

Mr Sadiq Khan, Mayor of London  
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Greater London Authority  
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***Sent by Email***

27th February 2018

Dear Mr Khan,

**Consultation on the draft London Plan**

I write regarding the publication of the consultation pertaining to:

- Draft New London Plan

In particular:

- Policy H18 Large-scale purpose-built shared living

This presentation has been prepared by Prader Property Ltd. Prader Property is a London centric property developer which specialises in residential accommodation. Over the last few years the team have been working on an large scale Private Rental Sector (PRS) concept for London, which it has dubbed Your London Base (YLB). Prader is committed to contributing to the Mayors target to deliver 64,000 homes per annum, as set out in the New London Plan.

This presentation is provided in the context of broad support for the Mayor's intentions to encourage the development of large-scale purpose-built shared living Sui Generis in London. This presentations provides a summary of the optimal PRS model for Prader, and, we believe, a sector of London's habitants which are currently let down by it's housing supply.

**Background**

The Prader team are young, entrepreneurial, and creative. We have first hand experience with the struggle of renting in London. The management team have decades of experience in private rental sector, the provision of short stay accommodation and property development.

The teams development and property management track record includes:

- a 2.5 acre site in Crayford town centre which comprised of 196 affordable units, library, health centre, and several retail units.
- 96 residential units and 4 retail units in Hackbridge.
- 55 residential units and ground floor retail in Thornton Heath
- the operation of budget accommodation
- the management of its own HMO portfolio, offering safe and clean accommodation to young professionals.

### **Prader's PRS proposal**

Prader Property Ltd propose large-scale purpose-built shared living Sui Generis use developments with three fundamental design and quality principals:

- safe and comfortable
- affordable
- socially inclusive

Prader believe that it has identified a demographic that are not currently catered for by existing purpose built and affordable housing provisions. This demographic are the backbone (and future) of London, they are currently feeling increasingly disenfranchised as rising housing and living costs outstrip their stagnated salaries. These are Londons Young Professionals:

- well educated (and with student debt)
- aged 21 - c.40
- average salary of £36,000
- spend and average of c.40% of their net earnings on accommodation, and therefore struggle to save for a deposit

YLB will not restrict to any group of individuals, nor does it discriminate between any demographic. However, through design, functionality and marketing, it will be primarily targeted at young professionals - a demographic that has not been catered for by affordable housing provisions in the past.

By providing large purpose built blocks of accommodation, the influx of young professionals will have a beneficial impact on local areas with their spending power. Prader aim to build these YLB blocks in areas which are well-connected to employment, shops and services and therefore does not contribute to car dependency. Indeed, these blocks will only have a few car parking spaces, which will be reserved for tenants who require a vehicle due to a disability. A social car hire scheme will be provided in larger blocks and where space allows.

The entire block, and units, will be under the single management of Prader/YLB. We will manage all tenancy agreements, which will be offered on a minimum term of 3 months, and will also provide a concierge and on site management service in all blocks to ensure tenant safety and to handle any block/tenant issues. A full management service plan will be submitted with planning applications.

## The Accommodation

The company has developed two types of purpose built accommodation which broadly fall into the two following product types:

- En-suite room in a 'cluster' formation
- Studios, also arranged in 'clusters'

A YLB block will comprise of a mixture of cluster apartments and studios in a co-living formation. All residents will share laundry facilities and communal spaces to bring people together: from quiet spaces you can work in, through to open spaces to socialise in. Even the laundrette will make doing laundry a less lonely experience.

Depending on the location, Prader aim to be able to provide these YLB units at a very competitive rate compared to traditional residential lettings, and provide tenants will a far superior product. For example: a YLB block located in an area such as Lewisham would charge a monthly rent of:

- £875 pcm (inc bills) for an ensuite room, and;
- £1200 for a studio (inc bills).

These rents have been calculated using the market rent for private tenancies on [rightmove.com](http://rightmove.com) and [spareroom.com](http://spareroom.com). For example: a non ensuite room in a HMO costs £800 pcm (ex bills) and a studio for £1150 pcm (ex bills).

