

Our ref: CW/TR/Q100647
Your ref: 220145
Email: tim.rainbird@quod.com
Date: 10th June 2022



Development Management
Reading Borough Council
Civic Offices
Bridge Street
Reading
RG21 2LU

For the attention of Connie Davis

Dear Connie,

Town and Country Planning Act 1990 (as amended)
Continued use of Units 4 and 5 within use class E(a)
Brunel Retail Park, Rose Kiln Lane, Reading, RG2 0HS
Planning application reference 220145

We write on behalf of our client, MCTGF Trustee 1 Limited and MCTGF Trustee 2 Limited as Joint Trustees for the Mayfair Capital TGF Jersey Property Unit Trust (c/o Mayfair Capital Investment Management and Westmount Real Estate) ('the Applicant'), to respond to the late comments received from the Policy Team at Reading Borough Council ('RBC') (dated 26th May 2022) in relation of the pending application at Brunel Retail Park (ref. 220145). In reviewing the comments received, further information has been requested in respect of the following:

- The sequential approach to site selection; and
- Retail impact.

We deal with each matter in turn below; this response should be read alongside the Planning and Retail Assessment (PRA) that was submitted in support of the planning application.

1 Sequential Approach

The Policy Team confirms that the parameters for site selection outlined in the PRA form a 'reasonable basis' for applying the sequential approach and that the specific sites outlined within the sequential assessment undertaken are not suitable and / or available for this type of development. However, the Policy Team response does not accept that it is only necessary to consider vacant units. Instead it is suggested that development opportunities should also be assessed. In particular, it is suggested that there are significant development opportunities in and around Reading town centre, including sites allocated for development (including retail) in the Local Plan.

When applying the sequential approach, as outlined in the PRA, it is important to reiterate that the proposed development seeks to re-occupy existing retail floorspace. The proposals being advanced can be brought forward quickly - open and trading by early 2023. It is within this context that the application of the sequential approach to site selection must be considered.



Indeed, although Paragraph 86 of the National Planning Policy Framework (NPPF) (July 2021) states that when considering the availability of sequential alternatives this should be based on a 'reasonable period of time' this is not defined. However, the Planning Practice Guidance (PPG) that supports the NPPF does identify¹ that:

“When considering what a reasonable period is for this purpose, the scale and complexity of the proposed scheme and of potentially suitable town or edge of centre sites should be taken into account”.

As previously highlighted, the application proposals relate to the reoccupation of existing floorspace. It would therefore be entirely unreasonable to wait an unknown period for sites that may become available in the longer term.

Redevelopment opportunities do not represent a proportionate and appropriate alternative that can be available within a reasonable period in the context of what is proposed at the Application Site.

Notwithstanding, for completeness and without prejudice to our view that such an assessment is not necessary, we have undertaken a review of redevelopment sites (including allocations) within Reading town centre and other sites within the agreed catchment area of the proposals.

In this respect, the following development sites are identified. These are in addition to the sites already considered within the submitted PRA.

Site Allocations

- 173-175 Friar Street and 27-32 Market Place, Reading (ref. CR14d)
- 3-10 Market Place, Abbey Hall and Abbey Square, Reading (ref. CR14e)
- 1-5 King Street, Reading (ref. CR14f)
- The Oracle Extension, Bridge Street and Letcombe Square, Reading (ref. CR14g)
- Land north of Manor Farm Road, Whitley (ref. SR2)

Non-site Allocations

- Town Centre Car Parks

Further consideration of the availability and suitability of these sites is provided below.

Allocated Sites (Reading Local Plan)

173-175 Friar Street and 27-32 Market Place

This site is allocated for development in the Reading Borough Local Plan (under allocation CR14d). Specifically, the Local Plan allocates this site for the change of use of listed buildings and the

¹ Reference ID: 2b-011-20190722



development of the remainder of the site for residential and / or office with retail and related uses on the ground floor.

This site has extensive planning history. Most recently a Prior Notification application (ref. 220577) was submitted in April 2022 for part of this site (175 Friar Street) for the change the use of the upper floors and rear part of the ground floor from Class E (offices) to C3 (dwellinghouses) to comprise 6no. flats. The application is pending determination by RBC.

In terms of the wider site there is a pending planning application for the demolition of 173-175 Friar Street and redevelopment of the site to provide an 8-storey building hotel with the creation of a bar /restaurant / gym at ground floor, the demolition of rear parts of 29-31 and 32 Market Place, the change of use of the retained units at 27-28, 29-31 and 32 Market Place at first, second and third floors to provide 8no. residential units, retention of flexible Class E uses at ground and basement floors (ref. 210163). Planning Committee resolved to grant planning permission, subject to the completion of a S106 Agreement.

