and in its duller variations on the surrounding features manages to disrupt the streetscape rather than blend-in.
- 9.8 The proposed front elevation has three 'townhouse' components, each with paired windows staggered over three storeys to a parapet aligned with the neighbouring eaves and expressed with double soldier courses of brickwork, matching in colour with the historic street frontage adjacent. The three pieces fill the whole plot, extinguishing the current gap, but articulating and separating each of the three is a narrow and slightly recessed piece with three stacked single windows. Each of the three has a two-storey square bay, lined in stone and in-filled with full-height metal-framed windows and timber board panels. The timber is an acceptable complement to the joinery in the fenestration of the neighbouring terraces, and will help to soften the sharp modern detailing of the stone and metal-framed glazing, but it will need to be carefully controlled and selected to ensure its quality, finish and longevity, it is recommended a condition will secure such detail.
- 9.9 The proportions of the fenestration bring up-to-date but also emulate the proportions of the sash windows on the surrounding terraces. Railed lightwells at the front are modest in size and, along with the understated main entrance set in the central bay, will not disrupt or give undue weight to any part of the regular rhythm of the whole. A condition is recommended to secure the

detailing of the bays and the canopy over the main entrance, requiring submission of 1:5 sectional and elevational bay studies, and 1:2 details of junction.

- 9.10 A metal-clad roof storey is set up to 1.5m behind the parapet, and is interestingly shaped and modelled into three modern dormer-style windows projecting between 1.3 and 1.9m forward of the hinge-angle of the mansard-like roof volume. This variation on the shallow-pitched roofs adjacent is acceptable because the depth of the recess behind the parapet means they will project only slightly above the adjacent roofs, as shown in section drawings, and the softness lent by the modelled form will help to limit the prominence of the flush glazing in oblique views. Use of a metal cladding, rather than slate but comparable in tone, is justified as a complement to the modern form and detailing.
- 9.11 The proposal aims to replicate the massing of the existing building, exchanging duplexes for flats with a stepping elevation to the rear providing outdoor amenity space in the garden or on roof terraces. The rear garden is substantially enclosed by surrounding buildings and will not be visible in any public views in the Conservation Area. It is proposed to be faced mainly in brick, with substantial glazing to living areas, and metal balustrades to terraces, which are simply detailed and appropriate to the architectural style of the proposal and to preserving the amenity of surrounding private views. The projecting components of the rear elevation emulate the form of the closet wing structures of neighbouring buildings, to improve privacy and reduce overlooking. Their scale and footprint has been reduced to improve the light available to the neighbour to the north. The design of the rear elevation is acceptable, but balustrades and glazing/frame details are recommended to be secured by condition.
- 9.12 The proposed building would, in the massing, form and materiality of its front elevation contribute positively to the character and appearance of Goldhurst Terrace in the Conservation Area, while the rest of its bulk and massing has been negotiated to avoid being overbearing, overscaled or otherwise causing harm to private views and areas. The detailing, including details of hard and soft landscaping, are recommended to be secured by condition, to ensure that the quality of architectural contribution intended is achieved.

10 BASEMENT

- 10.1 The application proposes a basement level under the footprint of the building with front and rear lightwells to a depth of 3.7m. This area will cover approximately 415sqm and will accommodate three residential units, some of the cycle storage as well as plant equipment and services.
- 10.2 Policy A5 and planning guidance CPG4 state that developers will be required to demonstrate, with methodologies appropriate to the site, that schemes do not interfere unreasonably with underground water flows; maintain the structural stability of the land, existing building and neighbouring properties; and do not contribute to localised surface water flow or flooding.

- 10.3 “It is considered that the proposed basement is acceptable by virtue of it being one storey in depth, not exceeding more than 50% of the proposed gardens to Units 1 & 2 at lower ground floor level, less than 1.5 times the footprint of the building, the basements extend approximately 49% into the rear garden, and no trees are proposed to be removed as part of this application.
- 10.4 There is however a section of the northern boundary of the basement where the basement does not meet criteria (l) – being set back from the boundary of a neighbouring property. However, in light of the basement meeting all of the other criteria of the policy it is considered on balance that this is acceptable.
- 10.5 It is acknowledged that objection has been received from neighbouring residents in respect of the basement level works. The applicant has submitted a Basement Impact Assessment to demonstrate the impact of the proposed works. This has been independently reviewed by the Council’s Consultants. In the conclusions, the audit notes the following:
- It is accepted that there are no hydrogeological or hydrological concerns with respect to the development proposals.
 - A ground movement analysis has predicted a damage category of typically Very Slight (Burland Category 1) or less to adjoining properties, with ‘Slight’ damage being predicted to two walls. Appropriate mitigation measures and a temporary and permanent works methodology have been provided. Following the initial audit, a revised ground movement assessment has been submitted. The assessment is based on conservative engineering assumptions.
 - It is accepted there are no slope stability concerns with respect to the development proposals.
 - It is noted that there are two trees to the front of the site. They will be protected and have been considered in the design and method of construction of the proposed basement.
 - It is accepted that the new development and associated basement is at low risk of flooding and with the implementation of SUDS at the site, there will be no increase in flood risk elsewhere as a result of the development.
- 10.6 In light of these conclusions it is considered that the applicant has taken the appropriate steps and measures to ensure that the basement level can be constructed without adverse impacts to the surrounding environment. Campbell Reith do not consider it necessary to secure a Basement Construction Plan on this occasion given the level of detail that has been provided within the submitted BIA. A condition has been attached to the decision notice which requires that works are to be carried out by a qualified engineer. It is considered that this requirement together with the detail already provided, and assessed by a third party company, addresses the concerns of the public. As a result, it is considered that the proposal accords with policy A1 and A5 of the Camden Local Plan.

11 QUALITY AND MIX OF PROPOSED ACCOMMODATION

11.1 Policy H7 aims to secure a range of homes of different sizes that will contribute to the creation of mixed, inclusive and sustainable communities. The Council will seek to ensure that all housing development contributes to meeting the priorities set out in the Dwelling Size Priorities Table within policy H7. New residential units must also comply with the standards as set out within Table 3.3 of the London Plan 2016.

11.2 The table below compares the proposed floorspace for each respective unit against the current space standards as set out within the London Plan 2016.

Unit No.	Proposed Unit	Proposed floorspace (sqm)	Required floorspace (sqm)
1	1b2p	68	50
2	1b2p	76	50
3	2b4p	106	70
4	3b6p	118	95
5	3b6p	132	95
6a	1b1p	40	39
6b	2b4p	73	70
7	2b4p	96	70
8	2b4p	70	70
9	2b4p	90	70
10	2b4p	128	70
Total		997	749

11.3 The table above demonstrates that each of the proposed units exceed the minimum floorspace requirements as set out in the London Plan and are considered acceptable.

Mix

11.4 The Dwelling Size Priorities Table, set out within policy H7, notes that 2 & 3-bedroom market units have a 'high' priority with 1-bedroom units having a 'lower' priority. The percentage of 2 & 3-bedroom units is 73% (55% 2-bed, 18% 3-bed) whilst the percentage of 1-bedroom units proposed is 27%. The proposed mix would accord with the requirements of H7.

Open space

11.5 Each unit, apart from Unit 3 is provided with open space either in the form of garden space or terrace space. Unit 3 will be provided with two lightwells. Each unit will receive a minimum of 9sqm of private open space, surpassing the requirements of policy A1 of the Local Plan.

Daylight/Sunlight

- 11.6 With regard to daylight, the applicant has used Vertical Sky Component (VSC) and Average Daylight Factor (ADF) to test levels of daylight. If the VSC is greater than 27% then enough daylight should be received by the windows. With regards to ADF, bedrooms must achieve at least 1%, living rooms 1.5% and kitchens (where is a dining function) 2%. For both tests, the applicant has only assessed the proposed lower ground floor units as they would be the most sensitive units in this regard.
- 11.7 With regards to ADF, each of the proposed rooms pass the required tests. It is noted, with regards to VSC, that whilst the bedrooms do not meet the required levels, the living rooms do surpass the 27% requirement. It is considered that whilst not all rooms meet the required VSC tests, which is not uncommon with lower ground floor units, the ADF levels of each room surpasses the required tests ensuring that the proposed units will receive adequate levels of daylight in accordance with policies A1 and D1 of the Camden Local Plan.

Outlook

- 11.8 It is considered that all units benefit from acceptable levels of outlook. It is noted that the 2-bed unit at lower ground floor level (Unit 3) facing toward the front of the property looks out on to two large deep lightwells, measuring between 2.5 and 2.7m in depth. It is considered that the large lightwells, combined with the acceptable level of daylight that the units will receive, result in the units having an acceptable level of outlook. In regard to the two units to the rear of the property (units 1 and 2), these would have lightwells at lower ground level measuring 9.7sqm and 8sqm respectively which would then lead up to gardens at the ground floor level. Given the depth of these lightwells, 4.5m it is considered the units would achieve an acceptable level of outlook.

Privacy

- 11.9 Each of the units are considered to have adequate levels of privacy with little opportunity for overlooking towards the proposed units and neighbouring occupiers. A condition has however been attached to the permission to ensure that the rear bedrooms within units 4 and 5 are obscure glazed to ensure that the gardens of the lower ground floor units (Units 1 and 2) are not overlooked. Given these would be secondary bedrooms units 4 and 5 would receive a good level of amenity overall.

12 NEIGHBOUR AMENITY

Daylight/Sunlight

- 12.1 The applicant has undertaken a daylight and sunlight assessment for the proposed development that considers the impact of the proposal on the surrounding buildings (14 Fairhazel Gardens, 113 & 121 Goldhurst Terrace and building to the rear of **113** Goldhurst Terrace).
- 12.2 With regard to daylight, the applicant has used Vertical Sky Component (VSC) to test levels of daylight. If the VSC is greater than 27% then enough daylight should be received by the windows. Should windows fail the 27% level it is

acceptable to have a reduction from the existing level of VSC to no less than 80% its former value (a ratio reduction of 0.8).

- 12.3 The VSC does not include reflected light, either from the ground or from other buildings. It also does not take into account other factors such as whether there is light from secondary windows and rooms/units that are dual aspect. The BRE guidance is clear in that only windows that serve habitable space should be assessed such as living rooms, kitchens (where there is a dining function), and bedrooms. Ancillary circulation space and toilets/bathrooms do not need to be included.
- 12.4 With regard to 14 Fairhazel Gardens, 121 Goldhurst Road and the building to the rear of 113 Goldhurst Terrace the daylight and sunlight report demonstrated these properties would continue to receive adequate levels of daylight and sunlight as a result of the proposed development.
- 12.5 There are four windows in total where the resultant level of VSC is less than 80% of its former value. These are W1/30, W2/30, W3/30 (all associated with room R1/30 (kitchen) at ground floor level of 113 Goldhurst Terrace) and W1/35 (associated with R1/35 at second floor level of 113 Goldhurst Terrace (bedroom)). This room is however dual aspect and will receive sufficient daylight from the other east facing window.
- 12.6 It is however noted that the Average Daylight Factor (ADF) level of room R1/30 (at ground floor level of 113 Goldhurst Terrace) will still be 94% of its existing value (representing a 6% loss). In light of this, it is accepted that despite the levels of VSC for this room being beyond the 27% impact and less than 80% of its former value, the impact on the level of ADF is below 20% (ADF level reduced from 0.71 to 0.67) which is considered an acceptable impact in line with the BRE guidelines.
- 12.7 Likewise, W1/35 has a VSC impact of 38% (which is 62% of its former value) but the level of ADF for that room is 91% of its former value (2.09 to 1.92) which is considered acceptable.
- 12.8 With regards to Annual Probable Sunlight Hours (APSH), the BRE Guidelines require that all windows within 90 degrees of due south should be considered. The recommended numerical values set out within the BRE Guidelines are for a window to receive APSH of 25%, including at least 5% during the winter months or where the difference in the APSH is more than 4% between the existing and proposed both the total APSH and those enjoyed within the winter months are more than 0.8 times the existing values. The guidelines however also state that bedrooms are less important than living rooms.
- 12.9 There are three windows which receive less light than 80% of their existing values. These are W1/34 and W1/35 at first and second floor of 113 Goldhurst Terrace respectively and W1/51 of building to the rear of 113 Goldhurst Terrace.
- 12.10 In the case of the windows at 113 Goldhurst Terrace, these are relatively small windows that serve light into a room that is served by other larger

windows on another aspect which also bring light into the room. The two respective rooms that they serve, R1/34 and R1/35, receive adequate levels of daylight in that the ADF levels for that room are either unaffected (in the case of R1/34) or 91% of its existing ADF levels (in the case of R1/35).

- 12.11 Likewise, with the impact on W1/51 (window serving a second bedroom to a dual aspect maisonette) associated with the building to the rear of 113 Goldhurst Terrace, the ADF values for that room are 97% of their existing values which is considered acceptable. The applicant has also submitted a Daylight Sunlight Report demonstrating that the proposal will have a limited impact on the APSH. This is due in large part to the two storey wall separating the application site from the affected windows.
- 12.12 In light of the above, it is considered that the proposal will have an acceptable level of impact, in terms of daylight and sunlight, on the surrounding residential properties in accordance with policy A1 of the Local Plan.

Outlook

- 12.13 With regards to outlook, it is considered that the proposal will retain an acceptable level of outlook from neighbouring properties. The most significant impact will be that of the outlook from the rear of 113 Goldhurst Terrace as the proposed building will project beyond the existing building line and will be more visible from the rear of 113 Goldhurst Terrace. The ground floor to no.113 Goldhurst Terrace is dual aspect with good levels of outlook. It is considered on balance that the level of outlook from the rear of 113 Goldhurst Terrace will be acceptable in accordance with policy A1 of the Local Plan.

