



**52 Tottenham Street, London, W1T 4RN**

**Affordable Housing Statement**

**Prepared by DS2 LLP**

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**On behalf of Flower Island (UK) Ltd**

**15<sup>th</sup> June 2020**



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CONTENTS

1 INTRODUCTION..... 1

2 THE SITE ..... 2

3 PLANNING POLICY CONTEXT ..... 6

4 APPROACH TO AFFORDABLE HOUSING ..... 11

5 SUMMARY..... 13

## 1 INTRODUCTION

1.1 This Affordable Housing Statement (hereafter “AHS”) has been prepared by DS2 LLP in accordance with local, strategic and national planning policy, in support of the planning application for 52 Tottenham Street (hereafter “the Site”)

1.2 The Site is located within the London Borough of Camden (“LBC”).

1.3 The planning application seeks planning permission for;

*“Redevelopment of the site, following demolition of the existing building, to provide a mixed use development comprising ground floor affordable workspace (Class B1), four residential units (Class C3) on the upper floors (3 x 1 Bed Units and 1 x 3 Bed Unit), alongside lower ground floor plant, cycle parking and refuse storage.”*

1.4 The AHS is submitted on behalf of the applicant, **Flower Island (UK) Ltd**, (“the Applicant”).

1.5 This AHS describes the affordable housing proposals, focusing on the following areas:

- Explanation of the development proposals;
- The national, regional and local planning policy considerations;
- The approach to addressing policy priorities for affordable housing delivery.

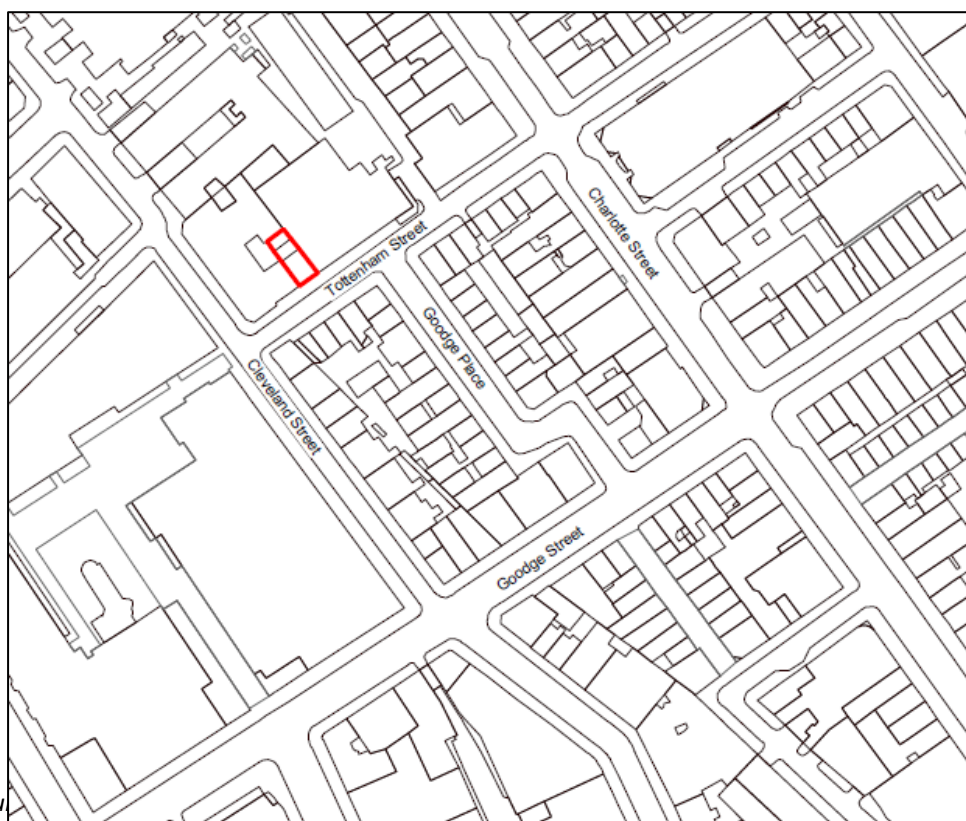
1.6 In preparing this Statement, the Applicant has had several pre-application meetings and discussions with LBC, the determining local planning authority.

1.7 The AHS should be considered alongside several other documents, including but not limited to the Planning Statement prepared by SM Planning and the Design and Access Statement prepared by DSDHA.