Prader proposes an all inclusive rent to help tenants manage their finances more effectively:

### Included within the rent:

- All-inclusive Bills
- Broadband
- Fully furnished room
- Shared Kitchens
- Laundrette
- Outdoor Space
- Concierge
- Parcel handling

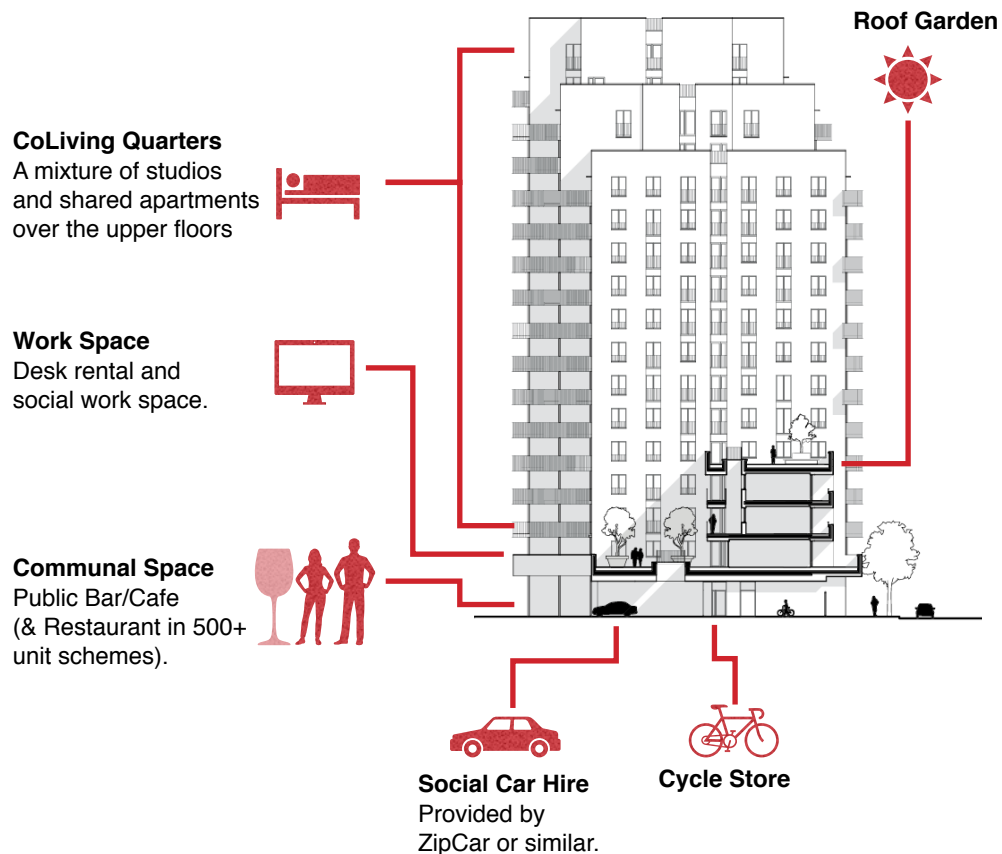
### Charged Services

- Room Cleaning
- Linen Change
- Storage/Lockers
- Laundry Services

One of YLB's core concept designs is to increase social interaction between tenants. The YLB team know first hand that despite the size and density of London, it can be a a very lonely and isolating place. YLB is designed to make even aspect of living as sociable as a tenant would want. We also appreciate that some people are more reserved than others.

Through our research into student complexes and houses of multiple occupancy we have found that living arrangements of young people work best in groups of 3 to 6 occupants. A six-bedroomed living arrangement will be less expensive per ensuite than a three-bedroomed, and also aimed at younger individuals. A three-unit apartment will be aimed at those in their mid/late twenties (or older) and will offer a quieter living arrangement for those that work longer hours or higher pressured jobs.

It is proposed that a typical YLB block will include these facilities:



The communal areas will be similar in all apartments: with shared kitchen, dining and lounge facilities. All cluster apartments will be supplied with the capacity to seat and dine 8 persons - which gives the ability to host other guests.

Unlike a block of serviced apartments, these units are designed to the tenants happy for years on end. We will do this through providing accommodation that is designed around the lifestyle of the occupant with ample storage and the latest in and technology and connectivity in mind.

## Residential Space Standards

YLB units will differentiate from the minimum space standards for straight forward C3 residential. In any event, the 3-6 bedroom 'cluster apartments' does adhere to minimum space standards. Studio units of c. 300-330 ft<sup>2</sup> will not have all the characteristics of a traditional self-contained studio apartment, i.e. they will share laundry, storage and other communal facilities between 3-6 studio units. Therefore the NIA required for the 'studio' is less than the London plan dictates, as the occupant doesn't require as much space.

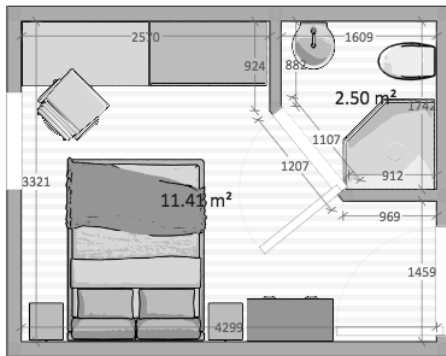
### Ensuite rooms:

Arranged in 3 to 6 bedroomed co-living apartments, each ensuite bedroom has a minimum net internal area of 155 ft<sup>2</sup> and each ensuite habitant has a gross internal area of c.340 ft<sup>2</sup>, which includes shared communal areas.