Privacy

- 12.14 With regards to privacy, it is considered that the proposal will not further the opportunity for overlooking into neighbouring properties in accordance with policy A1 of the Local Plan. This is by virtue of the privacy screens that are proposed along the terraces to prevent overlooking both to neighbours at 113 Goldhurst Terrace and 121 Goldhurst Terrace. A condition securing the detail of these has been recommended.

13 TRANSPORT

Car parking

- 13.1 Policy T2 states that it will limit the availability of parking and require all new developments in the borough to be car-free. The Council will not issue on-street or on-site parking permits in connection with new developments and use legal agreements to ensure that future occupants are aware that they are not entitled to on-street parking permits.
- 13.2 It is acknowledged that an objection has been received which mentions the existing strain on on-street car parking. The proposal does not seek to introduce on-site car parking and the applicant has agreed to enter into a Section 106 legal

agreement to secure all of the proposed units as car free in accordance with policies T1 and T2 of the Local Plan.

Cycle Parking

- 13.3 Policy T1 requires development to provide accessible and secure cycle parking facilities in accordance with the minimum requirements of the cycle parking standards set out within Table 6.3 of the London Plan.
- 13.4 In order to meet the London Plan's minimum cycle parking requirement the applicant must provide 19 long-stay cycle parking spaces together with one short stay cycle parking space for the new residential units.
- 13.5 The proposal will provide six Sheffield stands at the front of the building, and 18 spaces at internal lower ground floor level via nine two-tier Josta stands, taking the total number of short and long stay cycle spaces to 24. Those located at lower ground floor will be accessible via a lift to ensure they have level access. This exceeds the requirements set out above and are therefore considered acceptable.

Highways contribution

- 13.6 The proposed works could lead to damage to the footways and carriageway directly adjacent to the site. Camden would need to undertake highway remedial works following completion of the proposed development and a financial contribution for highway works should be secured as a Section 106 planning obligation. The highways contribution will be £7,953.18.

Construction Management Plan

- 13.7 Due to the excavation works the project is likely to generate a significant number of construction vehicle movements during the overall construction period. Construction vehicles may hinder the traffic flow on Goldhurst Terrace which may cause conflicts with the surrounding highway network.
- 13.8 The proposal has the potential to impact on neighbour amenity, a point raised by one of the objectors. The Council needs to ensure that the development can be implemented without being detrimental to amenity or the safe and efficient operation of the highway network in the local area. The applicant has agreed to enter into a Section 106 legal agreement to secure a Construction Management Plan which would plan how the development is constructed to ensure minimal impact on neighbour amenity.
- 13.9 A financial contribution of £1,140 has also been secured to cover the costs of reviewing the Construction Management Plan.

14 SUSTAINABILITY

- 14.1 The Council aims to tackle the causes of climate change in the borough by ensuring developments use less energy and assess the feasibility of decentralised energy and renewable energy technologies. Policy CC1 requires

all development to minimise the effects of climate change and encourages all developments to meet the highest feasible environmental standards that are financially viable during construction and occupation. Policy CC2 requires development to be resilient to climate change by adopting climate change adaptation measures.

- 14.2 Policy 5.2 of the London Plan requires that development proposals make the fullest contribution to minimising carbon dioxide emissions in accordance with the energy hierarchy: be lean (use less energy), be clean (supply energy efficiently), be green (use renewable energy).
- 14.3 The application is accompanied by a Sustainability & Energy Statement, which outlines the development's approach to sustainability, energy efficiency and renewable energy strategies.
- 14.4 In terms of being lean, the development would include mechanical ventilation with heat recovery (MVHR) technology, LED lighting and efficient gas boilers.
- 14.5 In terms of being clean, the applicant notes that site-wide CHP, opportunities to connect to a future network and the possibility of connecting to an existing decentralised energy network are not feasible.
- 14.6 In terms of being green, 45.4sqm solar thermal panels are proposed on the roof of the proposed building which will provide 9.24kWp which meets the policy requirement for a 20% reduction through renewables. A condition is recommended to require further details of the solar thermal equipment to be submitted for approval prior to their installation.
- 14.7 Guidance from the GLA in relation to cooling notes that cooling for dwellings is discouraged and not acceptable unless the applicant demonstrates that the cooling demand has been minimised and the dwellings are designed to meet the CIBSE TM52 overheating criteria without being reliant on the cooling system. An overheating assessment should be provided, to identify if the applicant will need to incorporate further measures to reduce overheating into their design. No cooling is proposed as part of this application. Instead natural ventilation alongside MVHR is proposed. Whilst the G values are high at 0.7, the Overheating Assessment shows that the units will pass the overheating criteria.
- 14.8 The Sustainability Statement notes that the proposed development would achieve a 35.7% energy reduction below the baseline tCO₂ of 17.06. Where the London Plan carbon reduction targets cannot be met on-site, paragraph 3.23 of CPG3 notes that that the Council may accept the provision of measures elsewhere in the borough or a financial contribution (charged at £60 / tCO₂ / year over a 30 year period), which would be used to secure the delivery of carbon reduction measures elsewhere in the borough. In this case, there is a likely shortfall of 10.96 tCO₂ for the proposed building which equates to a carbon offset requirement of £19,728. This will be secured through the section 106 legal agreement.

- 14.9 External landscaping and green roofs are included in the proposal, which is welcomed (conditions are recommended to secure their provision). The application also proposes greywater harvesting, which is welcomed.
- 14.10 Policy CC3 requires developments to reduce their water consumption, pressure on the combined sewer network and the risk of flooding. The water consumption estimated for the residential units is below 105 litres per day (plus an additional 5 litres for external water use) which is considered acceptable. A condition is recommended relating to maximum internal water usage and the rainwater harvesting. (SuDS are discussed in the Flood Risk and Drainage section of the report).
- 14.11 Overall, subject to the suggested conditions and terms of the legal agreement, the proposal is considered to be acceptable in regard to sustainability.

15 FLOOD RISK AND DRAINAGE

- 15.1 Policy CC3 of the Local Plan seeks to ensure that development does not increase flood risk and reduces the risk of flooding where possible. The Sustainability Statement includes a Flood Risk Assessment (FRA).
- 15.2 The FRA notes that the application proposes the following types of SuDS: 173m³ attenuation tank with vortex flow control to restrict discharge rate to 4l/s, pumped discharge from the basement for the lightwells, pumping station to a non-return valve. 38sqm of green roof is also proposed which is considered acceptable.
- 15.3 The SuDS hierarchy in the London Plan has been followed. A suitable condition is suggested to require full details of the ongoing maintenance to be submitted for approval prior to the commencement of development.
- 15.4 With regards to flooding, the Basement Impact Assessment considered this which was audited by a third party company. It was concluded that the new development and associated basement is at low risk of flooding and with the implementation of SUDS at the site, there will be no increase in flood risk elsewhere as a result of the development (see Section 11). As a result, it is considered acceptable in this regard.

16 TREES AND LANDSCAPING

- 16.1 No trees are proposed to be removed to facilitate development. The scheme proposes excavation within the Root Protection Area (RPA) of two off site trees on neighbouring properties on the Goldhurst Terrace frontage. Objection has been raised by neighbouring residents in respect of the impact of the basement development on this RPAs. The application has been supported with an Arboriculture report. Within the report, trial pit investigation has been undertaken to assess the degree of rooting encroachment into the site at the line of proposed excavation for the light well at the front of the property.
- 16.2 The investigation found three significant roots (those over 25mm in diameter in line with BS5837:2012) which are 40-45mm in diameter. It is considered that the

trees will tolerate this degree of root severance provided the roots are cut using clean, sharp hand tools under arboricultural supervision.

- 16.3 The installation of the proposed gas meter housing is considered acceptable provided the installation methods referred to in the arboricultural report are utilised.
- 16.4 Full tree protection details, including an arboricultural method statement are recommended to be secured via condition to ensure the trees would be suitably protected during the works.
- 16.5 The development includes works of landscaping around the proposed building, full landscaping details of which are recommended to be secured via condition. As a result, it is considered that the proposal is in accordance with policy A1 of the Local Plan.

17 CONTAMINATED LAND

- 17.1 The application site is within a site of potential contaminated land. As such a condition has been attached to the permission which requires a written programme of ground investigation of soil and groundwater contamination and landfill gas to be submitted and approved by the Council. A further investigation shall be carried out in accordance with the approved programme and the results and a written scheme of remediation measures, if necessary, shall be submitted to and approved by the local planning authority.
- 17.2 As a result the proposal is considered to comply with policies A1 and A5 of the Camden Local Plan.

18 PLANNING OBLIGATIONS AND CIL

- 18.1 The following heads of terms have been secured as part of a Section 106 legal agreement:
- Construction Management Plan (CMP);
 - A financial contribution of £1,140 for CMP monitoring;
 - Highways contribution – £7,953.18;
 - Car-free housing;
 - Sustainability Plan;
 - Energy Efficiency & Renewable Energy Plan;
 - £19,728 for carbon offset contributions;
 - Affordable housing contribution of £109,445.
- 18.2 The proposal will be liable for the Mayor of London's CIL. Camden is in charging Zone 1 where the Mayoral CIL rate is £50/sqm.
- 18.3 The proposal will also be liable for the Camden CIL. The application site is in charging Zone B. The Camden CIL rate for residential development below 10 dwellings in Zone B is £500/sqm. (675sqm x £500 = £337,500)

- 18.4 CIL payments will be collected by Camden after the scheme is implemented and could be subject to surcharges for failure to assume liability, submit a commencement notice and late payment. CIL charges are subject to indexation in line with the construction costs index.

19 CONCLUSION

- 19.1 The proposal would provide an uplift of 6 new units of a good quality. The proposed building would, in the massing, form and materiality of its front elevation contribute positively to the character and appearance of Goldhurst Terrace in the Conservation Area, while the rest of its bulk and massing has been negotiated to avoid being overbearing, overscaled or otherwise causing harm to private views and areas.
- 19.2 Whilst the proposal has been identified as being unable of providing any affordable housing contribution on site, the applicant has offered to provide a single upfront payment by way of avoiding the costly review process that would have been secured by the Section 106 legal agreement. It is considered, in light of the proposal being incapable of providing AH contributions in the current climate, that the offer of approximately 35% (£109,445) of the total policy requirement, which is broadly comparable with the threshold approach in the Mayor's Affordable Housing and Viability SPG, is acceptable.
- 19.3 The development is car-free and is considered acceptable, subject to conditions, in all other respects.

20 RECOMMENDATION SUMMARY

- 20.1 Grant conditional planning permission subject to Section 106 legal agreement**

21 LEGAL COMMENTS

- 21.1 Members are referred to the note from the Legal Division at the start of the Agenda.

22 Conditions and Reasons

- 1 The development hereby permitted must be begun not later than the end of three years from the date of this permission.

Reason: In order to comply with the provisions of Section 91 of the Town and Country Planning Act 1990 (as amended).

- 2 Before the relevant part of the work is begun, detailed drawings, or samples of materials as appropriate, in respect of the following, shall be submitted to and approved in writing by the local planning authority:

a) Samples and manufacturer's details of all new facing materials.

b) Details including sections at 1:10 of all windows and dormers (including jambs,

head and cill), timber panels and stone lining, ventilation grills, external doors, privacy screens, balustrades and railings;

c) Details including elevation and section drawings at 1:5 of the bay studies and 1:2 of the junctions associated with the proposed bays and canopy of the main entrance.

The relevant part of the works shall not be carried out otherwise than in accordance with the details thus approved.

Reason: In order to safeguard the special architectural and historic interest of the retained buildings and to safeguard the character and appearance of the wider area in accordance with the requirements of Policies D1 and D2 of the Camden Local Plan 2017.

- 3 The development hereby permitted shall be carried out in accordance with the following approved plans (Prefix: 15033-) P010; X100; X110; X120; X130; X310; X311; D100; D110; D120; D130; D310; D311; P090A; P100A; P110C; P120A; P130A; P140A; P210A; P211A; P212A; P213A; P310A; P311A. D15000 Rev P1; D15001 Rev P1.

Reason: For the avoidance of doubt and in the interest of proper planning.

- 4 The dwellings hereby approved shall be designed and constructed in accordance with Building Regulations Part M4 (2); evidence demonstrating compliance should be submitted to and approved by the Local Planning Authority prior to occupation.

Reason: To ensure that the internal layout of the building provides flexibility for the accessibility of future occupiers and their changing needs over time, in accordance with the requirements of policy H6 of the Camden Local Plan 2017.

- 5 Prior to the first occupation of units 4 and 5, the bedroom windows facing east shall be obscure glazed and permanently retained thereafter.

Reason: In order to prevent unreasonable overlooking of neighbouring premises in accordance with the requirements of Policies D1 and A1 of the Camden Local Plan 2017.

- 6 Prior to occupation of the hereby approved units, the cycle storage as annotated on plans No. 15033-P090 Rev A and 15033-P100 Rev A shall be provided in its entirety and permanently retained thereafter.

Reason: To ensure the development provides adequate cycle parking facilities in accordance with the requirements of policy T1 of the Camden Local Plan 2017.

- 7 The development hereby approved shall achieve a maximum internal water use of 110litres/person/day. The dwellings shall not be occupied until the Building Regulation optional requirement has been complied with.

Reason: To ensure the development contributes to minimising the need for further water infrastructure in an area of water stress in accordance with policy CC3 of the

Camden Local Plan 2017.

- 8 Prior to the installation of the photovoltaic cells and solar thermal array, detailed plans showing the location and extent of photovoltaic cells and solar thermal array to be installed on the building shall be submitted to and approved in writing by the Local Planning Authority. The measures shall include the installation of a meter to monitor the energy output from the approved renewable energy systems. The cells shall be installed in full accordance with the details approved by the Local Planning Authority and permanently retained and maintained thereafter.

