



**Koko, 1A Camden High Street, The Hope & Anchor PH 74 Crowndale Road
1 Bayham Street & 65 Bayham Place London NW1 7JE**

London Borough of Camden

Post-Construction Viability Assessment on behalf of The Hope Lease Limited

Executive Summary

September 2021



Koko & The Hope & Anchor - Post-Construction Viability Assessment – September 2021

1. Executive Summary

1.1. Grimshaw Consulting Limited ('GCL') is instructed by WSP Planning on behalf of the The Hope Lease Ltd ("the Owner") to prepare a post-construction viability assessment of the development permitted by planning permission reference 2017/6058/P dated 2nd May 2018 at Koko, 1A Camden High Street, Hope & Anchor PH 74 Crowndale Road, 1 Bayham Street and 65 Bayham Place, London NW1 7JE ('the Property').

1.2. Planning permission 2017/6058/P (the 'original permission') has subsequently been amended by planning permissions 2018/4035/P (8th March 2019), and permission 2019/2296/P (3rd July 2019), but essentially, the London Borough of Camden ("the Council") has permitted the following: -

"Redevelopment involving change of use from offices (Class B1) and erection of 5 storey building at the corner of Bayham Street and Bayham Place to provide pub at ground floor and private members club (Class SG) on upper floors following demolition of 65 Bayham Place, 1 Bayham Street, and 74 Crowndale Road (facades retained), including enlargement of basement / sub-basement, mansard roof extension (74 Crowndale Road), creation of terraces and erection of 4th floor glazed extension above roof of Koko to provide restaurant and bar to private members club (SG)"

1.3. When the original permission was granted, the Developer and the Council agreed that a payment in lieu of 50% on-site provision of floorspace as self-contained market and affordable housing as required by Local Plan Policy H2. The calculated Deferred Housing Contribution was £304,373.33 and this was incorporated into the S106 Agreement with a Post-Construction Viability Assessment to be undertaken to establish whether all or part of the contribution could be paid to the Council.

1.4. We have relied upon information relating to out-turn development costs provided by Gardiner & Theobald LLP ("G&T") and undertaken market research to inform our assessment of development revenue, based on lease agreements in place between The Owner and The Hope Lease Ltd. We have prepared a financial appraisal to establish the Residual Land Value of the permitted development and compared this with the 2017 EVA Report prepared by U.L.L. Property.

1.5. A summary of our financial appraisal outcome is provided below: -

KOKO Venue & Social - Post-construction Viability Assessment			
Development Cost / Revenue	2021 Viability Assessment (Grimshaw Consulting)		2017 EVA (U.L.L. Property)
Total Development Revenue	£	85,437,059	£ 35,892,619
Total Development Costs	£	81,802,985	£ 27,706,676
Residual Land Value	£	3,634,074	£ 8,185,943
Viability Benchmark	£	15,057,000	£ 15,057,000
Viability Surplus / (Deficit)	-£	11,422,926	-£ 6,871,057

1.6. Our financial appraisal confirms that it is not financially viable to provide the Deferred Housing Contribution in accordance with the provisions of the S106 Agreement dated 2nd May 2018.



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Robert Grimshaw

Director

Grimshaw Consulting Limited

23rd September 2021