## 2 THE SITE

### Site Location

- 2.1 The Site is located in LBC, in the area known as Fitzrovia. The Site is located approximately half way between Oxford Street which is to the south of the Site and Euston Road which is located to the north of the Site.
- 2.2 A red line plan delineating the application boundary for the Application Site is included below:



Figure

- 2.3 The Site is located on Tottenham Street which provides a connection between two much busier streets, Cleveland Street to the west and Charlotte Street to the east. The Site is adjacent to 30 Cleveland Street to the west which is an existing office building which has recently been refurbished. This building also extends to the north of the Site.
- 2.4 To the east of the Site is Arthur Stanley House which is a former hospital building. This building is currently being refurbished to provide office floorspace, ten residential homes and provision for a GP surgery.
- 2.5 Opposite the Site, on the southern side of Tottenham Street, the street comprises of three and four storey townhouses which provide a mix of uses including office space, residential and retail use.

- 2.6 The Site has a public transport accessibility level (PTAL) of 6b which is the highest level, indicating excellent access to public transport. The Site is a two minute walk from Goodge Street Underground Station which provides access to the Northern Line. The Site is also within a ten minute walk of Warren Street Underground Station (Northern and Victoria Line) and Tottenham Court Road Station (Central and Northern Line) which will benefit from Crossrail once this has completed, currently estimated to be in 2021. Euston Railway Station is a 16 minute walk away and provides access to Underground (Northern and Victoria Line), local Overground services and Rail services north of London.
- 2.7 The Site sits within the Charlotte Street Conservation Area and lies on the edge of the boundary between LBC and the City of Westminster.

### **Site Description**

- 2.8 The Site extends to approximately 0.01 hectares in area and is occupied by a brick-built period building. The existing building which extends to four storeys currently provides a commercial unit on the ground floor which is currently vacant, and three floors of residential accommodation above which are accessed from a separate street entrance to the commercial unit. Storage for the commercial unit is provided in the basement.
- 2.9 The residential accommodation comprises of a studio apartment to the rear of the ground floor and three one bed apartments on the first to third floor.
- 2.10 The Site is not listed, however it is considered a positive contributor.

### **Development Proposals**

- 2.11 The Applicant is seeking detailed planning permission to demolish the Site and provide a mixed use development comprising of ground floor affordable workspace (Class B1) and four residential homes (Class C3).
- 2.12 The application description of development is as follows:

*“Redevelopment of the site, following demolition of the existing building, to provide a mixed use development comprising ground floor affordable workspace (Class B1), four residential units (Class C3) on the upper floors (3 x 1 Bed Units and 1 x 3 Bed Unit), alongside lower ground floor plant, cycle parking and refuse storage.”*

- 2.13 Table one below sets out the Net Internal Area (NIA) of the different elements of the Proposed Development and the overall Gross Internal Area (GIA) and Gross External Area (GEA).

TABLE ONE: EXISTING AND PROPOSED FLOORSPACE					
	Level	Commercial NIA (sqm)	Residential NIA (including amenity) (sqm)	GIA (sqm)	GEA (sq ft)
Existing Property	Lower Ground (store)	48		250	334
	Ground Floor	25	31		
	First Floor		32		
	Second Floor		33		
	Third Floor		33		
<b>Total</b>		<b>25 (excludes store)</b>	<b>129</b>		
Proposed Development	Basement			704.2	952.5
	Ground Floor	21.3	0		
	First Floor		46.1		
	Second Floor		31.4		
	Third Floor		46.1		
	Fourth Floor		31.4		
	Fifth Floor		45.6		
	Sixth Floor		30.4		
	Seventh Floor		64.5		
	Eight Floor		53		
	Ninth Floor		45.8		
	Tenth Floor		33.6		
<b>Total</b>		<b>21.3</b>	<b>427.9</b>		
Uplift		-3.7	+298.9		

### Residential Accommodation

2.14 The residential dwellings are located on floors one to ten of the Proposed Development. Three x one bed duplexes are provided over the first to sixth floors. The lower level of the duplexes provide an open plan kitchen and living room, utility cupboard, storage and a toilet and sink. A staircase leads to a mezzanine floor where an open bedroom, and an en-suite bathroom is provided.

- 2.15 A three bed family home is provided over the top four floors. The lower level of the 3 bed home comprises an open plan kitchen and living room and a toilet and sink. The bedrooms are located over the top three levels.
- 2.16 All units sizes will comply with the minimum space standards set out in the GLA's Housing SPG. This is a vast improvement from the existing accommodation whereby the one bed residential units are 32 and 33 sqm, significantly below the 50 sqm GLA requirement for new build homes.
- 2.17 Each of the residential dwellings benefits from a private balcony which face to the south east.
- 2.18 The basement provides refuse storage for the residential homes, plant space, a gas meter room and water and electricity meter rooms for both the commercial and residential floorspace.
- 2.19 The basement space also provides cycle storage for the residential dwellings. Seven bike spaces are provided in total.