Reason: To ensure the development provides adequate on-site renewable energy facilities in accordance with the requirements of Policies CC1 and CC2 of the Camden Local Plan 2017.

- 9 No piling shall take place until a piling method statement, prepared in consultation with Thames Water (detailing the depth and type of piling to be undertaken and the methodology by which such piling will be carried out, including measures to prevent and minimise the potential for damage to subsurface sewerage infrastructure, and the programme for the works) has been submitted to and approved in writing by the local planning authority. Any piling must be undertaken in accordance with the terms of the approved piling method statement.

Reason: To safeguard existing below ground public utility infrastructure and controlled waters in accordance with the requirements of Policy CC3 of the Camden Local Plan 2017.

- 10 Prior to commencement of the development, full details of the sustainable drainage system shall be submitted to and approved in writing by the local planning authority. Such a system should be designed to accommodate all storms up to and including a 1:100 year storm with a 40% provision for climate change, such that flooding does not occur in any part of a building or in any utility plant susceptible to water, and shall demonstrate maximum site run-off rate of 4 l/s. Details shall include a lifetime maintenance plan, and shall thereafter retained and maintained in accordance with the approved details.

Reason: To reduce the rate of surface water run-off from the buildings and limit the impact on the storm-water drainage system in accordance with Policy CC3 of the Camden Local Plan 2017.

- 11 The development hereby approved shall not commence until such time as a suitably qualified chartered engineer with membership of the appropriate professional body has been appointed to inspect, approve and monitor the critical elements of both permanent and temporary basement construction works throughout their duration to ensure compliance with the design which has been checked and approved by a building control body. Details of the appointment and the appointee's responsibilities shall be submitted to and approved in writing by the local planning authority prior to

the commencement of development. Any subsequent change or reappointment shall be confirmed forthwith for the duration of the construction works.

Reason: To safeguard the appearance and structural stability of neighbouring buildings and the character of the immediate area in accordance with the requirements of Policy A5 of the Camden Local Plan 2017.

- 12 Prior to the commencement of any works on site, details demonstrating how off site trees to be retained shall be protected during construction work shall be submitted to and approved by the Council in writing. Such details shall follow guidelines and standards set out in BS5837:2012 "Trees in Relation to Construction" and should include details of appropriate working processes in the vicinity of trees, and details of an auditable system of site monitoring. All trees on the site, or parts of trees growing from adjoining sites, unless shown on the permitted drawings as being removed, shall be retained and protected from damage in accordance with the approved protection details.

Reason: To ensure that the development will not have an adverse effect on existing trees and in order to maintain the character and amenity of the area in accordance with the requirements of Policies D1 and A3 of the Camden Local Plan 2017.

- 13 Prior to the commencement of the relevant part of works details of all hard and soft landscaping, means of enclosure and open areas not to be built on, shall be submitted to and approved by the Council.

The relevant part of the works shall not be carried out otherwise than in accordance with the details thus approved.

Reason: To enable the Council to ensure a reasonable standard of amenity in the scheme in accordance with the requirements of Policies D1 and A1 of the Camden Local Plan 2017.

- 14 All hard and soft landscaping works shall be carried out in accordance with the approved landscape details prior to first occupation of the residential units, or in the case of soft landscaping by not later than the end of the planting season following completion of the development. Any trees or areas of planting which, within a period of 5 years from the completion of the development, die, are removed or become seriously damaged or diseased, shall be replaced as soon as is reasonably possible and, in any case, by not later than the end of the following planting season, with others of similar size and species, unless the local planning authority gives written consent to any variation.

Reason: To ensure that the landscaping is carried out within a reasonable period and to maintain a high quality of amenity in the scheme in accordance with the requirements of Policies D1 and A1 of the Camden Local Plan 2017.

- 15 Full details in respect of the green roof in the areas indicated on the approved plans, including species, planting density, substrate and a section at scale 1:20 showing that adequate depth is available in terms of the construction and long term viability of the green roof, and a programme for an initial scheme of maintenance shall be submitted to and approved by the local planning authority prior to the installation of the green roof. The buildings shall not be occupied until the approved details have been implemented and these works shall be permanently retained and maintained thereafter.

Reason: In order to ensure the development undertakes reasonable measures to take account of biodiversity and the water environment in accordance with policies A3 and CC3 of the Camden Local Plan 2017.

- 16 At least 28 days before development commences:

(a) a written programme of ground investigation for the presence of soil and groundwater contamination and landfill gas shall be submitted to and approved by the local planning authority; and

(b) following the approval detailed in paragraph (a), an investigation shall be carried out in accordance with the approved programme and the results and a written scheme of remediation measures [if necessary] shall be submitted to and approved by the local planning authority.

The remediation measures shall be implemented strictly in accordance with the approved scheme and a written report detailing the remediation shall be submitted to and approved by the local planning authority prior to occupation.

Reason: To protect future occupiers of the development from the possible presence of ground contamination arising in connection with the previous industrial/storage use of the site in accordance with policy A1 and A5 of the Camden Local Plan 2017.

- 17 Prior to the first occupation of units 6b and 7, a privacy screen shall be erected on the terrace to unit 7 to prevent overlooking into the master bedroom of unit 6b and will remain as such thereafter.

Reason: In order to prevent unreasonable overlooking of neighbouring premises in accordance with the requirements of Policies D1 and A1 of the Camden Local Plan 2017.

Informative(s):

- 1 Your attention is drawn to the fact that there is a separate legal agreement with the Council which relates to the development for which this permission is granted. Information/drawings relating to the discharge of matters covered by the Heads of Terms of the legal agreement should be marked for the attention of the Planning Obligations Officer, Sites Team, Camden Town Hall, Argyle Street, WC1H 8EQ.
- 2 Your proposals may be subject to control under the Building Regulations and/or the London Buildings Acts that cover aspects including fire and emergency escape,

access and facilities for people with disabilities and sound insulation between dwellings. You are advised to consult the Council's Building Control Service, Camden Town Hall, Judd St, Kings Cross, London NW1 2QS (tel: 020-7974 6941).

- 3 Noise from demolition and construction works is subject to control under the Control of Pollution Act 1974. You must carry out any building works that can be heard at the boundary of the site only between 08.00 and 18.00 hours Monday to Friday and 08.00 to 13.00 on Saturday and not at all on Sundays and Public Holidays. You are advised to consult the Council's Noise and Licensing Enforcement Team, Camden Town Hall, Judd St, Kings Cross, London NW1 2QS (Tel. No. 020 7974 4444 or search for 'environmental health' on the Camden website or seek prior approval under Section 61 of the Act if you anticipate any difficulty in carrying out construction other than within the hours stated above.
- 4 In relation to condition 13, such details shall include:
 - scaled plans showing all existing and proposed vegetation and landscape features
 - a schedule detailing species, sizes, and planting densities
 - location, type and materials to be used for hard landscaping and boundary treatments (including the glass pavers adjacent to the new building)
 - specifications for replacement trees (and tree pits where applicable), taking into account the standards set out in BS8545:2014.
 - details of any proposed earthworks including grading, mounding and other changes in ground levels.
 - a management plan including an initial scheme of maintenance.

Maryon House, Goldhurst Terrace, London NW6 3EY

Independent Viability Review

Prepared on behalf of London Borough of Camden

6th September 2017



82 South Street, Dorking, RH4 2HD
www.bps-surveyors.co.uk

Planning Reference: 2016/3545/P**1.0 INTRODUCTION**

- 1.1 BPS Chartered Surveyors have been instructed by London Borough of Camden ('the Council') to undertake a review of a Financial Viability Assessment (FVA) prepared by Affordable Housing Solutions on behalf of Hive 1 Ltd ('the Applicant') in connection with a planning application for the redevelopment of the above site.
- 1.2 The site currently comprises a purpose-built residential block (115-119 Goldhurst Terrace). Located on the eastern side of Goldhurst Terrace, it is a four storey building currently accommodating six duplex flats. There are communal front and rear gardens. The site is approximately 0.06 Hectares.
- 1.3 The location is predominantly residential in nature. The existing building is located within the South Hampstead Conservation Area but it is not listed.
- 1.4 The proposals, as per the Application Form, are for:
Demolition of 115-119 Goldhurst Terrace and the construction of a new four storey residential block over a basement to provide 10 residential flats (2x1 bed, 5x2 beds and 3x3 beds), associated landscaping and refuse store to the front of the site.
- 1.5 The proposals appear to have since been revised and the scheme we have reviewed will provide 11 units. The new block will provide an additional floor area of 6,431 sq ft (597 sq m) than the existing residential space.
- 1.6 The basis of our review is '115-119 Goldhurst Terrace LB Camden Financial Viability Report' prepared by Affordable Housing Solutions, dated August 2017. This review concludes that the scheme is showing a deficit of approximately £510,000 and therefore no affordable housing can viably be offered. We have also downloaded documents available on Camden Council's planning website. We have received a live version of the Toolkit appraisal included in the report.
- 1.7 We have assessed the cost and value inputs within the financial appraisal in order to determine whether the scheme can viably make any affordable housing contributions.
- 1.8 We have searched the Camden Council planning website and have not identified any other recent or outstanding planning applications relating to the site. A Land Registry search shows that the applicant purchased the property in November 2015 for £4,151,047.

2.0 CONCLUSIONS AND RECOMMENDATIONS

- 2.1 We have reviewed the Viability Assessment prepared by Affordable Housing Solutions (AHS) on behalf of the applicant for the proposed scheme which concludes that the scheme generates a residual land value of £2,550,000 which is approximately £510,000 below their Benchmark Land Value of £3,060,000. The proposals do not include any affordable housing provision nor any S106 contributions.
- 2.2 AHS have approached the Benchmark Land Value on an Existing Use Value (EUV) basis. They have been advised by Carter Jonas on the value of the existing flats. They have valued the three ground/first floor flats at £505,000 each, and the three second/third floor flats at £515,000 each. This means a total existing building value of £3,060,000. This figure has been adopted by AHS as the Benchmark Land Value.
- 2.3 We have reviewed the information supplied in relation to the Benchmark Land Value and we have carried out our own research into values for second hand properties of this type and age. We broadly agree with the Existing Use Value proposed by Carter Jonas and have adopted AHS' proposed Benchmark Land Value. No Landowner's Premium has been added.
- 2.4 The proposed scheme will provide a new block of eleven residential units, all of which are proposed to be for private sale. These will be set over five storeys, including a basement floor. The flats all appear to be well sized for their individual function. They will all have the same number of bathrooms as bedrooms, resulting in at least one bathroom being en suite in the two and three bed flats. Rear facing flats have access to private terraces. The basement floor flats all have lightwells to provide natural light, whilst the two rear facing basement and ground floor flats have private access to a rear communal garden.
- 2.5 AHS, through the advice of Carter Jonas, have provided a pricing schedule showing the total Gross Development Value of the proposed scheme to be [REDACTED]. We have reviewed the comparable evidence presented and identified some more recent transactions in the locality. Having reviewed the proposed sales values and based on the information we have gathered, we are of the opinion that the two and three bedrooms have been undervalued. We have made adjustments to reflect the greater value of two and three bedroom flats in the locality. We have also been careful to reflect the desirability of the penthouse apartment in our valuation, given its large living area, private lift access, rear terrace and top floor location. We arrive at a GDV of [REDACTED] which is an increase of approximately 15% on the values proposed by AHS.
- 2.6 Ground rents have been assigned at [REDACTED] per flat and the income has been capitalised at [REDACTED]. We are satisfied that this is a reasonable approach albeit we expect that the ground rent charges will vary based on the size of the flat.
- 2.7 No car parking will be provided by the development. The six existing parking permits will be offered to the occupants of the larger flats. No provision has been made for disabled parking.
- 2.8 Our Cost Consultant, Neil Powling, has reviewed the Cost Plan for the proposed scheme prepared by Trogal Griffin Associates, dated 31 July 2017, and concludes that:
- "The allowance for contingencies is 7.5% - we consider a reasonable allowance to be 5%. The difference between a 5% and a 7.5% allowance is [REDACTED]. Our*

benchmarking (with the contingency calculated at 5%) results in an adjusted benchmark of £[REDACTED]/m² that compares to the Applicants £[REDACTED]/m² a difference of £[REDACTED]/m² - £[REDACTED]. We therefore consider the Applicant's cost to be high by £[REDACTED] of which £[REDACTED] is the result of the allowance of 7.5% contingency instead of the 5% we consider reasonable.”

- 2.9 We note that AHS did adjust their build costs to apply just a 5% contingency in their appraisal. Adjusting the Trogal Griffin Associates build costs to reflect our Cost Consultant's advice results in a total build cost of £[REDACTED].
- 2.10 We have been provided with a live version of the Toolkit appraisal included in AHS' report and which we have inputted to an Argus Developer appraisal. We have then applied our amendments which include: residential sales values and build costs. We have used the profit target proposed by AHS of 17% on GDV, which reflects a profit of 20.48% on costs. We note that no S106 contribution has been allowed for. The resulting Residual Land Value is £3.3million. When compared to the benchmark of £3,060,000 it shows that the scheme generates a surplus of £240,000. On this basis it would appear that the scheme may be able to contribute towards or provide some affordable housing.
- 2.11 It should be noted however that AHS did not add a Landowner's Premium to their Existing Use Value on this occasion, although within their report suggest that their position is reserved pending further analysis. The surplus of £240,000 equates to a Landowner's Premium of 7.8% which would be a reasonable allowance.
- 2.12 The addition of a 10% Landowner's Premium to the EUV would result in a Benchmark Land Value of £3,366,000. When compared to our Residual Land Value of £3.3million, the scheme would appear in deficit of £66,000. We are therefore satisfied that the proposed scheme could be considered at 'break-even' point and we conclude that the scheme cannot viably make any affordable housing contributions.
- 2.13 Considering the nature of the site and the lack of very similar residential comparable evidence, we consider that there is scope for the proposed residential values to change. A viability review mechanism would be a useful method of capturing any improvement in viability from any uplift in values over the course of the development. Given the current 'break-even' nature of the scheme we recommend the Council may wish to seek an outturn review once actual development revenue and expenditure can be identified.

