

PROJECT: Southampton Street, Reading

DATE: 16th July 2018

SUBJECT: The initial disposal of The Red Lion Public House and Marketing process

It is understood that the property was brought to the market in 2015 following its closure by the then owners, Admiral Taverns. The decision to close the public house was due to continued poor sales performance over the preceding years.

Admiral taverns currently operate in excess of 800 public houses across England and Wales and are considered to be one of the largest wet led pub operators. Founded in 2003, the estate grew to circa 2,000 public houses before the company entered administration in 2009. The company was bailed out by Lloyds, before a buyout by Cerberus Capital Management at the end of 2012. Part of the remaining portfolio has recently been sold to C+C, the Irish owners of Magners Cider and Tennants Lager.

Shortly after the pub closed for the last time in 2015, there were rumours of it reopening for a short period, but this is understood to be nothing more than a rumour.

It is understood that the decision to close the property was based on poor trading figures which had continued to decline despite the comparative steadying in the numbers of pubs being disposed of, poor condition of the property and expenditure required to bring the property back to a modern standard and concerns over the external garden area. Whilst a capital injection may well have solved the maintenance and condition issues, Admiral Taverns were not prepared to commit the necessary funds to the project. This raises the concern that if one of the largest pub operators in the country cannot make the property viable, then is there a realistic chance for anyone else to do so.

The external garden area was also thought to be part of the reason for the closure of the premises. Since 2005 when the smoking in public buildings ban came into force, premises with no external space for smokers have suffered greatly. The decked garden area to the North of the property was let to Admiral Taverns by JCDecaux. The land formed part of a small development plot which JCDecaux had decided to dispose of. Whilst an approach would have been made to Admiral to acquire the land in question, the guide price was considered too high. Admiral instead chose to enter in to a short term lease over the land in 2014 whilst the strategic decision with regard to the long term future was taken. When the land was sold at public auction in 2017, it sold for £305,000, representing a 0.33% yield. The marketing details for the land in question can be found at appendix 1.

Following its decision to close the premises, Admiral instructed both Fleurets and AG+G to market the property on their behalf. It is understood from the agents that the Admiral instruction is quite informal in its nature and that fees are only paid to the successful

disposing agent. This effect gives rise to a contract war when more than one practice has an interested party. It is also highly likely that other practices were also instructed to dispose of the property on the same basis.

AG+G and Fleurets are considered to be two of the leading licenced trade agency practices in the country. Whilst AG+G is more focused on London and the Home Counties, Fleurets have a national presence and are considered to be market leaders.

It is understood that both practices undertook full marketing campaigns whilst the property was still open and trading. This does mean a more limited campaign than with closed premises so as not to deter customers. Example of the marketing particulars as utilised can be found at appendix 2. The property details were extensively mailed by both parties to applicants on their respective databases which can be considered to be comprehensive.

It is understood that approximately 10 parties formally inspected the property with the agents, with numerous others inspecting whilst the property was open for business, i.e. as a customer. There was a good level of interest in the property but none of the interest came from pub operators, all from developers. In light of the levels of interest it was decided to call for best bids, these were set for the 22nd April 2016. Fleurets and AG+G both had parties that made suitable bids and the decision was taken to hold a contract race with the first past the post being able to purchase the property. The disposal was completed on the 16th June 2016 with the property selling for £550,000 plus VAT.

Following the acquisition, the new owner also tried to secure the adjacent land being sold by JCDcaux as referred to at appendix 1; however the ultimate sale price was too high. The owner's appraisals were based on being able to secure this land and failure to do so meant that the project became unviable. The decision was taken subsequent to that auction sale to offer the public house to the market for disposal at public auction, again via Lambert Smith Hampton.

The property was entered for disposal at auction on the 8th May 2017 with a guide price of £900,000 exc VAT. The property was comprehensively marketed by Lambert Smith Hampton utilising fully their national database of applicants. Adverts were placed within the Estates Gazette and a marketing board was erected upon the property. A copy of the auction entry listing can be found at appendix 3. During the marketing process two offers were received from purchasers, one in the sum of £570,000 and one in the sum of £812,500. Both offers were made on the basis that the property be removed from the auction and not offered to the room. The owner decided against this approach and wanted to ensure that best value was achieved by way of competitive bidding. This approach did not sit well with LSH who unilaterally decided to withdraw the property from the auction on the 5th May.

