

Brighton & Hove City Council

Authority Monitoring Report 2023/24

Non-Residential Development

Contents

1.	Change of Use through Permitted Development	2
2.	Business Development	4
2.1	Completions	5
2.2	Commencements	7
2.3	Decisions	8
2.4	Prior Approvals for Change of Use from Offices to Residential	8
3.	Shops, Services, Food and Drink Developments	10
3.1	Completions	10
3.2	Commencements	12
3.3	Decisions	12
3.4	Prior Approval Change of Use Retail to Residential	12
3.5	Retail Health Check	13
4.	Mixed Use Developments	13
5.	Leisure and Cultural Developments	13
6.	Hotel Development	14

1. Change of Use through Permitted Development

The majority of floorspace data in this section is gathered through monitoring planning applications. There are, however, changes which occur through Permitted Development Rights (PDRs) that do not require planning permission and are more difficult to monitor. Some of these changes of use require prior approval from the Local Planning Authority and can therefore be monitored. Retail health-checks of shopping centres can also identify changes which may not have been identified through planning processes.

In September 2020 the use class order was amended to introduce a new Class E (commercial, business and service) and Class F (Local Community and Learning) use classes and revoke classes A, B1 and D. The new Class E incorporates the previous A1 (shops), A2 (professional and financial services), A3 (restaurants and cafes) and B1 (Business) use classes plus gyms, nurseries, and health centres previously in classes D1 (Non-residential institutions) and D2 (Assembly and leisure). Uses previously falling into A4 (drinking establishments) and A5 (hot food takeaways) as well as cinemas, concert, dance, and bingo halls are now Sui Generis uses. The analysis below includes changes of uses both before and after the change to the use class order and this will continue to be the case while applications submitted before September 2020 remain extant.

From August 2021 new permitted development rights came into force which reflected the 'new' use classes including the right to change use from the new 'E' use class to a C3 dwelling. These are summarised in Table 1 below.

Since 2013, changes of use from B1a offices to residential were allowed through permitted development subject to prior approval. The council introduced an Article 4 Direction in 2014 which removed these permitted development rights and required planning permission in three parts of the city. These were:

- Central Brighton, New England Quarter and London Road Area
- Edward Street Quarter, Edward Street, Brighton
- City Park, The Droveaway, Hove

Office uses now fall under the wider Use Class E 'Commercial, business, and service' and following a transitional period, the Article 4 Direction lapsed on 31 July 2022.

A new permitted development right (Class MA) came into effect on the 1st August 2021 which allows the change of use of E use to residential subject to conditions and prior approval. In February 2023 the council introduced a new Article 4 Direction which overrides the Class MA PDR in an area broadly corresponding to the previous office to residential Article 4 direction together with primary retail frontages within the city's retail centres and the city's local centres and parades.

Table 1: Summary of Permitted Development Rights Relating to Changes of Use August 2021

From Use Class	To Use Class	
	Permanent	Temporary/Flexible
E commercial, business and service	C3 [1] A mixed SG use comprising a betting office or a payday loan shop, or E and C3 up to 2 flats [1]	F1b/F1c/F1d/F1e [2]
Eb restaurants and cafes		SG (hot food takeaways) [3]
SG Public house, wine bar, or drinking establishment	SG Drinking establishment with expanded food provision.	
SG Drinking establishment with expanded food provision	SG A Public house, wine bar, or drinking establishment	
B2 (general industrial)	B8 (no more than 500m ²)	
SG (hot food takeaways)	E [1], C3 [1] (no more than 150m ²)	E/F1b/F1c/F1d/F1e [2]
SG (Agricultural Building)	C3 [1] (limit of five separate dwellings)	Flexible B8/C1/E [1] (no more than 500m ²)
SG (Amusement Arcade)	C3 [1] (no more than 150m ²)	
SG (Betting Office/Pay day loan)	E [1], C3 [1] (no more than 150m ²), D2 , A mixed SG use comprising a betting office or a pay day loan shop, or E and C3 up to 2 flats [1]	E/F1b/F1c/F1d/F1e [2]
SG (Casino)	E [1], C3 [1] (no more than 150m ²)	
SG (Launderette)	C3 [1] (no more than 150m ²)	
E/C1/C2/SG (Agricultural Building)	F1a [1] State funded School or registered nursery (no more than 500m ²)	

[1] Prior Approval required [2] For a temporary Period of three Years [3] Until March 2022

GDPO (as amended) MHCLG 2020

2. Business Development

This section summarises the development of employment floorspace in the city in 2023/24. The use classes monitored in this section are shown in Table 2 below.