3.0 BENCHMARK LAND VALUE

Viability Benchmarking

- 3.1 Development appraisals work to derive a residual value. This approach can be represented by the formula below:
- $$\text{Gross Development Value} - \text{Development Costs (including Developer's Profit)} = \text{Residual Value}$$
- 3.2 The residual value is then compared to a benchmark land value. Existing Use Value (EUV) and Alternative Use Value (AUV) are standard recognised approaches for establishing a land value as they help highlight the apparent differences between the values of the site without the benefit of the consent sought.
- 3.3 The rationale for comparing the scheme residual value with an appropriate benchmark is to identify whether it can generate sufficient money to pay a realistic price for the land whilst providing a normal level of profit for the developer. In the event that the scheme shows a deficit when compared to the benchmark figure the scheme is said to be in deficit and as such would be unlikely to proceed.
- 3.4 We note the Mayor's Housing SPG published March 2016 states a clear preference for using EUV as a basis for benchmarking development as this clearly defines the uplift in value generated by the consent sought. This is evidenced through the following extract:
- “.....either ‘Market Value’, ‘alternative use value’, ‘existing use value plus’ based approaches can address this requirement where correctly applied (see below); their appropriate application depends on specific circumstances. **On balance, the Mayor has found that the ‘Existing use Value plus’ approach is generally most appropriate for planning purposes, not least because of the way it can be used to address the need to ensure that development is sustainable in terms of the NPPF and Local Plan requirements, he therefore supports this approach.** The ‘plus’ element will vary on a case by case basis based on the circumstances of the site and owner and policy requirements.” [Emphasis original]
- 3.5 We find the Market Value approach as defined by RICS Guidance Viability in Planning 2012 if misapplied is potentially open to an essentially circular reasoning. The RICS Guidance promotes use of a modified standard definition of “market Value” by reference to an assumption that the market values should reflect planning policy and should disregard that which is not within planning policy. In practice we find that consideration of compliance with policy is generally relegated to compliance somewhere on a scale of 0% to the policy target placing land owner requirements ahead of the need to meet planning policy.
- 3.6 Furthermore the RICS guidance is in conflict with PPG in that PPG adopts a different level of emphasis in respect of the importance of planning policy. This is evident from the PPG extract set out below:
- reflect policy requirements and planning obligations and, where applicable, any Community Infrastructure Levy charge;*

- 3.7 The requirement to reflect policy is unambiguous. PPG is statutory guidance whereas RICS guidance is a simply a material consideration.
- 3.8 There is also a high risk that the RICS Guidance in placing a very high level of reliance on market transactions is potentially exposed to reliance on bids which might
- Represent expectations which do not mirror current costs and values as required by PPG.
 - May themselves be overbids and most importantly
 - Need to be analysed to reflect a policy compliant position.

To explain this point further, it is inevitable that if site sales are analysed on a headline rate per acre or per unit without adjustment for the level of affordable housing delivered then if these rates are applied to the subject site they will effectively cap delivery at the rates of delivery achieved of the comparable sites. This is an essentially circular approach which would effectively mitigate against delivery of affordable housing if applied.

- 3.9 The NPPF recognises at paragraph 173 the need to provide both land owners and developers with a competitive return. In relation to land owners this is to encourage land owners to release land for development. This has translated to the widely accepted practice when using EUV as a benchmark of including a premium. Typically in a range from 5-30%. Guidance indicates that the scale of any premium should reflect the circumstances of the land owner. We are of the view that where sites represent an ongoing liability to a land owner and the only means of either ending the liability or maximising site value is through securing a planning consent this should be a relevant factor when considering whether a premium is applicable.

The Proposed Benchmark

- 3.10 The £3,060,000 benchmark proposed by Carter Jonas for viability testing, on behalf of AHS, is based on an Existing Use Value approach.
- 3.11 The existing building on site is a four storey residential block consisting of six flats. The flats are arranged as duplexes, with three flats covering the ground and first floors and another three flats covering the second and third floors. The property has a small communal garden at the front and a larger one at the back. The style of the building is out of keeping with the other more attractive buildings on Goldhurst Terrace, as it was built after an original property was destroyed by World War II bombing.
- 3.12 The existing accommodation can be summarised as follows:

Flat no.	Floor	Bedrooms	GIA sq m	GIA sq ft	Outside space
1	GF/1F	2	66.43	715	Balcony
2	GF/1F	2	66.43	715	Balcony
3	GF/1F	2	66.43	715	Balcony
4	2F/3F	2	66.43	715	Balcony
5	2F/3F	2	66.43	715	Balcony
6	2F/3F	2	66.43	715	Balcony
			398.58	4,290	

- 3.13 AHS have provided a report from Carter Jonas who have valued the three ground/first floor flats at £505,000 each (£706psf), and the three second/third floor flats at £515,000 each (£720psf). Their Existing Use Value is therefore £3,060,000.
- 3.14 Evidence of recently sold properties has been found in the local area and included in Carter Jonas' report. The properties appear similar in style to the existing building and are located in residential areas. The properties are all two bedroom and range in price paid from £425,000 to £675,000 (£585psf to £988psf). The properties also range in size from 506 sq ft to 840 sq ft.
- 3.15 We are of the view that a number of the comparable properties are in more desirable locations and some appear in better condition although we have limited information on the condition of the existing properties. One of the most closely comparable properties is Flat 28, Waltham House NW8. This property was sold for £540,000 on 09/01/2017, and at 743 square feet, this equates to £727psf.
- 3.16 Photographs included in the Design and Access statement downloaded from the Camden Council planning website show that the property is very different in design from the other properties on Goldhurst Terrace which create an attractive terrace. We have limited information on the condition of the flats in Maryon House and no photographs of the interior.
- 3.17 We support the Existing Use Value approach to Benchmark Land Value. We have sought to update the schedule of transactions provided by Carter Jonas and identified the following transactions of similar properties in the area surrounding the property:

Address	Description (and Floor Area)	Size SqFt	Date	Sale Price	Price psf
Flat 27, Besant House, Boundary Road NW8 0HX	Two bed apartment in large ex-local authority block. Similar distance from train links to Goldhurst terrace. Appears to be in need of renovation.	667	31/03/17	£470,000	£598
Flat 46, Burnham, Fellows Road, NW3 3JR	Flat on high rise block. Two bedroom and large reception room. Similar distance to Swiss cottage underground station but further from overground services.	786	15/02/17	£455,000	£579
Flat 34, Hickes House, Harben Road, NW6 4RP	Two bedroom flat in large block. Modern fittings. Very close to transport services (0.1 miles from Swiss Cottage underground station). Balcony and large reception room.	661	22/12/16	£504,240	£763

Flat 3, Northways, College Crescent, NW3 5DR	Ground floor two bedroom flat in block. Well maintained and light. Portered building. Very close to underground and overground train services.	645	25/11/16	£540,000	£837
85b Rowley Way, NW8 0SN	Two bedroom flat set over two storeys. Appears to be in need of renovation. Very unusual appearance from outside. Close to underground and overground train services.	904	14/11/16	£437,500	£484

- 3.18 Of the comparable properties we have found there is a range in value from £437,500 to £540,000 (£487psf to £837psf), and an average value of £481,348 (£652psf). This places the estimated value for the 115-119 Goldhurst Terrace at the higher end of those found in the area, however the estimate is within these ranges.
- 3.19 Flat 34, Hickes House, Harben Road, London, Greater London NW6 4RP is a useful comparable property as it is similar in size to the properties on Goldhurst Terrace. Furthermore, it is the closest in value to the estimations made by Carter Jonas. However, this flat appears to have been finished to a high standard with modern fittings and furnishings. We have little information on the flats within Maryon House so it is difficult to make comparisons on this point although we have assumed that the existing flats are in a satisfactory condition. The flat within Hickes House is on a higher floor level to the properties on Goldhurst Terrace and therefore commands a good view from its balcony. It is closer to Swiss Cottage underground station meaning it has a slightly better link to central London than the flats in Maryon House.
- 3.20 Having considered the above, broadly we agree with the Existing Use Value proposed by Carter Jonas which results in a rate of £713psf and an overall value of £3,060,000. AHS have opted not to add a Landowner's Premium to the EUV on this occasion.
- 3.21 On this basis we too have adopted the figure of £3,060,000 as the Benchmark Land Value.

4.0 RESIDENTIAL UNIT VALUES

4.1 The residential element of the proposed scheme, as sought by the planning application is for ten residential units, however it appears that the application scheme has been amended to now provide eleven residential units comprising the following accommodation:

Floor	One bedroom	Two bedroom	Three bedroom	Total
Basement	2	1	-	3
Ground	-	-	2	2
First	1	2	-	3
Second	-	2	-	2
Third	-	1	-	1
Total	3	6	2	11

4.2 All eleven units are proposed to be for private sale and the values have been assumed as follows:

Flat no.	No. of Bedrooms	GIA sq ft	GIA sq m	Value	Value £psf	Value £psm
1	1	721	67			
2	1	818	76			
3	2	1,141	106			
4	3	1,270	118			
5	3	1,421	132			
6a	1	431	40			
6b	2	786	73			
7	2	1,033	96			
8	2	753	70			
9	2	969	90			
Penthouse	2	1,378	128			
Totals		10,721	996			

4.3 The flats all appear to be well sized for their individual function. They will all have the same number of bathrooms as bedrooms, resulting in at least one bathroom being en suite in the two and three bed flats. Rear facing flats have access to private terraces. The basement floor flats all have lightwells to provide natural light, whilst the two rear facing basement and ground floor flats have private access to a rear communal garden. The proposal maintains the current front and rear gardens, however the front garden will be 50% smaller than currently. Both gardens will have comprehensive garden landscaping to improve them aesthetically and provide screening from neighbouring properties. The flats will have a communal entrance at ground level which contains a staircase and lift providing access to upper and lower floors.

4.4 The flats will be accessed from a communal entrance on Goldburn Terrace. Two short ramps will lead down to the main entrance doors. There are stairs and a lift to all floors.

4.5 We have reviewed the information provided by Carter Jonas and we have also undertaken our own research into transactions in the area surrounding the subject

site and have identified the following additional market evidence, all properties are located within 0.5miles of the subject property:

Address	Beds.	Description	Size SqFt	Date	Sale Price	Price psf
Flat 56, Sheringham, St John's Wood Park, NW8 6RA	3	Large fifth floor apartment with two balconies, a garage, 24hr porterage and two bathrooms. Purpose built.	1,305	31/05/17	£1,967,500	£1,508
Flat 16, Park Lodge, St John's Wood Park, NW8 6QT	3	Large apartment with modern fittings, but unfurnished. Attractive building. Very light with lots of windows. Purpose built.	1,485	25/04/17	£1,840,000	£1,239
Flat 47, Eton Court, Eton Avenue, NW3 3HJ	3	Ground floor apartment. Purpose built. En suite plus shower room.	1,008	07/04/17	£1,055,000	£1,047
Flat 81, Walsingham, St John's Wood Park, NW8 6RL	2	Not newly built. Good views from balcony. 24hr porterage and video entrance. En suite to master bedroom. Appears recently refurbished. Purpose built.	837	17/03/17	£1,025,000	£1,225
38a Greencroft Gardens, NW6 3LU	2	Lower ground floor flat conversion with private entrance. Modern fitted flat with private patio and access to communal garden.	773	30/03/17	£735,000	£981
30 Maresfield Gardens NW3 5SX	2	Good sized first floor apartment with balcony and communal garden. Closest underground station is Finchley Road which is on the Jubilee line, like Swiss Cottage. Not newly built. Fittings and furnishing appear outdated. Purpose built.	1,375	24/02/17	£1,156,000	£1,135
Flat 17, St. Johns Court, Finchley Road, NW3 6LL	1	Purpose built flat in a large block. Located on higher level with balcony and view. Closest station is Finchley Road underground. Located above a retail parade.	594	09/12/16	£600,000	£1,010

Garden Flat, 105 Greencroft Gardens, NW6 3PE	1	Large ground floor flat with balcony and garden access. Not new built and fittings could be modernised. A conversion flat. Not a basement property.	1,141	01/02/17	£1,335,000	£1,170
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- 4.6 It can be seen that rates of flats in the area appear to range from £780psf to £1,508psf, and averaging at £1,164 psf, depending on a number of factors including the size of the property, condition and location. The market evidence appears generally in line with Carter Jonas' findings for new build properties in the area which averaged at £1,109psf. However, this figure is higher than their estimated average for the proposed Maryon House properties [REDACTED]
- 4.7 The range for three bed flats in the area is £1,055,000 to £1,967,500 (£1,047psf to £1,508psf). The properties at the higher end of this range are bigger than the three bed flats within the proposed development whilst the lowest price achieved was for a smaller property. None of these comparable properties are new builds however some appear recently refurbished. The closest property in size to the proposed flats is Flat 16 Park Lodge which sold for £1,840,000 (£1,129psf), this is significantly higher than the figures estimated for the three bed flats in Maryon House.
- 4.8 The two bed properties we have identified as comparable to the proposed properties at Maryon House range from £735,000 to £1,156,000 (£981psf to £1,225psf) in price. The majority of the proposed two bed flats (Flats 3, 7, 9 and Penthouse) in Maryon House are closer in size to the properties at the high end of the range. The Penthouse also benefits from a private staircase and lift into the flat as well as a large terrace.
- 4.9 We have not found any relevant transactions of lower ground floor flats which would have been useful to compare to the two proposed one bedroom flats located in the basement of the new block. The one bedroom flats we have identified range from £600,000 to £1,335,000 and are much smaller and larger respectively than the proposed flats. However, Flat 17, St. Johns Court, Finchley Road, sold for £600,000 (£1,010 psf), higher the price proposed for the basement flats (Flat 1, 2) in Maryon House and slightly under the rate per square foot of unit 6a. This property was not new build nor was it particularly well fitted with modern utilities.
- 4.10 Generally, we have found that some of the values proposed by Carter Jonas are lower than the market evidence would indicate. In particular the three bedroom units appear to have been undervalued when compared with the three bedroom units we have identified above. These units are on the ground floor with good access and we are of the opinion that they will likely achieve in the region of [REDACTED]. Additionally the two bedroom flat values appear low and we have increased the values to reflect the fact that the properties will be new built and, we assume, finished to a high standard. There is good access and all flats have en suite bathrooms, with the two bedroom flats on the first and second floor also having private terraces. The penthouse apartment has private access via lift into the property and a private staircase leading from the main staircase, two bedrooms, a large living space, and a terrace to the rear. We are of the opinion that, although the flat only has two bedrooms, its top floor position and large terrace means we expect the property to achieve circa [REDACTED]

4.11 We have considered that the flats are well located for public transport and are located in an attractive residential street. We have considered the private space available to each flat as well as communal outside areas. The larger flats will also benefit from having an allocated parking space.

