

Subject:	Former Portslade Brewery, South Street, Portslade		
Date of Meeting:	4 November 2020		
Report of:	Liz Hobden, Head of Planning		
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Ward(s) affected:	South Portslade		

1. PURPOSE OF THE REPORT

- 1.1 To consider a request to vary the Heads of Terms of the Deed of Variation to the Section 106 Agreement dated 3 November 2017 in connection with planning permission BH2018/02373 (original application BH2016/02459) to vary the clause requiring that two shared ownership dwellings are to be provided to instead provide a financial contribution for offsite affordable units in lieu of the on-site provision.

2. RECOMMENDATION

- 2.1 That the Committee has taken into consideration and agrees with the reasons for the recommendation set out below and resolves to **GRANT** the Deed of Variation to the S106 Agreement dated 3 November 2017 related to planning permission ref: BH2018/02373 (original application BH2016/02459).

3. BACKGROUND INFORMATION

- 3.1 The permission relates to the redevelopment of the former Portslade Brewery site sited off South Street within the Portslade Old Village Conservation Area. Full planning permission was granted for the following development:

BH2018/02373 - Application for variation of condition 1 of BH2016/02459 (Partial demolition of existing buildings, conversion of remaining buildings from industrial (B2) to a mixed use development comprising 37 self-contained flats (C3), 674 sqm of employment floorspace (B1) (art studios and ancillary galleries, shared community space and café). Erection of 11 new dwellings (C3). Formation of 47 parking spaces, soft and hard landscaping.) to allow amendments to the approved drawings. Variation of conditions 4, 8, 10, 11, 17, 18, 28, 29, 31, 35, 40 and 43 to allow phasing of project. Variation of condition 7 regarding accessibility, 39 regarding surface water maintenance and management and 41 regarding flooding. Granted: 29 October 2019.

Original application

BH2016/02459 - Partial demolition of existing buildings, conversion of remaining buildings from industrial (B2) to a mixed-use development comprising 37 self-contained flats (C3), 674 sqm of employment floorspace (B1) (art studios and ancillary galleries, shared community space and café). Erection of 11 new

dwellings (C3). Formation of 47 parking spaces, soft and hard landscaping.
Granted: 3 November 2017.

- 3.2 The permission provides for a mixed used development involving the conversion of the former locally listed brewery buildings to provide 37 self-contained flats and 674sqm of employment space, demolition of the later industrial buildings and the erection of 11 new dwellings.
- 3.3 The new build dwellings are nearing completion with the overall development earmarked to be completed in the summer of 2021.

4. PROPOSAL

- 4.1 The s106 Legal Agreement requires that two of the new build dwellings must be offered up for affordable housing (shared ownership). The proposal is to vary the legal agreement to allow a commuted sum to be paid in lieu of the on-site affordable housing.
- 4.2 The two three-bedroom dwellings that have been offered up as shared ownership affordable units are marked as units 10 and 11 on the approved plans.

5. CONSULTATIONS

- 5.1 **Housing Strategy:** No objection
- 5.2 Further to our telephone conversation this is to confirm Housing Strategy's agreement to receipt of a commuted sum at this development in lieu of affordable housing on-site as originally approved. This scheme was given planning permission in 2017 and the development is currently approaching build completion (for the new build element). The planning permission included an obligation that affordable housing would be provided in the form of the on-site provision of two houses for shared ownership sale.
- 5.3 In May 2020 the developer approached the council to outline that they had been unable to secure an offer from one of the council's Registered Provider partners to acquire these homes. We are satisfied that they had tried to achieve a sale. The council has also considered whether it could purchase the properties direct but in this instance this approach proved unviable. Planning policy allows the move to a commuted sum in these circumstances in accordance with the Technical Guidance for Developer Contributions. The developer has proposed a commuted sum based on the figures outlined in our published guidance. This sum will be used to provide affordable housing elsewhere in the city.

6. COMMENT

- 6.1 The main considerations in the determination of this application relate to the principle of varying the legal agreement to allow for the payment of a commuted sum in lieu of the on-site provision of two three-bedroom dwellings in shared ownership.

- 6.2 The applicant has set out in their submission that they have been unable to find a Registered Provider to take on the two affordable units. The Housing Strategy Team are satisfied that every effort has been made to achieve the sale of the two shared ownership units to a Registered Provider and that this approach is not possible at this time.
- 6.3 City Plan Part One policy CP21 and the Affordable Housing Brief indicates that the Council's preference is for on-site affordable housing provision is preferable to help achieve balanced and mixed communities. As such the Housing Strategy Team engaged in discussions with the applicant to explore whether the Council could purchase the two units as part of the Council's affordable housing portfolio.
- 6.4 Housing Strategy Team were not able to make a viable case to take on the two affordable units and as such in this instance have agreed that a commuted sum could be made in lieu of the on-site provision.
- 6.5 The commuted sum has been arrived at in accordance with the formula set out within the Developer Contributions Technical Guidance (March 2017). The resulting figure is £140,000 for each shared ownership unit and thus an overall total of £280,000. The Housing Strategy Team have confirmed that the total offered by the applicant is in accordance with the guidance.
- 6.6 The commuted sum would be put towards the Council's affordable housing programme within the City which includes homes for affordable rent, which has the benefit of providing homes with greater levels of affordability than the two shared ownership units that were to be provided on-site.
- 6.7 To conclude, it is considered that the applicant's proposal to vary the legal agreement to provide a commuted sum, in lieu of onsite affordable housing, is acceptable and would accord with the thrust of relevant planning policy and the aims of the Council. It is therefore recommended that the Deed of Variation is permitted.
7. **BACKGROUND DOCUMENTS:** Planning Applications BH2018/02373 and the original application - BH2016/02459.