Table 2: Guide to Employment Use Classes in 2021

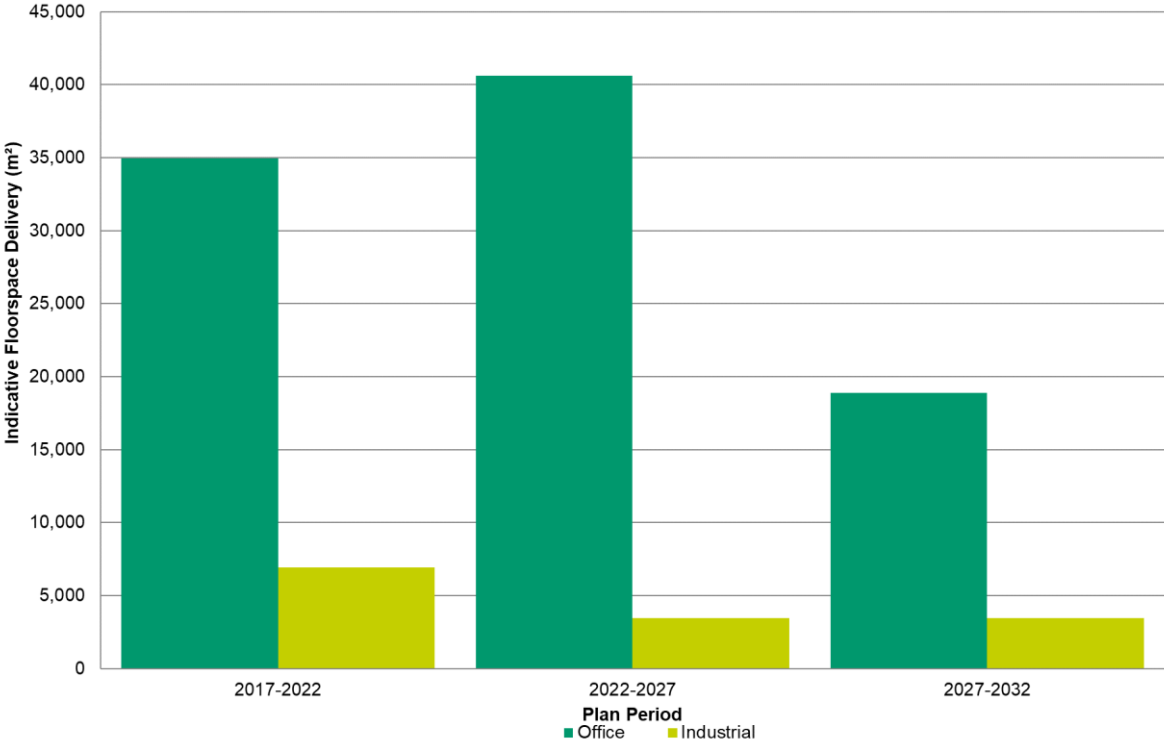
Pre 2021 planning Use Class	New planning Use Class
B1a (revoked) - Offices	E(g)(i) – Offices to carry out any operational of administrative functions
B1c (revoked) – Industrial Processes	E(g)(iii) – Uses which can be carried out in a residential area without detriment to its amenity: industrial process
B2 – General industrial (other than E(g))	B2 (unchanged)
B8 Storage	B8 (unchanged)

The supply of employment land and premises is limited in the city. Policy CP3 ‘Employment Land’ of the City Plan Part One¹ (CPP1) sets out a framework to safeguard and upgrade current employment sites in the city and create new employment floorspace through the regeneration of key sites. An indicative Employment Land Supply Trajectory (Figure 1) was updated in December 2017 which guides the monitoring of new employment floorspace delivery through the City Plan period to 2032². The trajectory was produced by looking at the potential supply of floorspace through strategic site allocations and extant permissions at the time it was produced. It does not consider overall city-wide windfall floorspace changes which are reported in the AMR.