### **Commercial Accommodation**

- 2.20 The ground floor of the building provides separate entrances for the residential and commercial spaces both of which are accessed from Tottenham Street.
- 2.21 The commercial unit provides 21.3 sqm (NIA) of office space (B1 Use Class) which is to be let as affordable workspace. The commercial unit will be wheelchair accessible.

### **Summary**

- 2.22 In summary, the Proposed Development seeks to add positively to the local residential area by providing a new building which provides high quality residential floorspace and wheelchair accessible commercial floorspace. The commercial floorspace is to be provided as affordable workspace, providing a significant public benefit.



### 3 PLANNING POLICY CONTEXT

- 3.1 The following section of this Affordable Housing Statement provides a summary review of the key national, regional and local planning policy that guides the delivery of affordable housing, with reference to the importance of considering scheme specific financial viability and balancing the requirements of obtaining planning obligations with the risks of non-delivery.

#### National Policy

##### **National Planning Policy Framework**

- 3.2 The revised National Planning Policy Framework (NPPF) was published in July 2018 and updated in February 2019.
- 3.3 At the heart of NPPF is a presumption in favour of sustainable development, which should be seen as a golden thread running through both the plan-making and decision-taking process. This means approving development proposals that accord with the development plan without delay and, where there are no relevant development plan policies, granting permission unless any adverse impacts of doing so would significantly and demonstrably outweigh the benefits of development.
- 3.4 Paragraph 62 of the NPPF states that, where there is a need identified for affordable housing, the affordable housing should be provided on-site, except in justified circumstances.
- 3.5 Paragraph 64 of the NPPF states that where major development proposes the provision of housing, at least 10% of the homes should be made available for affordable home ownership.
- 3.6 The definition of affordable housing included within the Glossary (Annex 2) of the NPPF includes Social Rented, Affordable Rented and Intermediate tenure housing as affordable housing i.e. housing provided to eligible households whose needs are not otherwise met by the market.

#### Regional

##### **The London Plan - incorporating minor alterations (March 2016)**

- 3.7 Policy 3.3 of the adopted London Plan states that the Mayor recognises the need for more homes in London to promote opportunity and provide real choice for all Londoners in ways that meet their needs at a price they can afford. The Mayor will work with relevant partners seek to ensure that housing need as identified in the Plan, is met and monitored, periodically, going forward through the lifetime of the Plan.
- 3.8 Boroughs should prepare policies that seek to achieve and exceed the GLA annual targets as illustrated in table 3.1 of the Plan. Boroughs should identify and seek to enable development to be brought forward regarding the other policies within the Plan. Boroughs should monitor housing capacity and provision against the average targets.

- 3.9 Policy 3.4 requires local planning authorities to seek to maximise development output with regard to the local character of sites and transport capacity within the relevant density range as illustrated in table 3.2 of the Plan.
- 3.10 Policy 3.5 seeks to ensure that housing development is of the highest quality internally, externally and in relation to their context and the wider environment.
- 3.11 Policy 3.8 seeks to generate genuine housing choice that is affordable and in high quality environments.
- 3.12 Policy 3.9 seeks mixed and balanced communities. That is, new developments should be balanced by tenure and household income to foster diversity, redress social exclusion and strengthen communities' sense of responsibility for their neighbourhoods. The policy requires a more balanced mix of tenures, particularly in some neighbourhoods where social renting predominates and there are concentrations of deprivation.
- 3.13 Policy 3.10 provides a definition of affordable housing that reflects the NPPF Annex 2 definition. Policy 3.11 provides a strategic affordable housing target. LBC's annual housing target in the current London Plan is 889 homes.
- 3.14 Policy 3.12 seeks to ensure the deliverability of development sites with the maximum reasonable amount of affordable housing subject to viability but having regard to current and future requirements for affordable housing at local and regional levels with reference to;
- Policies 3.8, 3.10 and 3.11;
  - Affordable housing targets with reference to Policy 3.11;
  - The need to encourage rather than restrain affordable housing with reference to Policy 3.3;
  - The need to promote mixed and balanced communities with reference to Policy 3.9; and
  - The size and type of affordable housing needed in particular locations and the specific circumstances of individual sites.
- 3.15 Policy 3.12 states that the viability discussions on individual sites should consider their individual circumstances.

