

Anston House

Deed of Variation - BH2016/02499



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Deed of Variation Description

The Deed of variation seeks to vary the Heads of Terms of the Section 106 Agreement dated 30th October 2017 in connection with planning permission BH2016/02499 to allow conversion of the approved development to a Build to Rent development.



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Original Application Description

- The application in question (BH2016/02499) relates to Anston House, 137 - 147 Preston Road.
- The application was approved 02/11/2017 for demolition of existing building and erection of a new building of varying heights up to 13 and 15 storeys to provide 229 residential units (C3), flexible commercial/café space (B1/A3) use at ground level, car parking at ground and basement level, cycle parking, storage lockers, two new vehicular accesses, landscaping and amenity areas, refuse stores and associated plant.



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Existing Heads of Terms

- The granting of permission was subject to the completion of a S106 agreement containing the following Heads of Term (amongst others) as set out in the original committee report:
 - Affordable Housing: On site provision of 17no. affordable rent units and 13no. shared ownership units. Of these, 50% will be 1 bed units and 50% will be 2 bed units.
 - Review Mechanism to reassess the viability of the scheme close to completion in order to, where possible, secure up to policy compliant level of affordable housing via an off-site financial contribution.



Proposed Heads of Terms

Build to Rent Housing:

- A restriction that all homes are held as 'Build to Rent' under a covenant for at least 15 years
- Inclusion of a 'clawback' arrangement to fund the consequent affordable housing requirement in the event of any private rented housing being sold or taken out of the Build to Rent sector based on values of units at that particular time (as assessed for viability) within the 15 year covenant period.
- All units to be self-contained and let separately under unified ownership and management
- Submission of a Tenancy Agreement, for example of at least 3 years available to all tenants (unless tenants agree a lesser period) with a break clause of 1 month after initial 6m months. No upfront fees of any kind except deposits and rent in advance
- A minimum of 5% of all residential units to be built to wheelchair accessible standard and evidenced before first occupation. Marketing Agreement to include provision that all reasonable endeavours will be used to ensure wheelchair units are matched with disabled tenants.

Affordable Housing:

- Provision of 13 affordable housing units on site based on rent levels 80% of market level (including service charge) [discount market rent]
- Provision of 17 affordable housing units on site based on rent levels capped at Local Housing Allowance rates (including service charge) [discount market rent]
- Provision of 15 x 1-bed and 15 x 2-bed affordable housing mix. The location of these affordable units may vary over time within the scheme however the reduced rent levels and overall mix of sizes shall remain the same.
- At least 10% of the affordable units will be to wheelchair accessible standard (initially - as location may change over time).
- Review mechanism to reassess the viability of the scheme
- The remainder of the Heads of Terms will remain unchanged.



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Affordable Housing

- The total number of affordable units (30) will remain the same.
- The 17 Affordable Rent units would become DMR and capped at Local Housing Allowance rates.
- The remaining 13 units would be converted from Shared Ownership to DMR; no more than 80% of market value (including service charges)
- The affordable housing units and their respective rent levels shall be retained in perpetuity.



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Viability

- The DVS concluded that the scheme cannot viably provide more affordable housing as a Build to Rent Development.



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Conclusion

- It is considered that the proposed changes to Build to Rent accord with the priorities of policy CP20 of the City Plan Part One and the Affordable Housing Brief.



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