4.12 Our revised values are as follows:

Floor	Flat No.	Beds	GIA sq m	GIA sq ft	Value	£psf
Basement	1	1	67	721	██████████	██████
Basement	2	1	76	818	██████████	██████
Basement	3	2	106	1,141	██████████	██████
Ground	4	3	118	1,270	██████████	██████
Ground	5	3	132	1,421	██████████	██████
First	6a	1	40	431	██████████	██████
First	6b	2	73	786	██████████	██████
First	7	2	96	1,033	██████████	██████
Second	8	2	70	753	██████████	██████
Second	9	2	90	969	██████████	██████
Third	Penthouse	2	128	1,378	██████████	██████
Total			996	10,721	██████████	██████

4.13 Overall, the values reflect an increase of approximately 15% on the values proposed by Carter Jonas.

Ground Rents

4.14 Ground rents have been assumed at ██████ per annum for each of the flats. The income has been capitalised at a yield of ██████ and the investment has been valued by Carter Jonas at ██████ before purchase costs. We agree that this approach is reasonable however we would expect to see a higher ground rent for three bedroom flats and a lower ground rent for one bedroom flats. We have adopted Carter Jonas' figure in our appraisal.

Parking

4.15 No additional parking will be provided for the occupants of Maryon House. There are six existing parking permits for the current residents of 115-119 Goldhurst Terrace, and these will be allocated to the residents of the larger flats in the new development. There will be no provision of disabled parking. We have accounted for parking provision when arriving at our sales values for the flats.

5.0 BUILD COSTS

5.1 Our Cost Consultant, Neil Powling, has analysed the build cost plan for the proposed scheme prepared by Trogal, Griffin Associates, dated 31st July 2017, and concludes that:

“The allowance for contingencies is 7.5% - we consider a reasonable allowance to be 5%. The difference between a 5% and a 7.5% allowance is [REDACTED]... Our benchmarking (with the contingency calculated at 5%) results in an adjusted benchmark of [REDACTED] m² that compares to the Applicants [REDACTED] /m² a difference of [REDACTED] m² - [REDACTED] We therefore consider the Applicant’s cost to be high by [REDACTED] of which [REDACTED] s the result of the allowance of 7.5% contingency instead of the 5% we consider reasonable.”

5.2 Taking into account this advice we have arrived at a total build cost of [REDACTED] including contingency.

5.3 Neil’s full cost report can be found at Appendix 1.

5.4 The applicants consultants have applied the following additional cost assumptions:

- Professional fees of 10%
- Marketing and disposal fees of 3%

5.5 Generally, we accept that these percentages are realistic and in line with market norms.

5.6 CIL charges have been assumed at £230,000. We have not tested this figure.

5.7 Finance has been included at [REDACTED] assuming that the scheme is 100% debt financed. This is a reasonable assumption.

5.8 There is no indication within the report on the development programme. For our appraisal, we have assumed a three month pre-construction period, followed by a 12-month construction period and a three month sales period.

5.9 The developer profit target adopted by Affordable Housing Solutions is 17% on GDV which equates to 20.48% on cost. This is a reasonable allowance. If any affordable housing units were included within the scheme we would expect the profit target to be lower for these units.

BPS Chartered Surveyors

6th September 2017

Appendix 1: Build Cost Report

Project: Maryon House 115-119 Goldhurst Terrace, Camden

1 SUMMARY

- 1.1 The cost plan is at a base of 4Q2017 whereas our benchmarking is current 3Q2017 - however as the current all-in TPI for both 3Q2017 and 4Q2017 is unchanged at 291 there is no material effect. Our benchmarking uses current BCIS data which is on a current tender firm price basis. The BCIS all-in Tender Price Index (TPI) for 3Q2017 is 291 and for 4Q2017 also 291 - both figures are forecasts.
- 1.2 The allowance for contingencies is 7.5% - we consider a reasonable allowance to be 5%. The difference between a 5% and a 7.5% allowance is [REDACTED]. All the % figures are based on a calculation of a conventional arrangement of the sums in the analysis.
- 1.3 Our benchmarking (with the contingency calculated at 5%) results in an adjusted benchmark of [REDACTED] m² that compares to the Applicants [REDACTED] m² a difference of [REDACTED] m² - [REDACTED]. We therefore consider the Applicant's cost to be high by [REDACTED] of which [REDACTED] is the result of the allowance of 7.5% contingency instead of the 5% we consider reasonable.

2 METHODOLOGY

- 2.1 The objective of the review of the construction cost element of the assessment of economic viability is to benchmark the Applicant's costs against RICS Building Cost Information Service (BCIS) average costs. We use BCIS costs for benchmarking because it is a national and independent database. Many companies prefer to benchmark against their own data which they often treat as confidential. Whilst this is understandable as an internal exercise, in our view it is insufficiently robust as a tool for assessing viability compared to benchmarking against BCIS. A key characteristic of benchmarking is to measure performance against external data. Whilst a company may prefer to use their own internal database, the danger is that it measures the company's own projects against others of its projects with no external test. Any inherent discrepancies will not be identified without some independent scrutiny.
- 2.2 BCIS average costs are provided at mean, median and upper quartile rates (as well as lowest, lower quartile and highest rates). We generally use mean or occasionally upper quartile for benchmarking. The outcome of the benchmarking is little affected, as BCIS levels are used as a starting point to assess the level of cost and specification enhancement in the scheme on an element by element basis. BCIS also provide a location factor compared to a UK mean of 100; our benchmarking exercise adjusts for the location of the scheme. BCIS Average cost information is available on a default basis which includes all historic data with a weighting for the most recent, or for a selected maximum period ranging from 5 to 40 years. We generally consider both default and maximum 5 year average prices; the latter are more likely to reflect current regulations, specification, technology and market requirements.
- 2.3 BCIS average prices are available on an overall £ per sqm and for new build work

- on an elemental £ per sqm basis. Rehabilitation/conversion data is available on an overall £ per sqm and on a group element basis ie. substructure, superstructure, finishings, fittings and services - but is not available on an elemental basis. A comparison of the applicants elemental costing compared to BCIS elemental benchmark costs provides a useful insight into any differences in cost. For example: planning and site location requirements may result in a higher than normal cost of external wall and window elements.
- 2.4 If the application scheme is for the conversion, rehabilitation or refurbishment of an existing building, greater difficulty results in checking that the costs are reasonable, and the benchmarking exercise must be undertaken with caution. The elemental split is not available from the BCIS database for rehabilitation work; the new build split may be used instead as a check for some, but certainly not all, elements. Works to existing buildings vary greatly from one building project to the next. Verification of costs is helped greatly if the cost plan is itemised in reasonable detail thus describing the content and extent of works proposed.
- 2.5 BCIS costs are available on a quarterly basis - the most recent quarters use forecast figures, the older quarters are firm. If any estimates require adjustment on a time basis we use the BCIS all-in Tender Price Index (TPI).
- 2.6 BCIS average costs are available for different categories of buildings such as flats, houses, offices, shops, hotels, schools etc. The Applicant's cost plan should ideally keep the estimates for different categories separate to assist more accurate benchmarking. However if the Applicant's cost plan does not distinguish different categories we may calculate a blended BCIS average rate for benchmarking based on the different constituent areas of the overall GIA.
- 2.7 To undertake the benchmarking we require a cost plan prepared by the applicant; for preference in reasonable detail. Ideally the cost plan should be prepared in BCIS elements. We usually have to undertake some degree of analysis and rearrangement before the applicant's elemental costs can be compared to BCIS elemental benchmark figures. If a further level of detail is available showing the build-up to the elemental totals it facilitates the review of specification and cost allowances in determining adjustments to benchmark levels. An example might be fittings that show an allowance for kitchen fittings, bedroom wardrobes etc that is in excess of a normal BCIS benchmark allowance.
- 2.8 To assist in reviewing the estimate we require drawings and (if available) specifications. Also any other reports that may have a bearing on the costs. These are often listed as having been used in the preparation of the estimate. If not provided we frequently download additional material from the documents made available from the planning website.
- 2.9 BCIS average prices per sqm include overheads and profit (OHP) and preliminaries costs. BCIS elemental costs include OHP but not preliminaries. Nor do average prices per sqm or elemental costs include for external services and external works costs. Demolitions and site preparation are excluded from all BCIS costs. We consider the Applicants detailed cost plan to determine what, if any, abnormal and other costs can properly be considered as reasonable. We prepare an adjusted benchmark figure allowing for any costs which we consider can reasonably be taken into account before reaching a conclusion on the applicant's cost estimate.
- 2.10 We undertake this adjusted benchmarking by determining the appropriate

location adjusted BCIS average rate as a starting point for the adjustment of abnormal and enhanced costs. We review the elemental analysis of the cost plan on an element by element basis and compare the Applicants total to the BCIS element total. If there is a difference, and the information is available, we review the more detailed build-up of information considering the specification and rates to determine if the additional cost appears justified. If it is, then the calculation may be the difference between the cost plan elemental £/m² and the equivalent BCIS rate. We may also make a partial adjustment if in our opinion this is appropriate. The BCIS elemental rates are inclusive of OHP but exclude preliminaries. If the Applicant's costings add preliminaries and OHP at the end of the estimate (as most typically do) we add these to the adjustment amounts to provide a comparable figure to the Applicant's cost estimate. The results of the elemental analysis and BCIS benchmarking are generally issued as a PDF but upon request can be provided as an Excel spreadsheet.

3 GENERAL REVIEW

- 3.1 We have been provided with and relied upon the Financial Viability Report issued by Affordable Housing Solutions dated August 2017. Included at Appendix 3 is the Preliminary cost plan Rev 1 31st July 2017 Trogal, Griffin Associates base date 4Q2017.
- 3.2 The cost plan is at a base of 4Q2017 whereas our benchmarking is current 3Q2017 - however as the current all-in TPI for both 3Q2017 and 4Q2017 is unchanged at 291 there is no material effect. Our benchmarking uses current BCIS data which is on a current tender firm price basis. The BCIS all-in Tender Price Index (TPI) for 3Q2017 is 291 and for 4Q2017 also 291 - both figures are forecasts.
- 3.3 The cost plan includes an allowance of [REDACTED] for preliminaries which we consider reasonable. There is no allowance for overheads and profit (OHP) so the allowance is included within the rates.
- 3.4 The allowance for contingencies is 7.5% - we consider a reasonable allowance to be 5%. The difference between a 5% and a 7.5% allowance is [REDACTED]. All the % figures are based on a calculation of a conventional arrangement of the sums in the analysis.
- 3.5 We have extracted the cost information provided by the Applicant into a standard BCIS/NRM format to facilitate our benchmarking. The cost plan has reasonable detail to assist this exercise. The Applicants fittings section includes lift installations and sanitary appliances - both of these have been transferred to the appropriate BCIS/NRM sections.
- 3.6 Sales have been included in the Appraisal at average figures of [REDACTED] (Net Sales Area).
- 3.7 We have downloaded current BCIS data for benchmarking purposes including a Location Factor for Camden of 129 that has been applied in our benchmarking calculations.
- 3.8 Refer to our attached file "Elemental analysis and BCIS benchmarking".
- 3.9 The building is a 5 storey building of flats; BCIS average cost data is given in steps: 1-2 storey, 3-5 storey, 6+ storey. The elemental information makes no distinction

for storey height resulting in an anomaly for flats below 6 storeys. We have adjusted for this anomaly in our benchmarking.

- 3.10 Our benchmarking (with the contingency calculated at 5%) results in an adjusted benchmark of [REDACTED] m² that compares to the Applicants [REDACTED] m² a difference of [REDACTED] m² - [REDACTED]. We therefore consider the Applicant's cost to be high by [REDACTED] of which [REDACTED] is the result of the allowance of 7.5% contingency instead of the 5% we consider reasonable.