Whilst this pending application includes 2no. Class E units, collectively they measure just 163 square metres. In line with the parameters of the sequential test previously undertaken as part of the PRA – which have deemed acceptable by RBC - this floorspace is too small to accommodate the proposed development. Given this, and the wider aspirations for this site, it can be concluded that this site is not available and suitable for the proposed development.

3-10 Market Place, Abbey Hall and Abbey Square

This site is allocated in the Local Plan (under allocation CR14e) for retail and related uses on ground floor with residential and / or offices on upper floors.

Despite this allocation, it is understood that no scheme has yet come forward for delivery. As such, it is not considered that this site will be available within a reasonable period, particularly in the context of the nature of development proposed. It is therefore not available and suitable for the proposed development.

1-5 King Street

This site is allocated in the Local Plan (under allocation CR14f) for a change of use to ground floor town centre uses and residential on upper floors.

Since the site's allocation, there have been a number of planning applications submitted at the Site. These are detailed below.

- Ref. 150051 – Change of use at ground floor level from A2 (financial and professional services) to A3 (café and restaurant). Approved 6th November 2015.



- Ref. 170636 – Change of use of ground and basement floors to restaurant (Class A3) and associated rooftop plant. Approved 1st August 2017.
- Ref. 181566 – Proposed change of use for floors 2, 3 and 4 from A2 to B1 use. Approved 10th January 2019.

It is unknown whether any additional planning applications are due to come forward at the site. Notwithstanding this, the allocation seeks the change of ground floor for town centre uses. The configuration of this floorspace would be unsuitable for large format retailing of the nature proposed.

It can be demonstrated that the site is not available, viable or suitable for the proposed development.

The Oracle Extension, Bridge Street and Letcombe Square

An extension of the existing Oracle shopping centre for retail or other town centre uses is allocated under CR14g of the Local Plan. Specifically, the allocation identifies a development area between the River Kennet and Mill Lane for retail (between 1,600 and 2,000 square metres), with use of the site at Letcombe Street for public car park.

The additional retail floorspace envisaged as part of the extension to the existing Oracle falls below the accepted minimum floorspace requirement for the proposed development (2,322 square metres over a single level). Furthermore, the nature of any extension and the constraints associated with development in this location means that it is not suitable for large format retailing that requires large floorplates at ground floor alongside dedicated customer parking. This format of retailing proposed cannot be provided in this location.

There is a vacant warehouse located within the site allocation boundary, which was previously occupied by John Lewis & Partners. Recent news articles² would suggest that the vacant warehouse is to be re-developed to provide residential properties brought forward by John Lewis & Partners. It is not known whether there will be retail uses at ground floor level. Notwithstanding this, there is no evidence of a planning application for the proposed development and recent news articles would suggest that John Lewis & Partners are due to undertake public consultation on the development proposals in late-2022.

Against this background, this site does not provide a suitable alternative to the Application Site that is likely to be available within a reasonable period of time.

Land North of Manor Farm Road

This site extends to 13.69 hectares is identified as a Major Opportunity Area within the Local Plan under reference SR2 for redevelopment primarily for housing (between 680-1,020 dwellings), together with an extension to Whitley District Centre, school provision and open space, public realm

² <https://www.bbc.co.uk/news/uk-england-berkshire-61744845>



improvements, small employment units, community uses, and a limited amount of employment uses. In identifying this site for development, the Local Plan identifies that any development will not be piecemeal in nature.

As outlined in the submitted PRA, the majority of this site has been developed as part of outline application reference 05/00548/OUT (dated 18th September 2007) and subsequent reserved matters permissions. The reserved matters permissions have now been implemented and constructed. Furthermore, the site allocation states that whilst retail uses would be appropriate, this should be small scale and explicitly states that retail warehousing – such as that proposed – should not be provided.

It can be demonstrated that the site is not available and suitable for the proposed development.

Non-Allocated Sites

Within the town centre there are a number of car parks (including at Broad Street Mall, at Queens Road and at Cattle Market). These car parks are all actively in use for users and visitors to the town centre and provide an important role in contributing towards its vitality and viability. Accordingly, the loss of town centre car parking without adequate replacement will adversely impact upon the long-term vitality and viability of the town centre. Nevertheless, we are not aware of any proposals coming forward on existing car parks that could accommodate large-format retailing, particularly within a reasonable period in the context of the proposals.

Overall, whilst we maintain that redevelopment opportunities do not provide a proportionate and appropriate alternative for the proposal, no development opportunity exists that could accommodate the proposed development nor a flexible interpretation of it.

