Item No.
 04

 Case No.
 13/0224



Planning Committee Map

Site address: 904 Harrow Road, London, NW10 5JU

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This map is indicative only.

RECEIVED: 15 February, 2013

WARD: Queen's Park

PLANNING AREA: Kilburn & Kensal Consultative Forum

LOCATION: 904 Harrow Road, London, NW10 5JU

PROPOSAL: Demolition of existing petrol filling station and construction of part three, part

four storey (over undercroft) building comprising 20 residential units, amenity space, undercroft car and cycle parking and associated landscaping and

access arrangements

APPLICANT: Rontec Ltd.

CONTACT: Barton Willmore LLP

PLAN NO'S: 862-PL-207 862-PL-206 862-PL-205 862-PL-204 862-PL-203 862-PL-202 862-PL-201 862-PL-200

Air Quality Assessment
Arboricultural Report
Code For sustainable homes pre-assessment
Contamination Desk Top Study
Daylight and Sunlight Report
Design and Access Statement
Energy Strategy
Environmental Noise Survey

Planning Statement
Sustainability Checklist

BACKGROUND

This Report follows last April's Planning Committee where the recommendation was to refuse this application and Members decided to support the recommendation, and delegate this decision, but subject to a two week period to allow the applicant to consider changes to overcome the recommended reasons for refusal.

Since the April Planning Committee the applicant has confirmed their agreement to revise the scheme and revised plans have been submitted which have addressed design concerns expressed previously. There is however an outstanding affordable housing matter which the report below expands on further. At the time of the previous recommendation in April, Officers had not pursued the detailed heads of agreement of a potential Section 106 legal agreement with the applicant since there were fundamental design and massing concerns which could impact on unit numbers, and therefore, overall viability which first needed to be resolved.

However, the previous report had set out that appropriate mitigation for the shortfall in affordable housing could be sought through the Section 106 agreement and in the "Density and Mix" section of the report had queried the applicants financial appraisal. As such it did not appear as a reason for refusal. Since the April Committee, these design concerns have been resolved, and Officers have sought agreement in principle to the suggested Section 106 heads of terms with specific clauses to deal with affordable housing. Unfortunately, there has been a failure to agree to the terms of the Section 106 and, regrettably, the

recommendation is for permission to be refused on this ground. The issue is expanded up[on in the "Remarks" section below.

Since the April Committee an additional letter of support has been received bringing the total to 12 letters of support received. The Council's Transportation Engineer has considered the revised car parking and access arrangements. He has stated that the revisions are acceptable in highway terms.

The original report to the April Planning Committee is attached to this report as **APPENDIX 1**. **RECOMMENDATION**

Refuse

This application is liable for Community Infrastructure Levy.(CIL) . The Mayor's contribution would be £74,805.50.

DEVELOPMENT SCHEDULE

The table(s) below indicate the existing and proposed uses at the site and their respective floorspace and a breakdown of any dwellings proposed at the site.

Floorspace Breakdown

USE

Number	Primary Use	Sub Use
1	dwelling houses	housing - private
2	dwelling houses	housing - affordable

FLOORSPACE in sqm

Number	Existing	Retained	Lost	New	Net gain
1	0	0	0	1895.5	1895.5
2	0	0	0	301.8	301.8

TOTALS in sqm

Totals	Existing	Retained	Lost	New	Net gain
	0	0	0	21973	21973

HISTORY

As explained above, the report to the April Committee on this application was recommended for refusal. For the information of Members, and for the sake of completemness, the draft reasons for refusal are listed below:

- (1) The design, form and appearance of the proposed development, in particular in terms of the ground floor forward projection and the proximity of the building to the Harrow Road frontage, relates poorly to the massing of the remainder of the building and the Harrow Road street scene, and owing to its height, siting and proximity to the neighbouring boundary, has a detrimental impact toward the amenity of adjoining occupiers on Rainham Road. In addition, there is a lack of detail relating to the treatment of the space around the building and the ability to provide acceptable landscaping in order to improve the setting of the building, contrary to Unitary Development Plan policies BE2, BE7, BE9 and the advice contained within Supplementary Planning guidance 17 Design Guide for New Development.
- (2) The standard of accommodation for the ground floor units facing Harrow Road provides unacceptable living accommodation in terms of their outlook, privacy, relationship to the parking access and to the public footpath on Harrow Road, in addition there are shortfalls in the amount and quality of external amenity across the scheme as a whole, and a lack of clarity over the siting of wheelchair units and their access from designated wheelchair parking bays, contrary to Unitary Development Plan Policies BE9, and the advice contained with SPG17

Design Guide for new Development.

(3) In the absence of a legal agreement to control the matter, the development would result in additional pressure on parking demand and transport infrastructure, without a "car-free" agreement or any contribution to sustainable transport improvements in the area, an increased pressure for the use of existing open space, public sports facilities and education infrastructure, without any contributions respectively. As a result, the proposal is contrary to policies TRN4 and TRN23 of the adopted London Borough of Brent Unitary Development Plan 2004 and Supplementary Planning Document: "S106 Planning Obligations"

REMARKS

Following changes since the April Planning Committee, the revised development description is now as follows;

Demolition of existing petrol filling station and construction of part three, part four storey (over undercroft) building comprising **20** residential units, amenity space, undercroft car and cycle parking and associated landscaping and access arrangements.