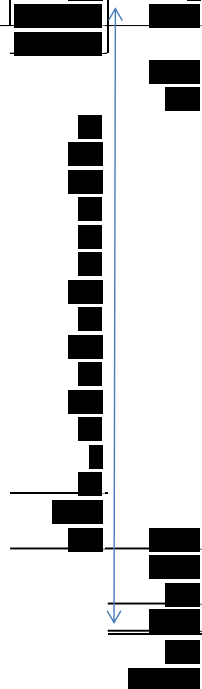
BPS Chartered Surveyors

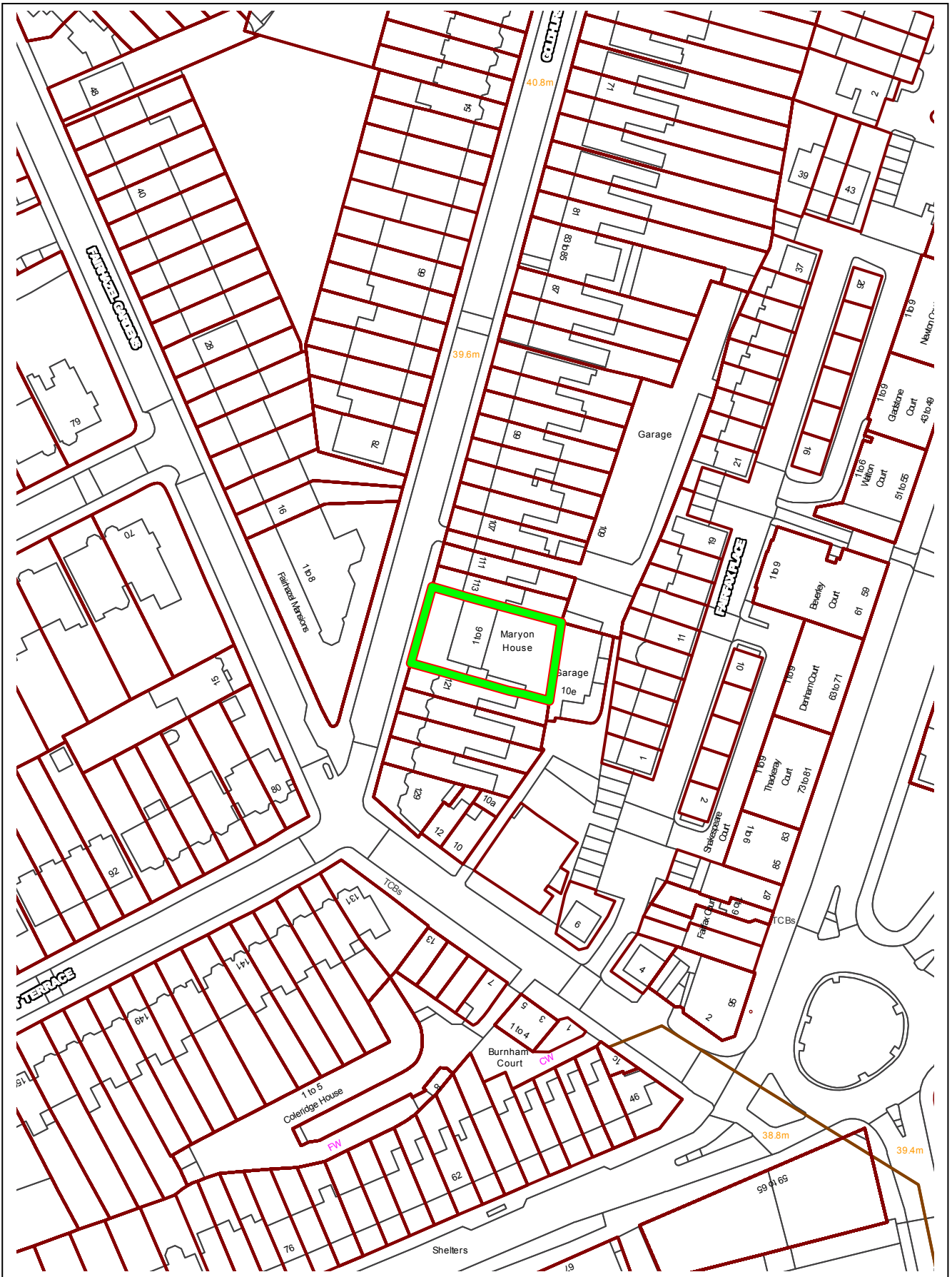
Date: 29th August 2017

Maryon House 115-119 Goldhurst Terrace, Camden
Elemental analysis & BCIS benchmarking

	GIA m ²	1,207	LF100	LF129
	£	£/m ²	£/m ²	£/m ²
Demolitions				
1 Substructure				
2A Frame				
2B Upper Floors				
2C Roof				
2D Stairs				
2E External Walls				
2F Windows & External Doors				
2G Internal Walls & Partitions				
2H Internal Doors				
2 Superstructure				
3A Wall Finishes				
3B Floor Finishes				
3C Ceiling Finishes				
3 Internal Finishes				
4 Fittings				
5A Sanitary Appliances				
5B Services Equipment (kitchen, laundry)				
5C Disposal Installations				
5D Water Installations				
5E Heat Source				
5F Space Heating & Air Treatment				
5G Ventilating Systems				
5H Electrical Installations (power, lighting, emergency lighting, standby generator, UPS)				
5I Fuel Installations				
5J Lift Installations				
5K Protective Installations (fire fighting, dry & wet risers, sprinklers, lightning protection)				
5L Communication Installations (burglar, panic alarm, fire alarm, cctv, door entry, public address, data cabling, tv/satellite, telecommunication systems, leak detection, induction loop)				
5M Special Installations - (window cleaning, BMS, medical gas)				
5N BWIC with Services				
5O Management of commissioning of services				
5 Services				
6A Site Works				
6B Drainage				
6C External Services				
6D Minor Building Works				
6 External Works				
SUB TOTAL				
7 Preliminaries 9.63%				
Overheads & Profit				
SUB TOTAL				
Design Development risks				
Construction risks 7.5%				
Employer change risks				
Employer other risks - to balance				
TOTAL				

- Benchmarking
- Elemental Storey height adjustment
- Add demolitions
- Add external works
- Add additional cost of substructure
- Add additional cost of frame & upper floors
- Add additional cost of stairs
- Add additional cost of int walls
- Add additional cost of wall, floor & ceiling finishes
- Add additional cost of fittings
- Add additional cost of sanitary appliances
- Add additional cost of heat source & space heating
- Add additional cost of electrical installation
- Add additional cost of gas/fuel installation
- Add additional cost of lift installation
- Add additional cost of communications installations
- Add preliminaries 9.63%
- Add contingency 5%
- Total adjusted benchmark
- Difference





Application No: 2016/3545/P
Maryon House
115 - 119 Goldhurst Terrace
London, NW6 3EY