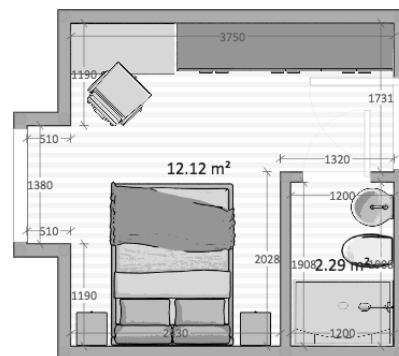
As an example, the gross internal area required for an ensuite room arranged in a 4 bedroomed apartment, as illustrated in the floorpan below. The GIA includes an allocation for the portion of the YLB communal areas as detailed above in 'The Block'.

	Units	Bedroom	Ensuite	TTL Bed area	Apartment Kitchen/ living	Internal Circulation	NIA/ Apartment	YLB Communal areas	Circulation 15%	GIA/unit
ft <sup>2</sup>	4	130	25	620	275	100	995	50	37	336
m <sup>2</sup>	4	12.1	2.3	57.6	25.6	9.3	92.5	4.6	3.5	31.2

### Example:



Example 1: 13.93 m<sup>2</sup>



Example 2: 14.41 m<sup>2</sup>

### Room Features:

- Ensuite shower/bath
- Ample storage
- Wardrobe
- Small Dining area/Desk
- Smart TV

### Communal Space:

- Kitchen & Dining area
- Living & TV room

**Studio:**

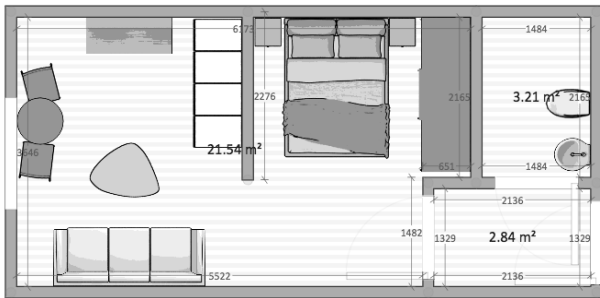
On the face of it, the Studio apartments will look and feel like a small self contained studio, but will also benefit from shared laundry facilities and communal living facilities.

The studios are arranged throughout the development to create a more social co-living environment. Like the ensuite rooms, the studios benefit from communal areas, however contains their own kitchenette and living room. These are aimed at occupants who can afford the extra rent and possibly share want to share with a partner.

	Studio	YLB Communal areas	Circulation 15%	GIA/unit
ft <sup>2</sup>	310	50	46.5	406.5
m <sup>2</sup>	28.8	4.6	4.3	37.8

Room features, in addition to that of the 'ensuite':

Small kitchen facility with electric cooker, hob, fridge freezer and adequate extraction, sofa and media unit.



Example 1: 27.59 m<sup>2</sup>



Example 2: 27.28 m<sup>2</sup>

**Affordability**

In contrast to section 4.18.B (*"In both cases developments are expected to provide a contribution that is equivalent to 35 per cent of the residential units to be provided at a discount of 50 per cent of the market rent"*), Prader propose that 35% of YLB units are provided to those on salaries of less than £22,000 at a discount of 50%, subject to yearly reviews on tenants income.

For example, a young professional (a non key worker) on a starting salary of £22,000 p.a. will take home approximately £1,520 pcm. Usually, this individual will rent a room in a substandard (and demoralising) HMO in a cheap area, unless they have the support of their friends or families. However, for this individual to rent a full priced YLB room at c.£875 pcm, it will represent 58% of their net pay (without taking any deductions for

student loans). Prader is aiming to obviate the substandard HMO market and cater for these young people by giving them better quality accommodation and more social prospects. Conversely, 50% of market rent (c. £450 inc bills) will represent 30% of their net pay spent on accommodation. This then gives them the ability to save for their future and increase their lifestyle.

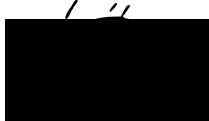
## **Conclusion**

Prader is in broad support for the Mayor's intentions to encourage the development of large-scale purpose-built shared living Sui Generis in London. There is a specific market for it, particularly in the cases of accommodating young professionals.

We feel that it would be beneficial to the city if 35% of the units could be provided as affordable housing to non-key and low paid workers, however we can appreciate that it will be difficult to evaluate each tenants situation.

Prader Property Ltd looks forward to the outcome of the consultation and hopes to work with the Greater London Authority to bring its concept to fruition.

Yours sincerely,



William Draper

Director

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