2 Retail Impact

In considering retail impact, it is significant to note that the Policy Response confirms that as the proposal does not result in additional floorspace, only the national threshold of 2,500 square metres is applicable in this case. Indeed, Policy RL5 of the Local Plan states that:

“Proposals that include more than 1,000 sq m (gross) of new or additional floorspace for main town centre uses in an edge-of-centre or out-of-centre location should demonstrate that there will be no significant adverse impact on existing centres.” (our emphasis)

The proposals do not result in the creation of new or additional floorspace. Instead, it simply seeks to broaden the range of goods currently permitted to be sold from part of existing retail floorspace. As outlined in the submitted PRA, the wider ranges of goods sought to be sold by the prospective occupier amounts to only 1,400 square metres. This is comfortably below the national threshold, and it has been accepted in the Policy Response that the lower threshold does not apply where no new floorspace is proposed. Against this background, an assessment of the likely trading effects of the proposal is not a policy requirement.



Notwithstanding this, for completeness further consideration of the likely impact of the proposals against the relevant policy tests, namely on investment and on the vitality and viability of existing centres, is provided.

Impact on Planned Investment

The Policy Team response confirms agreement that this part of the impact test is fulfilled.

Impact on Vitality and Viability

Consistent with the approach advocated in the Planning Practice Guidance (PPG) that supports national planning policy, the impact assessment contained within the PRA has drawn upon existing retail information – namely the Western Berkshire Retail and Commercial Leisure Assessment (RCLA). As a result, neighbouring district and local centres were grouped together under ‘other’, and the level of impact of these centres was identified to be very limited (-1.1%) and post development, collectively these centres will see an increase in retail turnover.

However, the Policy Team has requested further consideration of the trading effects on a number of these district and local centres. Unfortunately, there is no up-to-date evidence on the actual trading performance of these centres. Given this lack of quantitative evidence, in undertaking a proportionate impact assessment drawing upon available evidence (as advocated by the PPG³) the assessment has focused on qualitative matters that considers the existing offer of these centres against the modest widening of goods proposed to be sold.

In considering this, whilst the proposal will include the sale of food and drink (up to 30% of the floorspace) this will not include fresh produce and food commonly found in supermarkets. Home Bargains principally sell dry food products with long use by dates (e.g. tea bags; crisps; and confectionery). This limited food and drink offer represents a notable distinction with that provided by existing foodstores (including small format convenience stores) within the local area. These existing stores will continue to be used alongside the proposed development. It will not be possible to undertake the same food and drink shop within a Home Bargains store to that undertaken in supermarkets and convenience stores elsewhere. This is reflected by the fact foodstores and convenience stores trade successfully in locations adjacent to existing Home Bargains and similar retailers.

Linked to this, neighbouring district and local centres trade successfully alongside existing Home Bargains and other similar retailers that are already provided in the local area (including B&M at Brunel Retail Park and Home Bargains at Reading Link Retail Park). This will not change by allowing Home Bargains to trade from existing floorspace at the Application Site. The proposed development will largely compete with comparable facilities (i.e. large format foodstores and other discount variety stores) rather than small-format local stores that are located in neighbouring district and local centres.

³ Paragraph: 017 Reference ID: 2b-017-20190722



This provides further important context when considering the trading effects of the proposed development.

In addition, as outlined in the submitted the PRA⁴, Secretary of State decisions have confirmed that the relevant test is to consider the impact on a centre as whole rather than impact on specific retailers or sub-sectors. This is an additional important factor to take into account given that neighbouring district and local centres comprise a wide range of uses, including local services (such as hairdressers, post offices takeaways). Such uses will not be undermined by allowing Home Bargains to trade from existing retail floorspace at the Application Site.

Against this background, we provide further consideration of the likely impact on neighbouring centres based on the existing role and function of these centres and the effects of the proposal.

Cemetery Junction

Cemetery Junction district centre is located at the periphery, and partly beyond, the anticipated catchment area of the proposal. The District Centre comprises a mix of retailers, including small format Tesco Express and Co-op foodstores, principally serving a top-up shopping role for the local community and pass-by trade, together a range of services, including a post office and a wide range of takeaway food outlets. This wider offer of the District Centre will not be undermined by allowing Home Bargains to trade from existing retail floorspace.

Whilst there will be some overlap in the goods sold from the proposed development, the overall impact on the District Centre will be limited and its current role and function will continue alongside the proposed development.

Oxford Road West

Oxford Road West district centre is located approximately 2.6 kilometres north west of the Application Site, with the bulk of the defined centre falling outside the defined catchment area. The retail offer is anchored by a large-format Tesco Extra, which is identified to achieve a very limited market share (0.8%) from Zone 1 of the Study Area, where the Application Site is located. Instead, this store and the wider District Centre is identified to derive the bulk of its trade from Zone 2 and Zone 3 of the wider Study Area identified for the RCLA (i.e. the area to the west of Reading). As such there is limited overlap between the core catchments of the proposed development and the District Centre. As such any trade diversion to the proposal will be limited and will not be significant adverse (the policy test) on its wider vitality and viability.