Scale:
1:1250
Date:
13-Nov-17



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Planning Committee

23rd November 2017

2016/3545/P

Maryon House
115-119 Goldhurst Terrace
London
NW6 3EY



Front elevation – showing relationship with neighbouring buildings



Rear elevation – showing relationship with neighbouring buildings





View from the rear looking north



View from the rear looking south

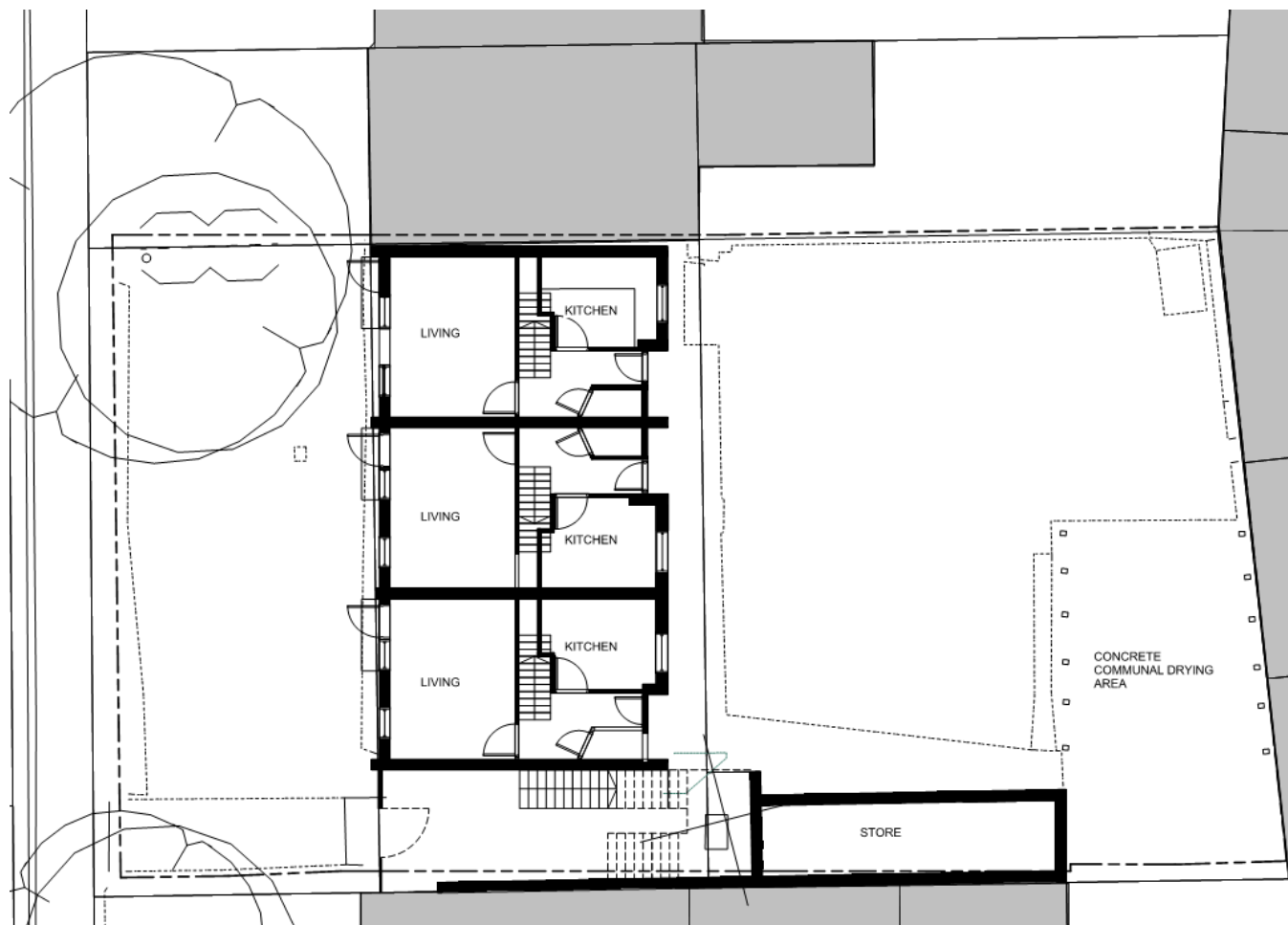
Existing Front Elevation