¹ [Brighton & Hove City Plan Part One \(March 2016\)](#)

² Brighton & Hove City Council Housing and Employment Land Study, DLP 2017

Figure 1: Indicative Delivery Trajectory for Employment Land Supply by Five-Year Period (Source: Housing and Employment Land Study DLP 2017)



2.1 Completions

There was an overall net loss of 207m² employment floorspace in 2023/24 (Figure 2). However, in terms of office floorspace there was a net increase of 1,770m², which includes the completion of the ‘Portland Building’ on Church Street, Brighton, the change of use of the former Kings School to the ‘Portslade Hub’ (occupied by the council’s children’s services) and redevelopment at 9-12 Middle Street, Brighton. The loss of office floorspace was primarily due to the completion of Palmer & Harvey House on 106-112 Davigdor Road, Hove (prior approval change of use office to residential).

There was a net loss of 2,092m² in storage and distribution mainly, as a result of the completed ‘Hove Gardens’ development (a mixed commercial and residential scheme) at Unit 1-3 Ellen Street within DA6 Hove Station Area.

Figure 2: Gains, Losses and Net Change of Employment floorspace 2023/24



Part three of City Plan Part One Policy CP3 ‘Employment Land,’ seeks to protect the listed primary industrial estates and business parks for business, manufacturing, and warehouse use. In 2023/24, there was no loss of employment floorspace on these sites.

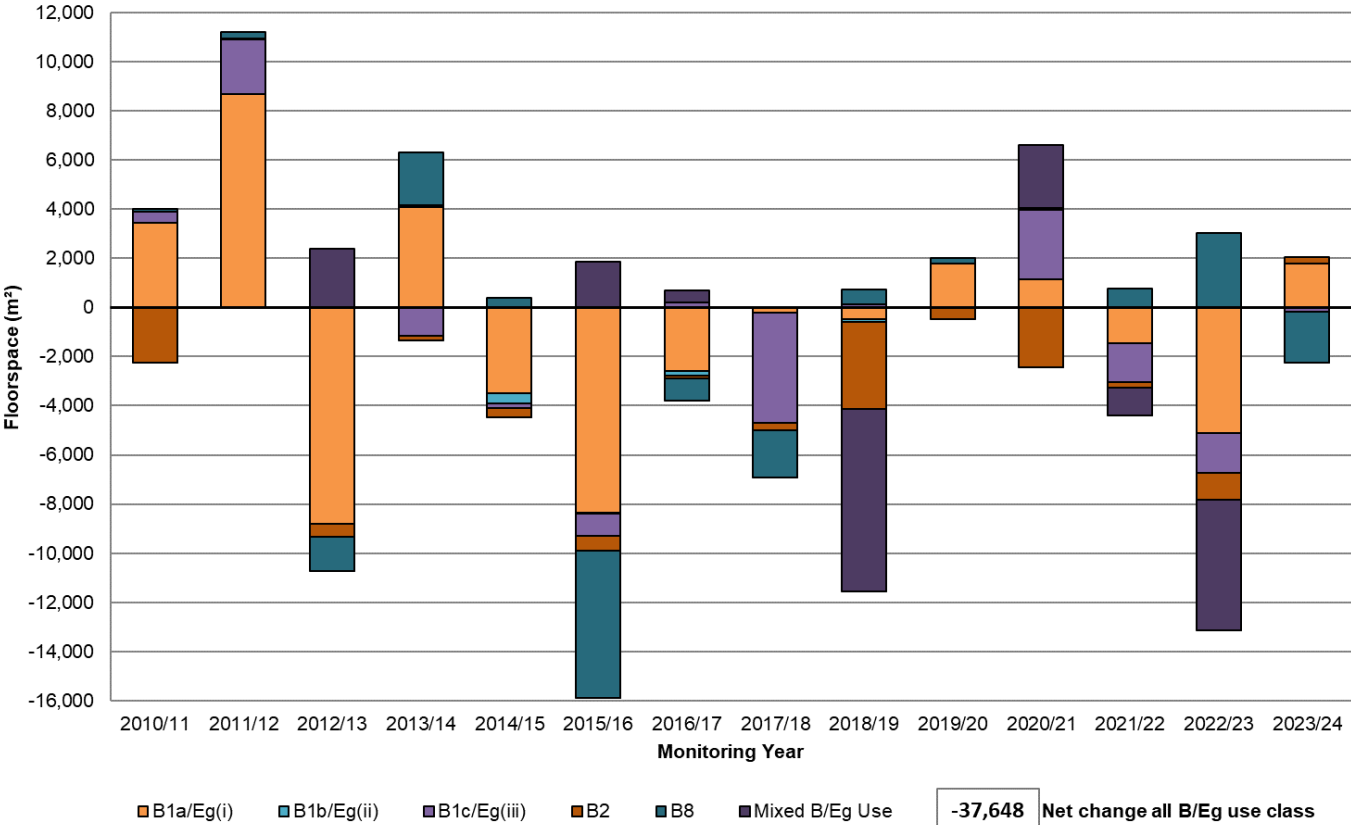
There was a net gain of 4,098m² of employment floorspace within the Policy SA2 Central Brighton area, much of which was attributed to the completion of the ‘Portland Building’ on Church Street.

