



Manor Road / Richmond

Affordable Housing Statement

Avison Young

February 2019

Our Ref: JGK/CF/02B825164
Your Ref: 84 Manor Road

12 February 2019

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Dear Sirs

Manor Road - Affordable Housing Statement

This Affordable Housing Statement (AHS) has been prepared by Avison Young on behalf of the Avanton Richmond Developments Ltd (the Applicant) in support of the planning application relating to 84 Manor Road, Richmond.

The scheme proposes:

Demolition of existing buildings and structures and comprehensive residential-led redevelopment of four buildings of between four and nine storeys to provide 385 residential units (Class C3), flexible retail/ community/ office uses (Classes A1, A2, A3, D2, B1) provision of car and cycle parking, landscaping, public and private open spaces and all other necessary enabling works.

The report sets out the affordable housing position in relation to the scheme and details engagement with Registered Providers to date. A full description of the scheme and the rationale for the affordable housing position is set out in the attached Financial Viability Assessment (FVA).

Planning policy in relation to the proposed scheme and the provision of affordable housing is set out in the Planning Statement and the FVA accompanying the application.

The design standards are set out in the Residential Design Standards which also comprise part of the application documentation.

Summary of affordable housing offer

The scheme proposes the following affordable housing offer.

35% affordable housing provided as 36% affordable rented tenure at LB Richmond's affordable rents and 64% shared ownership. This has been calculated by habitable room. We set out below the split by habitable room and by unit.

| | Number of habitable rooms | % affordable by HR | % of affordable total by tenure (HR) |
|-------------------|---------------------------|--------------------|--------------------------------------|
| Market housing | 251 | 65% | |
| Affordable Rented | 135 | 35% | 36% |
| Shared Ownership | 236 | | 64% |
| Total | 1,057 | 100% | 100% |

| | Number of units | % affordable by Unit | % of affordable total by tenure (unit) |
|-------------------|-----------------|----------------------|--|
| Market housing | 251 | 65% | |
| Affordable Rented | 40 | 35% | 30% |
| Shared Ownership | 94 | | 70% |
| Total | 385 | 100% | 100% |

The affordable housing will be provided in Blocks A and C with the shared ownership split between core A of Block A and core A of Block C and the rented accommodation provided in the remainder of Block C. The unit mix can be summarised as follows:

| | 1 bedroom | 2 bedroom | 3 bedroom | Total |
|-------------------|-----------|-----------|-----------|------------|
| Affordable Rented | 6 | 13 | 21 | 40 |
| Shared Ownership | 46 | 48 | - | 94 |
| Total | 52 | 61 | 21 | 134 |

| | 1 bedroom | 2 bedroom | 3 bedroom | Total |
|-------------------|------------|------------|------------|-------------|
| Affordable Rented | 15% | 32% | 53% | 100% |
| Shared Ownership | 49% | 51% | 0% | 100% |
| Total | 40% | 46% | 14% | 100% |

At this stage it is anticipated that the affordable housing will be located across the scheme providing mixed blocks with dedicated cores.

| | Private | Affordable rented | Shared Ownership |
|---------|---------|-------------------|------------------|
| Block A | Y | N | Y |
| Block B | Y | N | N |
| Block C | N | Y | Y |
| Block D | Y | Y | N |

Engagement with Registered Providers

The Applicant has been in detailed discussion with the following Registered Providers regarding the affordable housing proposed in the scheme:

- A2 Dominion
- Clarion House
- Guinness Trust

All parties have expressed a strong interest in the scheme and proposed mix and discussions are ongoing with these parties as the scheme progresses.

Affordability

Affordable Rented

The proposed scheme includes the provision of affordable rented tenure housing based on LB Richmond's affordable rental levels which are as follows:

| | Richmond weekly rents | LAR |
|---------------|-----------------------|------|
| One Bedroom | £210 | £144 |
| Two Bedroom | £225 | £153 |
| Three Bedroom | £200 | £161 |

This results in annual rental charges for the occupier at between 25% and 65% discount to market rent levels. The FVA also includes commentary on the impact of adopting London Affordable Rents which results in further discounts to market levels.

Shared Ownership

The shared ownership units provide a range of one and two bedroom apartments to ensure affordability is maintained based on the GLA's affordability criteria which requires a maximum income threshold of £90,000. The values have been arrived at assuming 25% equity sale and between 2% and 2.5% rent on the retained. Service charges average £2,000 per annum and we have included staircasing at £250 per annum. The cash flow has been capitalised at 5%.

This results in the following gross annual salary requirements for the shared ownership units:

| | Gross Annual Income |
|-------------|---------------------|
| One bedroom | £67,367 |
| Two bedroom | £80,904 |

Conclusion

The attached FVA assessment undertakes a full assessment of scheme viability, testing policy compliant scenarios based on both GLA and LB Richmond policy. This demonstrates that the scheme is not viable on these bases. However, being committed to maximising affordable housing delivery, the proposed scheme includes the provision of 35% affordable housing at a 30%:70% tenure split between Affordable Rented (Richmond rents) and Shared Ownership tenure housing. The apartments will be integrated across the scheme and meet the Mayor's affordability criteria.

Yours faithfully



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