Existing Rear Elevation



Existing
Ground Floor
Plan



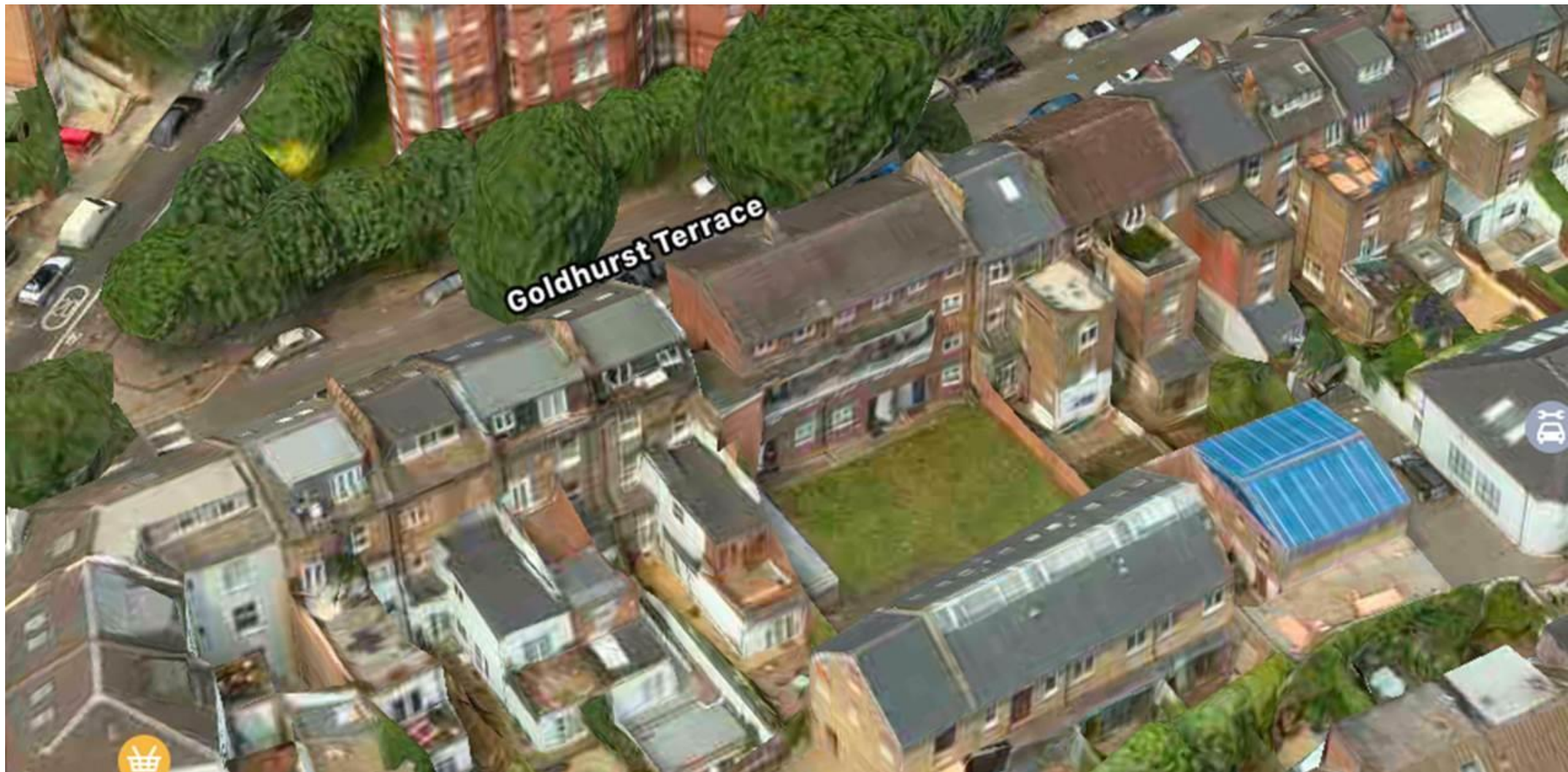




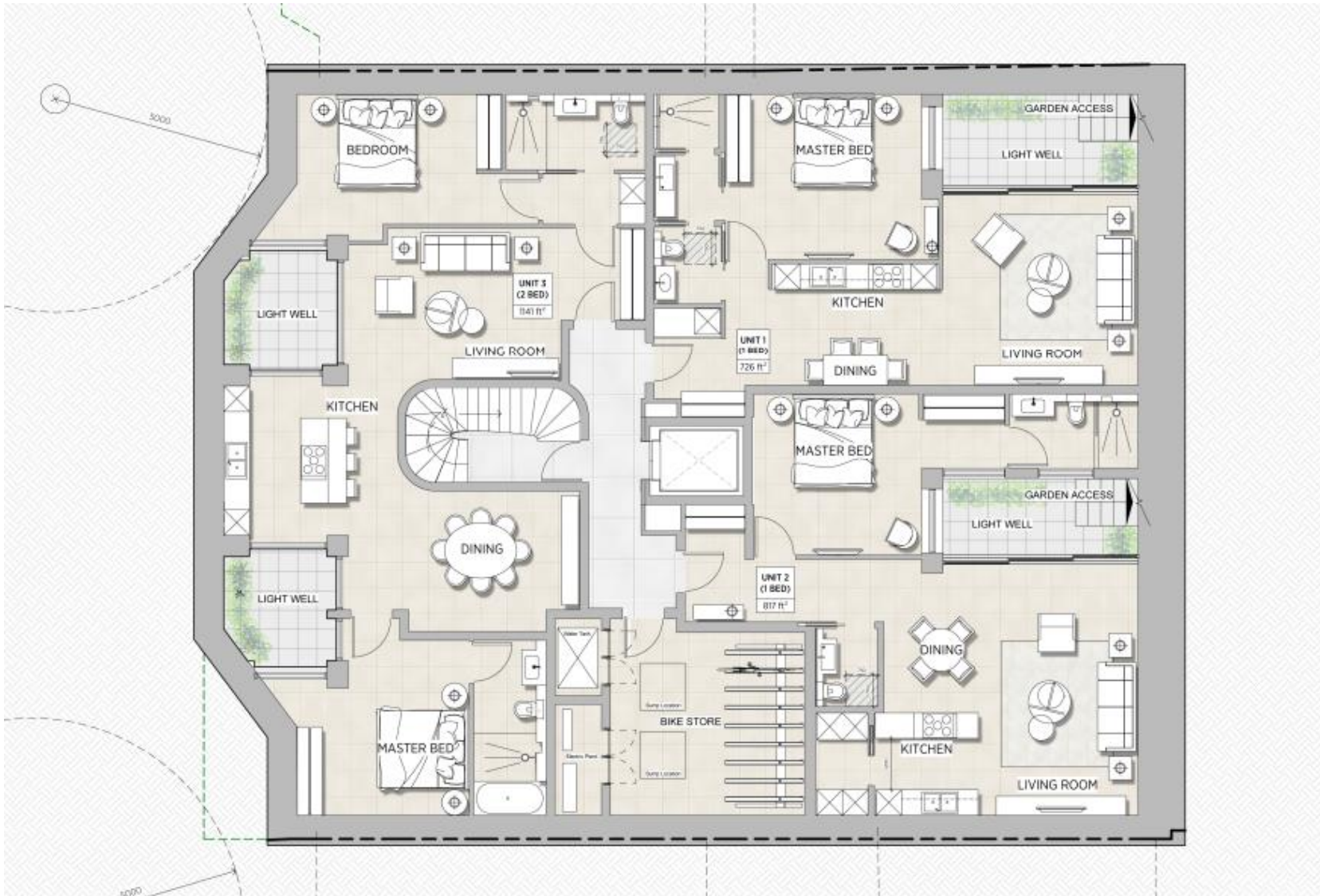
EXISTING STREET PERSPECTIVE

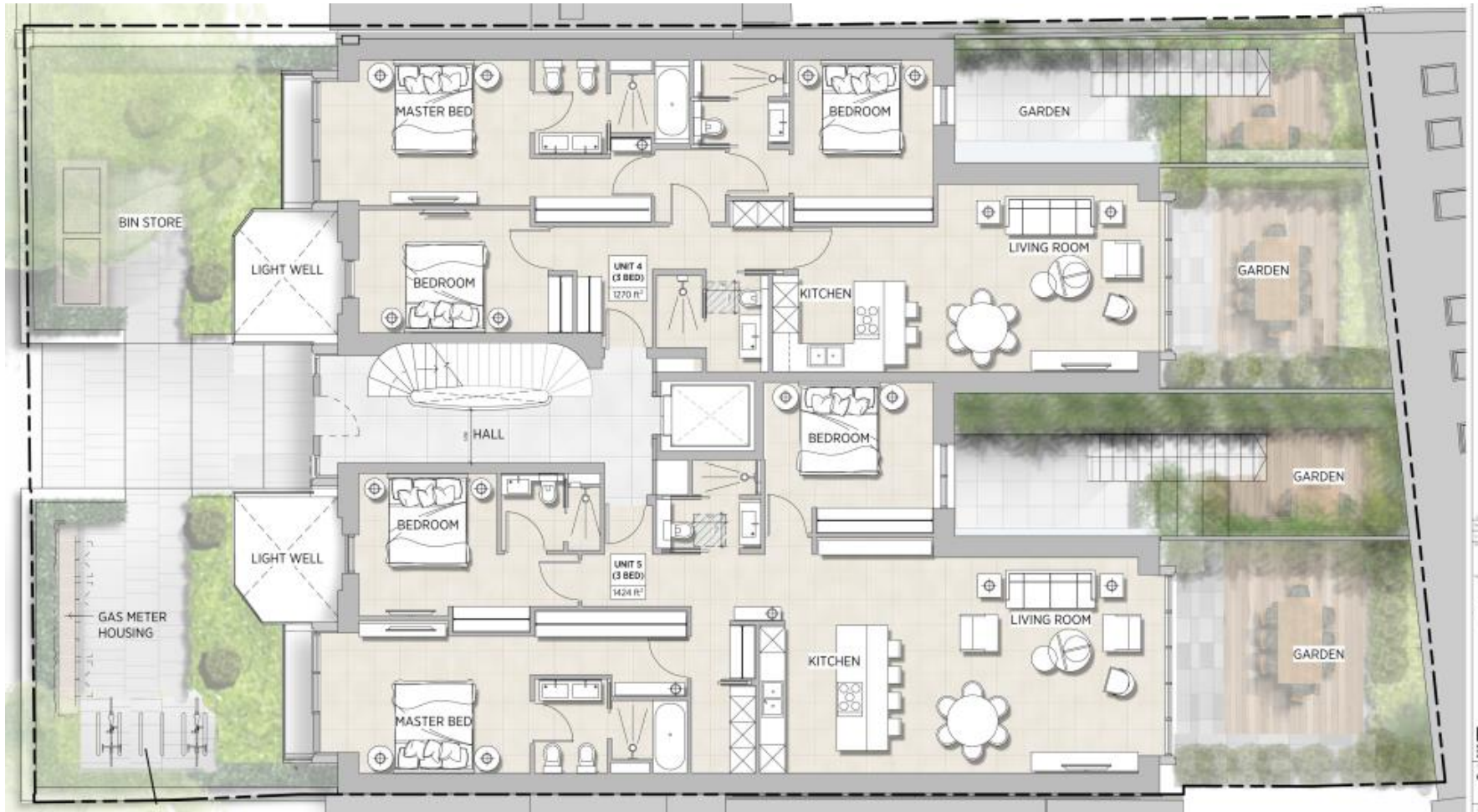


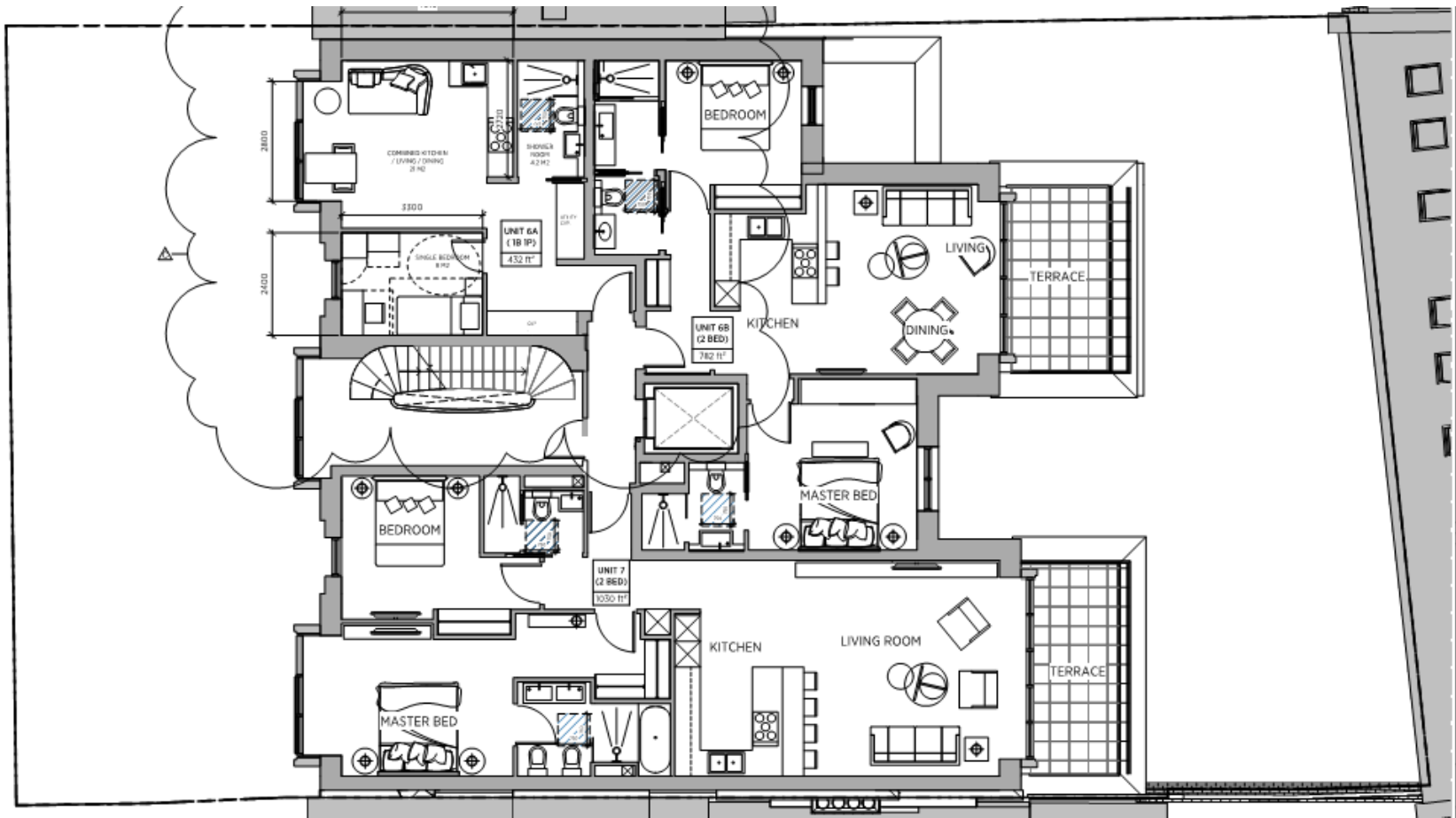
PROPOSED STREET PERSPECTIVE

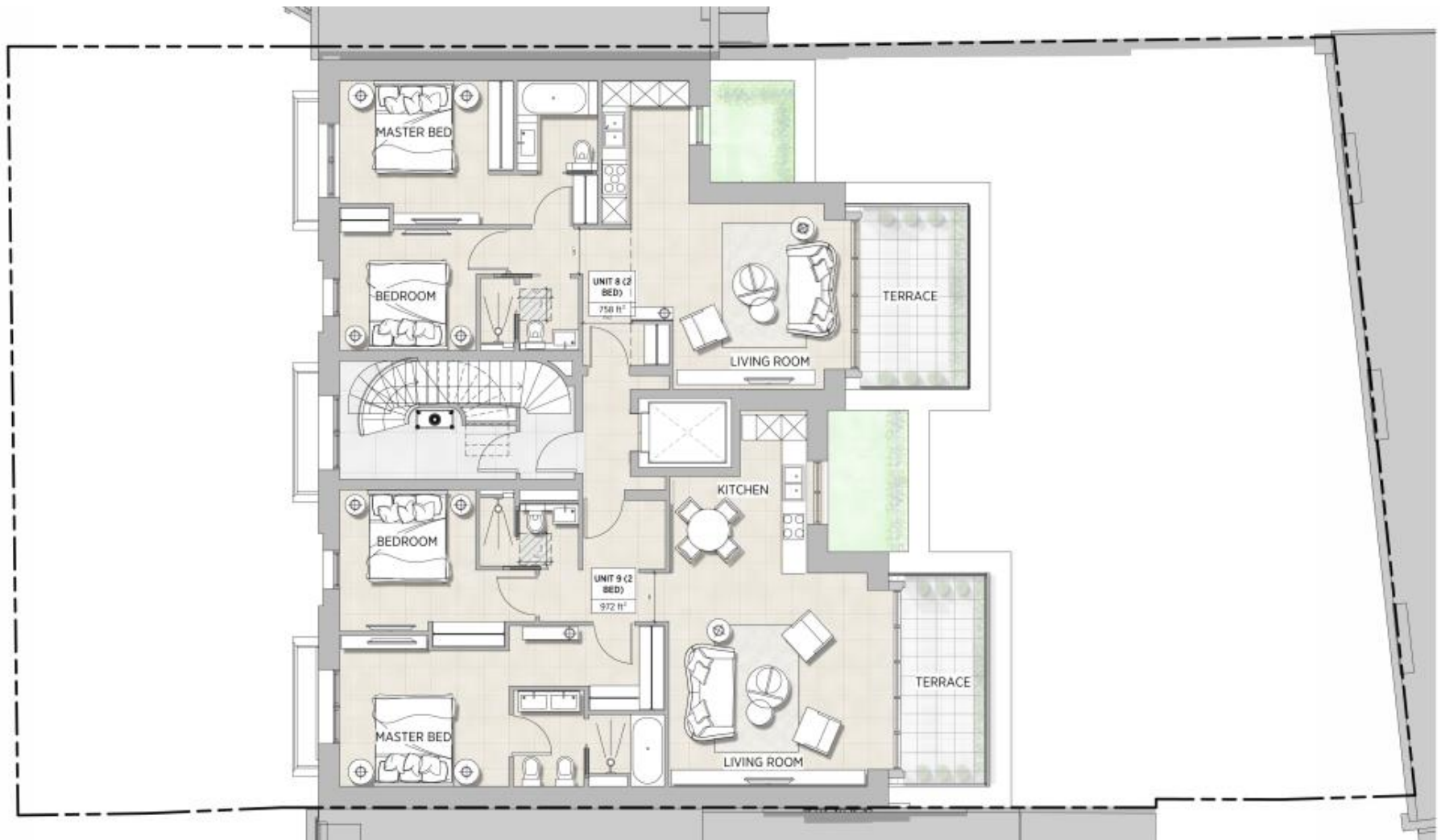


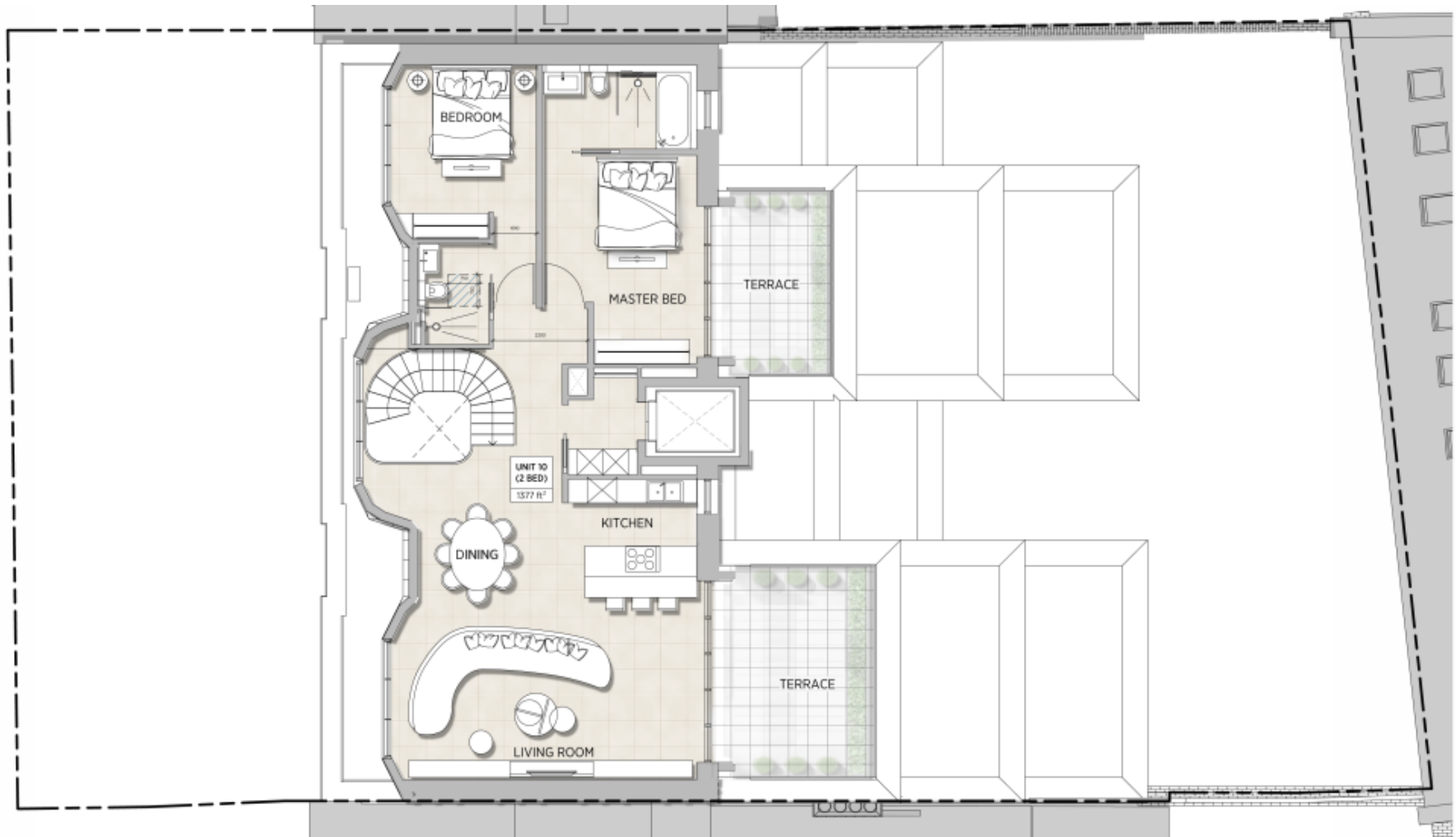




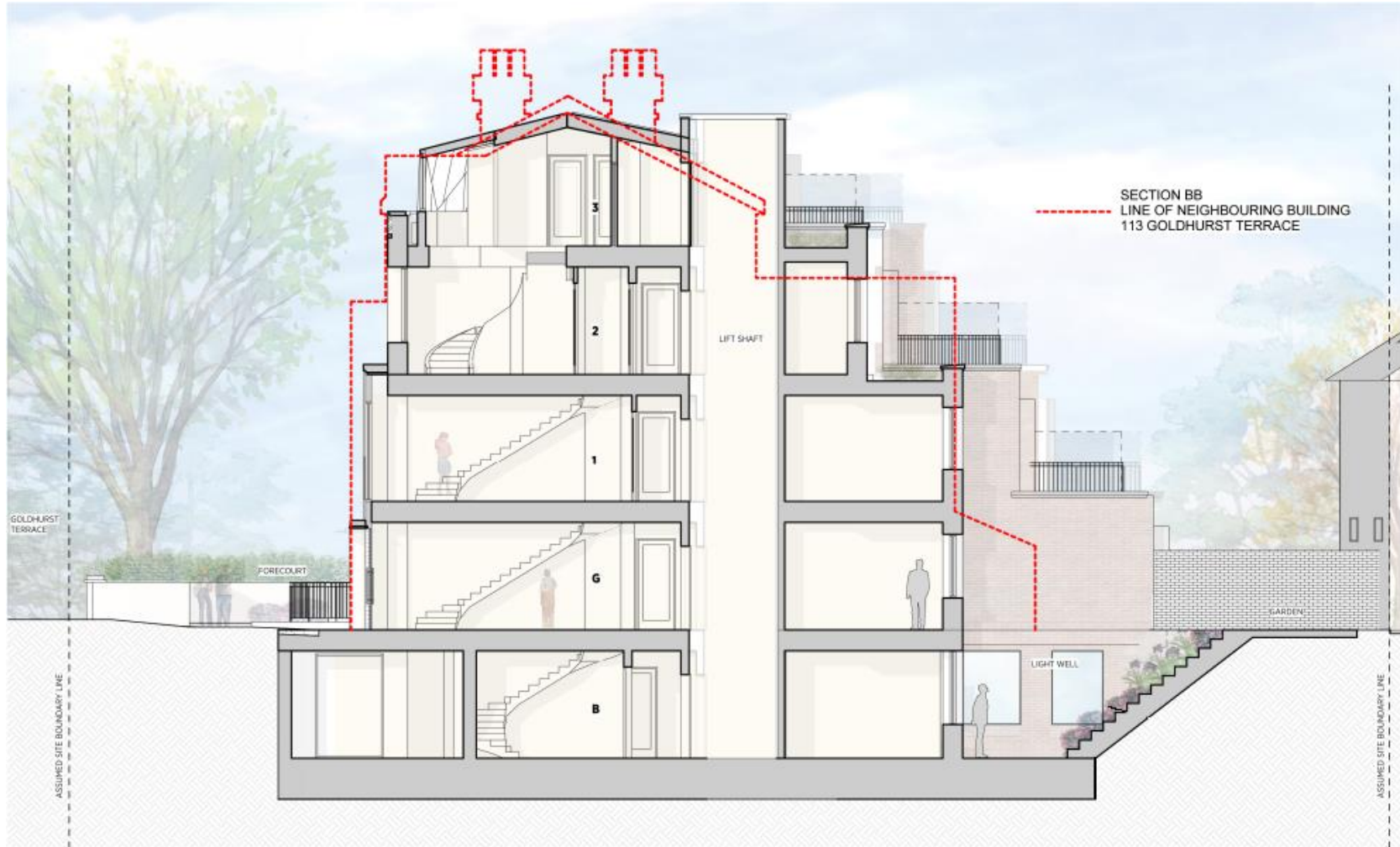


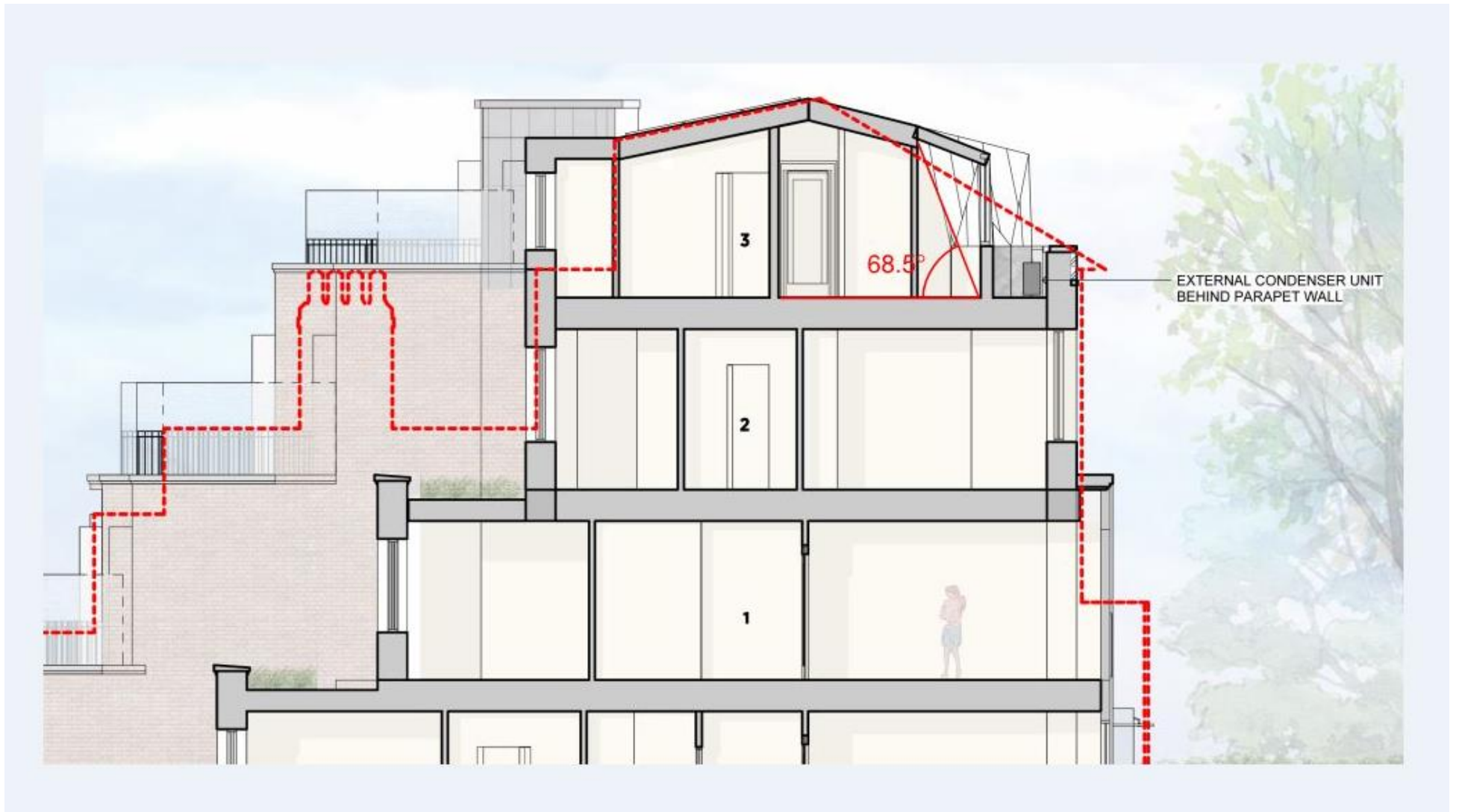














PROPOSED STREET PERSPECTIVE