Table 3: Total Employment Floorspace change, by type 2010/11 – 2023/24

	B1a/Eg (i)	B1b/Eg (ii)	B1c/Eg (iii)	B2	B8	Mixed B/Eg	Total
Net Floorspace Change	-6,311	-668	-2,506	-11,003	-5,583	-6,580	-37,648

There has been a cumulative net loss of 37,648m² in employment floorspace since 2010/11 (Table 3). Figure 3 below outlines the changes in employment floorspace since 2010/11. There has been an 8,267m² loss of employment floorspace over the past five years which represents an average annual net loss of 1,653m² of employment floorspace over that period.

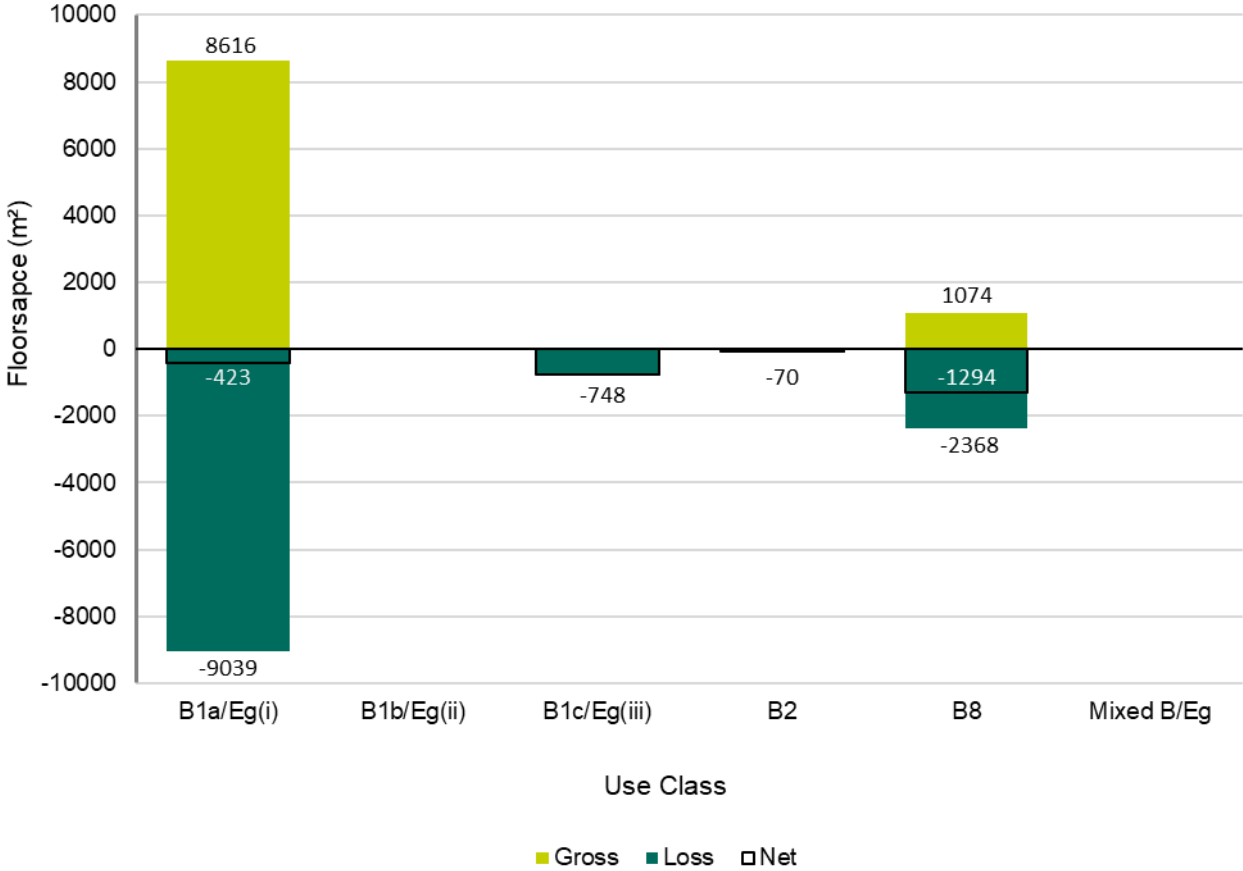
Figure 3: Employment Floorspace change, by type 2010/11 – 2023/24