The wide mix of uses, which includes a high proportion of hot food takeaways and local services together with independent and specialist shops a number of which serve the local ethnic community,

⁴ Paras. 5.90 to 5.94



means the long-term vitality and viability of the centre will continue alongside the proposed development.

Shinfield Road

Shinfield Road district centre is located approximately 1.5 kilometres east of the Application Site. the existing offer comprises a mix of retailers and local services and includes small format Sainsbury's Local and Tesco Express. Again, as acknowledged by the RCLA the District Centre comprises a noticeable proportion of hot food takeaways. Again, the wide offer of the Local Centre (which contains no vacant retail units⁵) will not be undermined by allowing Home Bargains to trade from existing retail floorspace.

Whitley

Whitley district centre is split into two components – the eastern part of the centre includes several hot food takeaways, with the western part being anchored by Morrisons, with a recently completed Aldi located between the two components. In addition, to this strong convenience offer, the District Centre includes a wider range of facilities including a gym, and specialist retailers, many of which have little overlap with the proposed development.

Furthermore, given its proximity, the proposed development at Brunel Retail Park would have a positive impact on the District Centre through increased footfall and the opportunity for linked trips.

Whitley Street

Whitley Street major local centre is located approximately 1 kilometre north of the Application Site and comprises a mix of retail and local services. Whilst the centre includes several food and convenience stores, including a small-format Tesco Express, their offer has limited overlap with that provided by the application proposals. Given this, and local centre's wider offer (which includes a number of local services) any impact of the proposal will not be significant adverse.

Basingstoke Road North

Basingstoke Road North local centre is located approximately 800 metres north east of the Application Site. The commercial offer is focused on the eastern side of Basingstoke Road and comprises a number of small-format retailers and services. This includes a pharmacy, hairdressers, takeaways, a plumbing outlet and local convenience store / newsagent.

The Local Centre is well used and serves the surrounding residential community together with pass-by trade and this function will continue alongside the proposed development. There is limited overlap with the nature of retailing proposed The latest Annual Monitoring Report⁶ identifies no vacant shop units.

⁵ Annual Monitoring Report December 2021

⁶ *Ibid*



Given the strength and role of the Local Centre, there is no evidence to suggest that the proposals will undermine its long-term vitality and viability,

Christchurch Road

Christchurch Road local centre is located approximately 1.4 kilometres north east of the Application Site and comprises a parade of shops surrounded by residential properties. The existing offer includes a small format convenience store (Costcutter), Post Office, pharmacy and local services all of which serve a localised role. This will continue alongside the proposed development.

Northumberland Avenue North

Northumberland Avenue North local centre is located approximately 750 metres north east of the Application Site. Again, this provides a small parade of shops within a residential area fronting the eastern side of Northumberland Avenue.

The existing offer includes representation from a food store, furniture shop, takeaways and hairdressers. This offer will not be undermined by allowing Home Bargains to trade from existing retail floorspace. The Local Centre will continue to serve an important role for the surrounding residential community.

Wensley Road

Wensley Road local centre is located at the periphery of the identified catchment approximately 1.3 kilometres north west of the Application Site. The Local Centre comprises a parade of local shops and services that principally serve the surrounding residential community. This role will continue alongside the application proposals.

Whitley Wood

Whitley Wood local centre is located more than 2 kilometres south of the Application Site and comprises a small parade of shops, which includes representation from a small format Co-op, alongside a pharmacy, charity shop and newsagent. Given the existing offer, which serves a localised role, principally the surrounding residential area, this will continue alongside the proposed development.

Given the identified role and function of neighbouring smaller centres and the nature of retailer proposed there is no evidence to suggest that the proposed development is likely to a significant adverse impact (the policy test) on the long-term vitality and viability of neighbouring centres.

3 Summary

For the reasons set out the proposals satisfy the sequential approach to site selection and the impact test.



In terms of the sequential approach, we maintain that redevelopment opportunities do not present a proportionate approach (as advocated by the PPG) in identifying alternative sites for a proposal that seeks to utilise existing retail floorspace. However, it has been demonstrated that no redevelopment opportunity exists that is available and suitable to accommodate the proposed development.

In terms of retail impact, given that the application does not create additional floorspace and relates to the widening of retail goods that can be sold from 1,400 square metres of floorspace, as acknowledged by the RBC Policy Team response, an assessment of retail impact is not necessary if the proposals fall below the default threshold of 2,500 square metres set by national policy.

Notwithstanding this, it has been demonstrated that the proposed development will not lead to a significant adverse impact on the neighbouring defined centres. The role and function of neighbouring centres, coupled with the nature of retailing proposed, means that these centres will continue to trade successfully alongside the proposed development. Any trade diversion will be negligible.

We trust this additional information is of assistance in the local authority's determination of the application. However, should you to discuss any matter further or require any additional information is required, please do not hesitate to contact us.

Yours sincerely,

Tim Rainbird
Senior Director

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