#### **Intend to Publish London Plan (December 2019)**

- 3.16 The Draft New London Plan with Consolidated Suggested Changes was published in July 2019. The draft London Plan was considered by a formal Examination in Public ("EIP"), which commenced on the 15<sup>th</sup> January 2019 and finished on the 22<sup>nd</sup> May 2019. On the 9<sup>th</sup> December 2019 the Mayor issued a clean and tracked version of the Intend to Publish London Plan the Secretary of State. The Secretary of State issued their response and directions on the 13 March 2020. The Mayor is now considering the Secretary of States response and is taking the statutory

steps to finalise the Plan. At this stage, the draft London Plan is not adopted policy; however, it is at a significantly advanced stage and therefore carries close to full weight.

- 3.17 The Mayor states there is a need to deliver circa 43,500 affordable homes per year, as established in the London Strategic Housing Market Assessment. LBC's annual target is 1,086 homes per annum, an increase of 197 compared to the current London Plan.
- 3.18 Policy H5 of the draft London Plan identifies the Mayor's strategic target for affordable homes, which is for 50% of all new homes delivered across London to be affordable.
- 3.19 Policy H6 of the draft London Plan encourages residential and mixed-use developments to provide affordable housing through the threshold approach as explained further below and is consistent with the GLA Affordable Housing and Viability SPG, dated August 2017.
- 3.20 The threshold proposed is 35% of a scheme as affordable housing based on habitable rooms. Schemes that do not meet (or exceed) the 35% threshold and do not meet the specified tenure mix and all other requirements and obligations, will be required to submit viability information.

#### **The Mayor's Affordable Housing and Viability SPG (August 2017)**

- 3.21 The GLA published the draft SPG in November 2016 for consultation. Following a period of consultation, the final SPG was adopted in August 2017. The Mayor's guidance is, therefore, a material consideration in the determination of planning applications.
- 3.22 The SPG represents the new Mayoral administration's policy objectives in relation to the delivery of new homes, including affordable housing. The overarching objectives of the SPG are clear in seeking to enhance housing and economic opportunities for all persons across the capital. The SPG provides guidance regarding the practical application, methodologies and approach to site value, amongst others, for viability assessments.

#### **Local Policy – London Borough of Camden (LBC)**

- 3.23 LBC's affordable housing policy is contained within Camden's Local Plan (2017). The Local Plan was adopted by the Council in July 2017 and has replaced the Core Strategy and Camden Development Policies documents as the basis for planning decisions and future development in the borough.
- 3.24 Policy H2 of the Local Plan applies to all proposals for new build non-residential development and extensions involving a significant floorspace increase. Policy H2 specifically seeks provision of self-contained houses and flats (Use Class C3). In the Central London Area and the town centres of Camden Town, Finchley Road/Swiss Cottage and Kilburn High Road, where development involves additional floorspace of more than 200 sqm GIA, LBC require 50% of all additional floorspace to be self-contained housing, subject to the following conditions;
- a) The character of the development, the site and the area;

- b) Site size, and any constraints on developing the site for a mix of uses;
- c) The priority the Local Plan gives to the jewellery sector in the Hatton Garden area;
- d) Whether self-contained housing would be compatible with the character and operational requirements of the proposed non-residential use and other nearby uses; and
- e) Whether the development is publicly funded or serves a public purpose.

3.25 LBC's affordable housing policy is contained within Policy H4 of Camden's Local Plan (2017). The Council will expect a contribution to affordable housing from all development that provide one or more additional homes and involve a total addition to residential floorspace of 100 m2 GIA or more. LBC will seek to negotiate the maximum reasonable amount of affordable housing on the following basis;

- a) The guideline mix of affordable housing types is 60% social/affordable rented housing and 40% intermediate housing;
- b) Targets are based on an assessment of development capacity whereby 100 m2 GIA of housing floorspace is generally considered to create capacity for one home;
- c) Targets are applied to additional housing floorspace proposed, not to existing housing floorspace of replacement floorspace.
- d) A sliding scale target applies to developments that provide one or more additional homes and have capacity for fewer than 25 additional homes, starting at 2% for one home and increasing by 2% of for each home added to capacity;
- e) An affordable housing target of 50% applies to developments with capacity for 25 or more additional dwellings;
- f) For developments with capacity for 25 or more additional homes, the Council may seek affordable housing for older people or vulnerable people as part or all of the affordable housing contribution;
- g) Where developments have capacity for fewer than 10 additional dwellings, the Council will accept a payment-in-lieu of affordable housing;
- h) For developments with capacity for 10 or more additional dwellings, the affordable housing should be provided on site; and
- i) Where affordable housing cannot practically be provided on site, or offsite provision would create a better contribution (in terms quantity and/ or quality), the Council may accept provision of affordable housing offsite in the same area, or exceptionally a payment-in-lieu.