2.2 Commencements

When all developments under commencement at the end of the monitoring year are completed, they will contribute to a 2,535m² net loss in employment space (Figure 4). A large proportion of the loss of office floorspace results from the co-living scheme at Enterprise Point, Melbourne Street, and Gemini Business Centre on Old Shoreham Road, Hove (prior approval change of use office to residential). However, these losses will be partially mitigated by new office space to be provided as part of the Moda redevelopment at Sackville Trading Estate on Sackville Road, Hove.

Figure 4: Potential Gains, Losses, and Net Change of Employment floorspace from Developments under Commencement 2023/24



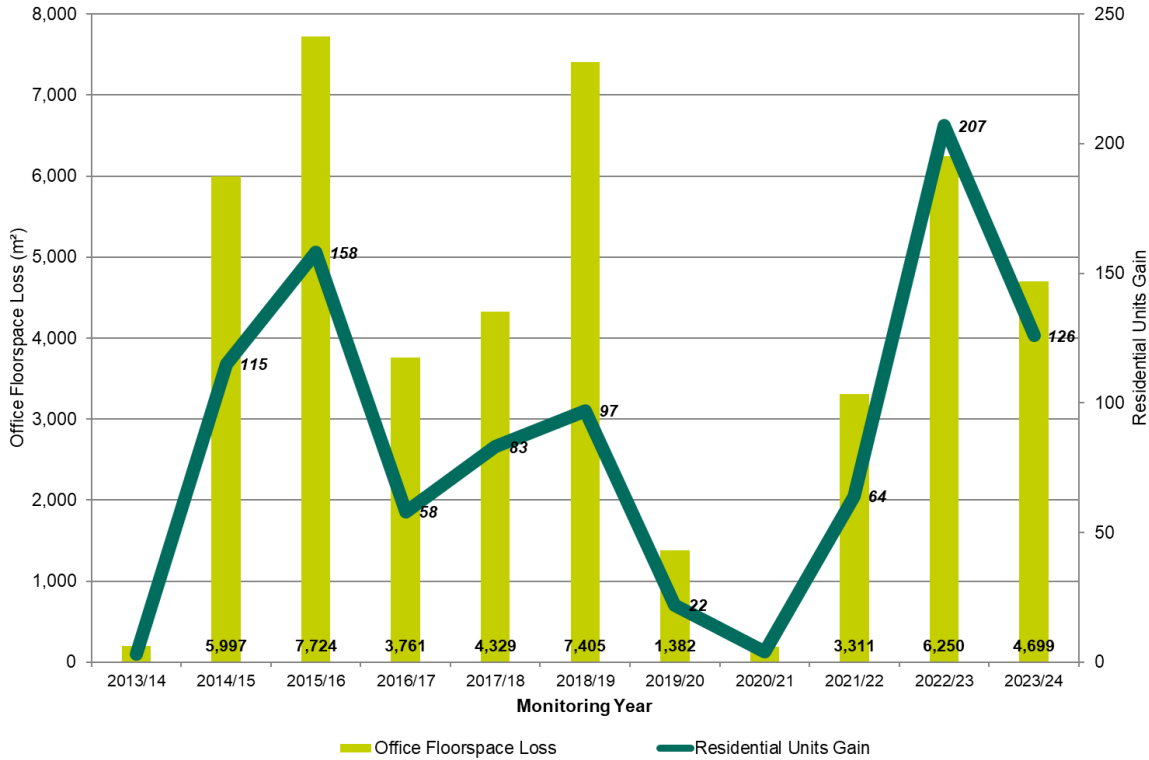
2.3 Decisions

Planning applications approved in 2023/24 are projected to result in a net loss of approximately 8,641m² in employment floorspace if all developments are constructed. This figure includes a net loss of 7,777m² in office floorspace, predominately as a result of the co-living scheme at Enterprise Point, Melbourne Street and Boundary House on Boundary Road, Hove (prior approval change of use office to residential).

