

# 3&4 NEW BROADWAY

RICHMOND UPON THAMES /// LONDON

Formalise and Reconcile Approved Applications

**Viability Note**  
**JULY 2023**

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This Viability Note has been produced on behalf of NBI Holdings (London) Ltd “the applicant” to demonstrate that the proposed planning application at 3 - 4 New Broadway, Hampton Hill, London TW12 1JG cannot sustain any affordable housing contributions.

The proposed development involves the conversion of 2 x existing ground floor retail units into 2 x one bed flats, a rear ground floor extension comprising 1 x two bed flat, the conversion of the first floor flat into 2 x one bed flats and a second-floor extension to form 2 x one bed flats.

The proposed development is a combination of two planning permissions involving the existing ground floor commercial units and rear yard (ref: 22/3328/FUL) “three unit permission” and the existing commercial units and first-floor flat (ref:19/3704/FUL) “four unit permission”.

The Council’s viability consultants concluded previously that both of these applications were unable to provide any affordable housing contributions at the time each application was determined.

In the case of the older four-unit permission (ref:19/3704/FUL) the officer’s delegated report stated:

*Viability evidence was submitted with the application, which found it is not viable for the development to provide any affordable housing contribution. However a review was undertaken by the Council's assessors (Bespoke) (April 2020) which found the proposed scheme is not viable and could not provide an affordable housing contribution. A nil contribution to affordable housing is therefore in accordance with Policy LP36 of the Local Plan.*

In the case of the newer ground floor three-unit permission (ref: 22/3328/FUL):

*The Council’s Viability Assessors Bespoke undertook a review of the Affordable Housing evidence in February 2022. Bespoke reviewed the latest Land Registry House Price Index figures for flats in Richmond upon Thames and the construction cost by Reference to the BCIS All Tenders index in order to update the results. Our own assessment of the scheme shows a residual site value of £45,321 which is below the benchmark land value of £442,500 without any allowance for affordable housing or S.106 contributions. This suggests that the scheme is not viable and could not support additional affordable housing or S.106 contributions. Bespoke have advised the Council that the proposal is not viable for affordable housing contributions. It is noted that this was the same position in the refused applicaion 22/1325/FUL.*

Given the viability issues outlined above coupled with current construction cost inflation, high development finance rates of c. 10% and an ever-deteriorating housing market it is hoped that the Council’s viability assessors agree that the viability of the scheme has worsened since the above two applications were approved, and consequently they agree that the proposed scheme cannot sustain any affordable housing contributions. In the event that viability is re-opened, the applicant reserves the right to provide a viability assessment for the proposed scheme.

Mark Smith

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