- 3.26 LBC's Interim Housing CPG (March 2019) supports the policies in the Camden Local Plan (2017) and provides specific guidance on payment in lieu rates and planning obligations.

**Summary**

- 3.27 In summary, national, regional and local affordable housing policy support the delivery of the maximum reasonable amount of affordable housing that can be viably delivered, alongside other forms of planning gain. The policy intent, however, also seeks to encourage rather than restrain delivery, so development proposals must remain commercially viable.
- 3.28 Overall the Proposed Development provides a total uplift in residential floorspace of 298.9 sqm (GIA) to the existing residential floorspace. There is a 3.7sqm reduction to the existing commercial space.

## 4 APPROACH TO AFFORDABLE HOUSING

- 4.1 In considering the nature of the affordable housing obligation that may be supported as part of the Proposed Development we have had regard to Policy H4 within LBC's Local Plan (2017)
- 4.2 LBC expect a contribution towards affordable housing from all developments that provide one or more additional homes and involve a total addition to residential floorspace of 100sqm GIA or more. The Proposed Development results in an uplift of 298.9 sqm in terms of additional residential floorspace and therefore triggers an affordable housing obligation.
- 4.3 LBC has an affordable housing target of 50% but will apply the target with regard to a sliding scale depending on the amount of additional residential floorspace proposed. LBC's sliding scale policy is set out in Camden's Planning Guidance (CPG), Interim Housing CPG (March 2019). Affordable housing targets are based on an assessment of development capacity whereby an additional residential floorspace of 100sqm GIA is generally considered to create capacity for one additional home. Based on LBC's sliding scale policy the affordable requirement would be for 3 additional homes which equates to an affordable housing percentage target of 6% of the floorspace.
- 4.4 Where developments have capacity for fewer than 10 additional dwellings, LBC will accept a payment-in-lieu ("PiL") of affordable housing. The Interim Housing SPG adopts GIA to assess floorspace, however rates for a PiL of housing and affordable housing are based on GEA.
- 4.5 Para IH2.30 of the Interim Housing SPG recognises that housing proposals typically relate to flats and provide aggregate GIA areas for individual flats, excluding common areas as well as the external walls of the building. Where a measurement of GEA isn't available, LBC will generally estimate GEA as 1.25 x GIA, unless the applicant provides evidence to show that an alternative multiplier is more appropriate.
- 4.6 The overall GIA of the Proposed Development is 704.2 sqm and the overall GEA is 952.5 sqm. Dividing the total GEA by the total GIA results in a multiplier of 1.35.
- 4.7 Set out in Table Two below is the calculation of the PiL when applying LBC's formula.

TABLE TWO: AFFORDABLE HOUSING PAYMENT IN LIEU CALCULATION					
Uplift	Rounded capacity	Affordable housing target	GEA (GIA x 1.35)	Affordable housing floorspace target	Payment in Lieu required (£2,650 per sqm)
298.9	300	6%	403.52	24.24 sqm	£64,159

- 4.8 The affordable housing floorspace target is 24.24 sqm. This amount of floorspace is significantly below LBC's assessment of development capacity whereby 100sqm (GIA) of housing floorspace is considered to create capacity for one homes. It would not be possible therefore to provide this floorspace on site.

- 4.9 In accordance with Policy H4 which states that where developments have capacity for fewer than 10 additional dwellings the Council will accept a payment-in-lieu of affordable housing, the Applicant is proposing to provide a PiL as a contribution towards affordable housing.
- 4.10 Based on Camden's PiL formula, the Proposed Development would derive a financial contribution of £64,159.

## 5 SUMMARY

- 5.1 In accordance with guidance from LBC's local planning policies, this statement details the approach to an affordable housing contribution which is to provide a contribution to affordable housing delivery in the form of a PiL.
- 5.2 The Proposed Development provides four residential homes. Policy H4 of LBC's Local Plan states that where developments have capacity for fewer than 10 additional dwellings, the Council will accept a payment-in-lieu of affordable housing;
- 5.3 Based on Camden's PiL formula, the Proposed Development would derive a financial contribution of £64,159, which the Applicant has agreed to meet. Therefore the scheme is compliant with the affordable housing policies under Policy H4 of LBC's Local Plan.
- 5.4 A financial contribution will allow LBC to pool the financial contribution with other small site contributions in order to address borough priority housing need and contribute towards housing targets
- 5.5 In addition to the affordable housing contribution, the commercial floorspace is to be provided as affordable workspace, providing a significant public benefit.
- 5.6 In summary, the Proposed Development seeks to provides high quality residential floorspace and better quality and wheelchair accessible commercial floorspace.