2.4 Prior Approvals for Change of Use from Offices to Residential

The government introduced a permitted development right on 30 May 2013 (made permanent in April 2016) which allows conversions from offices to residential use without the need for planning permission. This PDR was superseded on 31 July 2021 by the PDR to change Use Class E uses to Residential which became effective on 1 August 2021, which is reflected in the subsequent monitoring years.

Figure 5: Permitted Development Office to Residential Completions 2013/14 to 2023/24



Whilst these rights have facilitated an increase in residential development, they also result in a loss of office accommodation. Since the introduction of permitted development rights in 2013, there has been a loss of 45,242m² of office floorspace for the gain of 937 residential units. There was a decrease in the completion of office to residential prior approval developments in 2023/24, with 126 residential units completed for a loss of 4,699m² of office floorspace (this includes B1a and Eg)(i) floorspace), the majority of this loss was due to the completion of the conversion of Palmer & Harvey House on 106-112 Davigdor Road, Hove.

3. Shops, Services, Food and Drink Developments

This section summarises the development of retail and non-retail 'A Use Class' floorspace in the city in 2023/24. The use class for retail floorspace was A1 (Shops) and non-retail A use classes used to include: A2 (Financial and professional services), A3 (Restaurants and cafés), A4 (Drinking establishments) and A5 (Hot food takeaways).

Since September 2020, A1, A2 and A3 have been replaced by E(a) (shops), E(b) (restaurants and cafés), and E(c) (financial and professional services) while A4 and A5 are now 'Sui Generis' uses.

The city's need for additional retail floorspace over the City Plan period was estimated in 2011 to be 58,313m² of comparison floorspace and 2,967m² of convenience retail³.

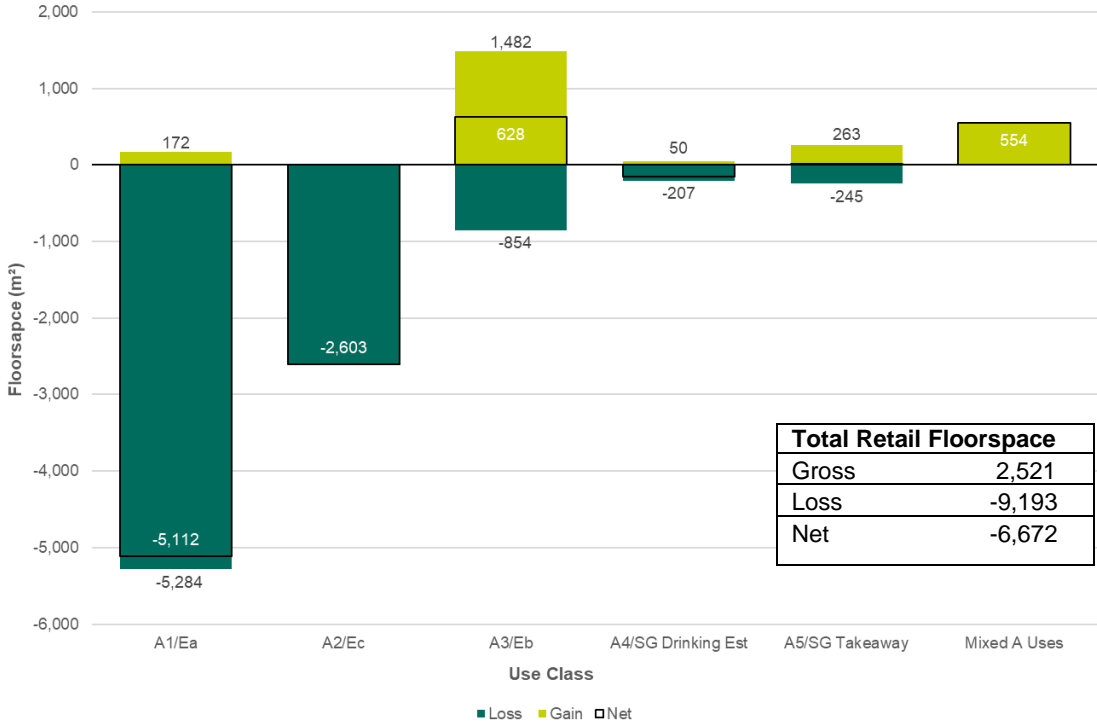
3.1 Completions

There was a net loss of 6,672m² in all shops, services and food and drink floorspace in 2023/24 (Figure 7). In terms of retail floorspace (A1/Ea), the net loss of 5,112² includes the demolition of the Co-op supermarket at 56-57 Lewes Road, Brighton and completion of the new 'Ravilious House' student accommodation block and a smaller retail unit. In addition, the demolition of the retail units on 5-8 London Road, Brighton (loss of Peacocks, Iceland and Poundland) and redevelopment to provide the new 'Promenade Student Living' block and a smaller retail unit was also completed.