Specifically, the following changes have been made to the proposal in an effort to address Officers, and Members, concerns;

- Omission of lower ground floor unit fronting Harrow Road and retention of unit L02 (to the east of the car park access when viewed from Harrow Road) but with revised smaller massing that projects significantly less on the main Harrow Road Elevation compared to the previous scheme.
- Introduction of better quality external landscape which improves the setting of the building.
- Agreed contribution of £10,530.27 to offset the developments' short fall of external amenity space.
- Revised parking arrangement which improves disabled access.

These changes address reasons for refusal 1 and 2 and, to an extent reason 3, in that the quality of accommodation is improved to an acceptable level and external amenity deficiencies are mitigated through a financial contribution, the scheme no longer is considered to have a detrimental impact to neighbouring amenity, the setting of the building is improved through an acceptable landscape scheme, disabled access is improved, windows are enlarged on the Wakeman Road side, and the Harrow Road Elevation is a better standard. Whilst these changes are welcomed in addressing concerns relating to the design of the scheme, there is still a significant outstanding matter regarding affordable housing.

The scheme previously considered by members included 6 affordable units equating to 28% of the total development. The Local Development Framework Core Strategy policy CP2 sets a target of 50% affordable housing on sites with the capacity to deliver ten or more homes subject to viability. The previous recommendation was that the provision was acceptable subject to review mechanism in the Section 106 agreement with a possible deferred offsite contribution for affordable housing, should scope for additional affordable housing be identified. Officers main justification for this was that the predicted sales values in the submitted viability assessment were lower than what Officers research found the area could yield generally. Therefore, with more value identified compared to what had been presented, and the level of affordable housing being significantly less than the required 50%, the Council would need to be able to secure additional contributions toward affordable housing should these higher values be realised.

Following the April Committee, the revised scheme reduced the units from 21 to 20 and the number of affordable units from 6 to 4. Officers informed the applicant that based on the viability information submitted, the provision of 4 affordable units was unacceptable and would only accept a revised proposal with 6 affordable units with a review mechanism as per the original recommendation. The applicant has agreed to include 6 affordable units in the scheme however they have not agreed to the review mechanism.

In reaching this position, The Council have assessed the revised viability assessment and have identified that there is greater scope for affordable housing than has been conveyed. Officers have identified that the site is in a high value area of the Borough and demonstrated this with relevant examples of sales. In drawing up the

Councils local Community Infrastructure Levy, BNP Paribas Real Estate advised the Council that in Q4 2011, £677 per sq. ft. sales values were achieved on the City View development, which is about 500 yards from the Total Garage site. In Q2 2011, £562 per sq. ft. sales values were achieved on the Zahra House development, which is less than 100 yards from the Total Garage site. These values are significantly higher than those assumed in the toolkit and house prices in the area have in any case been seen to increase in the period between those achieved sales and today. The submitted values as such are 15% below, and more likely 25% below, what we would expect to see in this area of the Borough. In addition to sales values, Officers have identified a number of discrepancies in their valuation which depresses the residual value further;

- Minor discrepancies in the toolkit area schedule compared with the latest accommodation schedule, together with an approach that inputs tenure by percentage rather than by unit, have a net detrimental effect on the scheme revenue.
- Use of the 2011 version of the toolkit, rather than the more recent 2012 version, means rents are understated with a net detrimental effect on scheme viability.
- Use of GLA 2011 Brent borough benchmarks rents and failure to account for the higher value locality of
 the site. Again, the effect is detrimental to scheme viability. Considering market rents in the area today,
 GLA median rents for 1, 2 and 3 bedroom properties in the NW10 postcode are £225, £330 and £418 per
 week respectively. Considering target rents in the area today, a conservative view would be to increase
 the GLA 2012 Brent target rent levels by 10% to account for inflation and the higher value area in which
 the site is located.
- No assumption has been made for the price a Registered Provider would pay for new affordable housing over and above the capitalised rental stream.
- Use of a 30% premium over the existing use value of the site has not been justified, and a 20% premium is more commonly assumed.

In the absence of a revised viability assessment based on 6 affordable units, the Council have not been given sufficient evidence, or justification, why the provision of 30% affordable housing is acceptable, and based on the evidence set out above, which suggests the scheme may have a higher residual value than has been indicated, the Council would only recommend approval if a review mechanism, based on future sales performance were included in the Section 106 Agreement in order to identify any further capacity for affordable housing.

RECOMMENDATION: Refuse Consent

CONDITIONS/REASONS:

(1) In the absence of a legal agreement to control the matter, the development does not provide an acceptable level of affordable housing and fails to supply sufficient evidence on grounds of viability to justify this shortfall, contrary to the adopted London Borough of Brent Core Strategy Policy CP2 and Supplementary Planning Document "S106 Planning Obligation."

INFORMATIVES:

None Specified

Any person wishing to inspect the above papers should contact Samuel Gerstein, The Planning Service, Brent House, 349 High Road, Wembley, Middlesex, HA9 6BZ, Tel. No. 020 8937 5368