

Our ref: MJD  
E: matthew.dawson@bidwells.co.uk  
Date: 4<sup>th</sup> October 2022

Redtree (North London) Ltd.  
44 Great Eastern Street  
London  
EC2A 3EP

By email only

Dear Sir / Madam,

### **1 HAMPSHIRE STREET, NW5 2TE – PAYMENT IN LIEU OF AFFORDABLE HOUSING**

You have instructed Bidwells to provide a calculation of an appropriate payment in lieu of Affordable Housing to support a planning application at the above address.

The proposals (the “Proposed Scheme”) would see the replacement of the existing ground-floor commercial accommodation, approved and built under planning application 2017/2883/P (granted consent in April 2019), with five flats.

Under London Borough of Camden’s Local Plan (Policy H4) and ‘Camden Planning Guidance – Housing’, proposals involving a net gain of fewer than ten dwellings are permitted to meet their Affordable Housing policy requirements by means of a payment-in-lieu.

The starting point for assessing the required payment is to calculate the equivalent on-site target. This will be 2% for a development of one dwelling and 2% for each additional dwelling.

The target is to be calculated on the assumption that there is capacity for one dwelling per 100 sq.m. of the development scheme’s Gross Internal Area, rounded to the nearest 100 sq.m.. We understand that the Proposed Scheme will have a GIA of 334 sq.m., resulting in an assumed capacity of three dwellings.

Applying the ‘2% per dwelling’ requirement to the assumed capacity generates an equivalent on-site target of 6% Affordable Housing. In turn, this is to be applied to the net additional residential GIA (334 sq.m.) proposed. Therefore, the equivalent on-site provision on which the payment in lieu will be calculated is 20.04 sq.m..


The Camden Planning Guidance indicates that, for residential developments, the calculated area will be converted to a payment in lieu by applying a flat rate of £5,000 per sq.m. GIA to the on-site Affordable shortfall.

In this instance, no on-site provision towards the 6% (20.04 sq.m.) target is proposed. Therefore, our understanding is that the payment in lieu will be calculated as follows:

20.04 sq.m. GIA x £5,000 per sq.m. GIA = **£100,200**

I trust that the above is of assistance in your application discussions with the local planning authority. Please do not hesitate to contact me if you have any questions.

Yours faithfully,



**Matthew Dawson**  
Associate

**Signed for and on behalf of Bidwells LLP**