There was a higher net loss of shop, services and food and drink floorspace inside designated shopping centres in the city, identified in the City Plan (Table 4), in the monitoring year, than outside these centres. This was predominantly due to completions of the developments mentioned previously.

³ Brighton & Hove City Council, Retail Study Update 2011, CBRE 2011

Figure 6: Change in floorspace of A1 retail and non-retail A use classes 2023/24



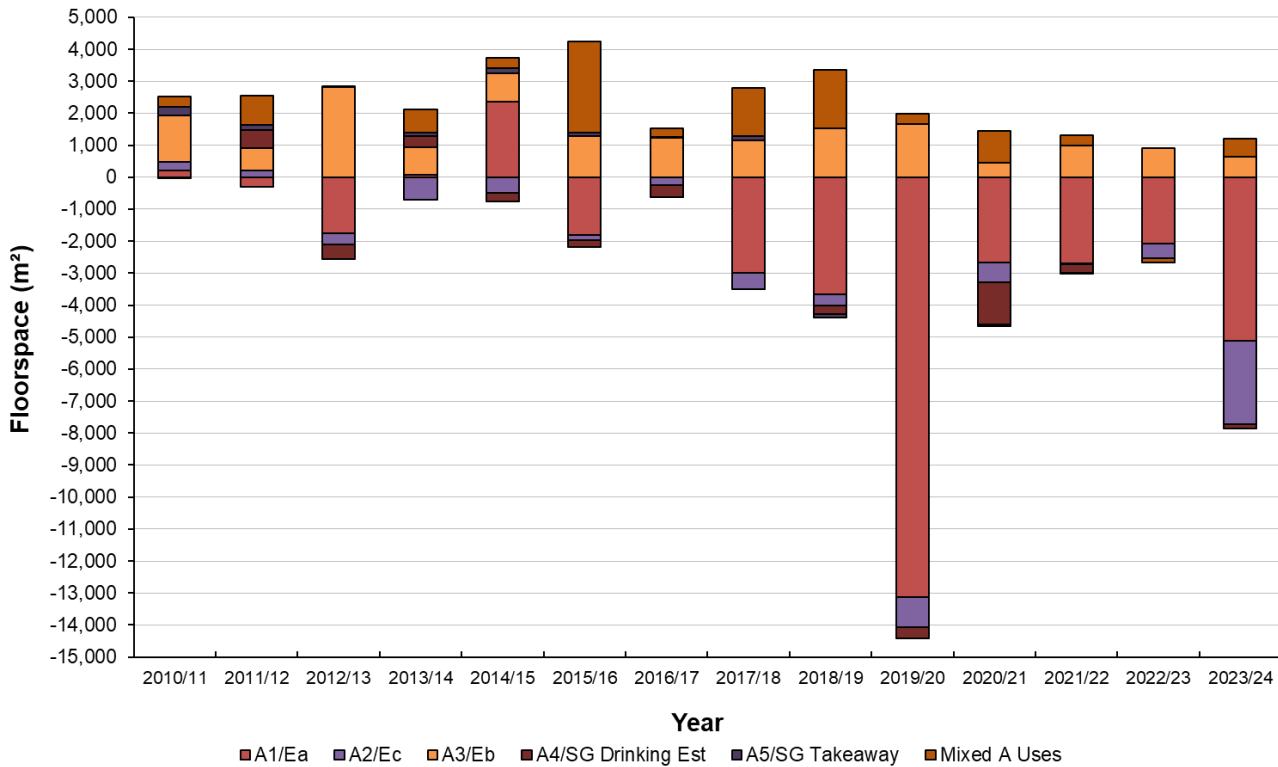
Total Retail Floorspace	
Gross	2,521
Loss	-9,193
Net	-6,672

Table 4: Shop, Services and Food and Drink Floorspace Completions within Designated Shopping Centres 2023/24

	A1/Ea	A2/Ec	A3/Eb	A4/SG Drinking	A5/SG Takeaway	Mixed A	Total
Within Designated Shopping Centre	-3874	-2015	-78	0	-78	211	-5834
Outside Designated Shopping Centre	-371	-63	665	-157	97	343	514

Since 2016/17, there has been a successive net loss of shop, services and food and drink floorspace each year, with the past monitoring year of 2023/24 representing the second-largest loss since 2010/11 as shown in Figure 8. There has been a total loss of 15,633m² of retail floorspace since 2010/11. There has, however, been a year-on-year increase in restaurant floorspace with a total net increase of 16,498m² since 2010/11, including 628m² in the 2023/24 monitoring year.

Figure 7: Change in floorspace of A1 retail and non-retail A use classes 2010-2024



3.2 Commencements

Once completed, the shops, services and food and drink developments which were under construction, but not completed, in the monitoring year, would lead to an additional net loss of 6,503m² of retail floorspace.

3.3 Decisions

A 1,429m² net loss of shops, services and food and drink floorspace was permitted in 2023/24.

3.4 Prior Approval Change of Use Retail to Residential

Permitted development rights came into force in April 2014 to allow a change of use from retail or financial and professional services to residential when the area of floor space does not exceed 150m². There was a loss of 253m² of retail floorspace in 2023/24 due to permitted development to residential through three applications, resulting in four new dwellings in total.

3.5 Retail Health Check

To safeguard the vitality and viability of Local, District, Town and Regional Centres as well as the newly identified Important Local Parades, retail centre health checks are carried out.

The health check monitoring informs the application decision process to keep the correct balance of uses in each centre. In 2022, health check monitoring covered the primary frontages of Regional, Town and District centres as well as the entirety of Local Centres and Important Local Parades.

In 2025, it is anticipated that a Retail Capacity Study will be commissioned as a background study for the City Plan 2041. This will involve an update to Retail Health Checks for the centres in the Retail Hierarchy and provide us an up-to-date picture of the type of units within our centres, some of which may have changed without the need for planning permission under Class E.

4. Mixed Use Developments

There was a net gain of 573m² mixed-use development floorspace, which includes a mix of shops, services, food, and drink uses or employment uses with other use classes in 2023/24. This was predominantly due to completions of the 'Hove Gardens' redevelopment at Unit 1-3 Ellen Street, the redevelopment at 9-12 Middle Street, Brighton and completion of the new 'Ravilious House' at 56-57 Lewes Road, Brighton.

5. Leisure and Cultural Developments

CPP1 Policy CP2 Planning for Sustainable Economic Development recognises the importance to the local economy of employment-generating uses which do not fall within the former B use Class uses. Certain strategic site allocations in City Plan Part 1 and City Plan Part 2 include non-B Class uses.

There was a net loss of 8,104m² in Non-Residential Institution floorspace (D1/Ee/Ef) in 2023/24. This includes the completion of 'The Blockhouse' (a residential scheme) as part of the redevelopment of Greater Brighton Metropolitan College on Pelham Street, and the change of use of the former Kings School to the 'Portslade Hub'.

There was a net increase of 157m² in Assembly and Leisure floorspace (D2/F1/F2) in 2023/24. This includes the completion of the new Performing Arts Building at Brighton College, Eastern Road.

6. Hotel Development

The Brighton & Hove Visitor Accommodation Study Update 2018 forecasted a need for two new hotels⁴ in Brighton by 2022 in addition to the planned pipeline hotels that are set to open in the next 2-3 years⁵ with longer-term forecasts (2023-2030) indicating potential demand for further 4-8 hotels in the city. Given the sensitivity of the longer-term forecasts the City Plan is guided by the low-growth forecast requirement of up to 5 new hotels over the plan period.

There was a net increase of 199 hotel bedrooms in 2023/24, primarily through the completion of the 221 bedrooms at the new Maldron Hotel to the rear of the Hilton Brighton Metropole. In terms of loss of hotel bedrooms, 10 bedrooms were lost at Lichfield House, 30 Waterloo Street, Hove (change of use to HMO), and 9 bedrooms were lost at The Moreland, 33 Montpelier Road, Brighton (change of use to residential flats).

There were 236 hotel bedrooms under commencement at the end of the monitoring year, mainly through planning applications on West Street, Brighton. No new hotel developments or bedspaces were permitted in 2023/24.

⁴ Assuming an average size of a hotel of 150 bedrooms

⁵ Including Hotel Indigo and the Premier Inn West Street.