This course of action caused the owner to reconsider his position. Previously, the owner had attempted to hold meaningful discussions with the adjoining property owner at Number 38

Southampton Street. The property had been marketed by Lambert Smith Hampton from May 2017 and was entered in to their property auction on the 17th July. The property was marketed with a guide price of £290,000 but failed to sell – the highest bid received in the room was £255,000. The property sales details for the Lambert Smith Hampton auction can be found at appendix 4

The owner of 38 Southampton Street decided then to enter the property in to another auction with a different company – Romans. The property was entered into an auction on the 27th September 2017. The acquisition of Number 38 was successful on that occasion and it was acquired for £200,000. This meant that a redevelopment of the whole became viable once more. The property sales details for the Romans auction can be found at appendix 5

SUMMARY

The Red Lion public house was deemed to be unviable by the then owners Admiral Taverns in 2015 and the decision was taken to dispose of the property. No offers were received for the premises to continue as a trading entity. The property was disposed of at a level in excess of the guide price, but the property market found its own level after having been marketed by Fleurets and AG+G from mid-2015 through to June 2016. Subsequent efforts to dispose of the property again have also been undertaken but have been unsuccessful.

During both marketing exercises, the property was fully exposed via market leading reputable practices – all efforts were made. It is the conclusion of the author that there is no market for the property to continue trading as a public house, but that there is an appetite for the property for alternate uses, borne out by the early interest and later bids received.

This note was prepared to accompany a planning application proposing to redevelop the site at 34-38 Southampton Street to provide upto 12 residential apartments, an application which was submitted in December 2017 and subsequently withdrawn in May 2018. This note was submitted to Reading Borough Council to support the loss of the facility, and on the 4th May 2018 the case officer replied to the applicant in e-mail, with the following comments:

“Although mindful of the paragraphs 69 & 70 of the NPPF and third party objections being received which include elements of matters raised by these paragraphs, officers consider (partly owing to the supporting information which you have submitted in this regard) on balance that the development will not be resisted on the principle of the loss of the existing drinking establishment use.”

The full e-mail can be found under appendix 6 of this statement.

It is therefore concluded that the loss of the public house has been accepted by Reading Borough Council.

END

APPENDICES

APPENDIX 1



DESCRIPTION

An irregular shaped site of about 0.03 acres (124 sq m) that would suit a development, subject to obtaining all necessary consents.

Reading is home to major international companies including Microsoft, Oracle Group, BG Group, Verizon and Cisco, and Reading University with 21,000 students and staff. Reading will be the western starting point for Crossrail's fast services across London. Southampton Street lies 100m from Oracle Shopping Centre.

LOCATION

- Miles: London 36 miles
- Roads: M4 (junctions 11 & 12), A33
- Rail: Reading Station (London Paddington 30 minutes)
- Air: London Heathrow (26 miles)
- Nearby Occupiers: Evans Cycles, The Oracle Shopping Centre

TENURE

Freehold

VAT

Refer to the legal documentation

EPC

No EPC required

PLANNING

Reading Borough Council (0118 937 3787) www.reading.gov.uk

ADDRESS	TENANT	ACRES	HECTARES	LEASE TERMS	RENT £ PA
Entire	Admiral Tavern	0.03	0.01 (124 sq m)	3 years from 07/07/2014 (2)	£1,000

(1) Refer to the legal pack. Please note that any plans or photographs used are to help locate the property and may not show the exact legal boundaries. Prospective purchasers are advised to refer to the title plan in the legal pack.

(2) Contracted outside the security of tenure provisions of the 1954 Landlord & Tenant Act.

Seller's Solicitor

Wright Hassall LLP
Terry Dickson
 01926 883058
terry.dickson@wrighthassall.co.uk

Upon the Instructions of

JCDecaux

Mat Harris
 020 7198 2229
msharris@lsh.co.uk
www.lshauctions.co.uk

Please ensure that you are aware of the general and special conditions and any relevant addendum. The successful buyers on all lots will be required to pay the auctioneers an administration fee.

FEBRUARY AUCTION 2017

LOT 2

READING

**LAND AT, 30 SOUTHAMPTON STREET,
 RG1 2QL**

- Freehold land
- Development opportunity, subject to obtaining necessary consents
- About 0.03 acres (124 sq m)
- Vacant possession (1)



APPENDIX 2



Fleurets[®]

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-  Restaurants
-  Pubs
-  Leisure
-  Investments

For details of HUNDREDS of properties FOR SALE or TO LET Nationwide visit **fleurets.com**

Red Lion

34 Southampton Street, Reading, Berkshire
RG1 2QL

Freehold
£425,000 +VAT

- 250ft from the Oracle Shopping Centre
- Prominent roadside location
- Two trading areas
- Small trade garden to rear
- Potential for alternative use (STPP)

JOINT SELLING RIGHTS
REF: LA-620768

VIEWING

Strictly by appointment only through Fleurets London office on 020 7280 4700.

LOCATION

The property is located on the busy Southampton Street (A327) approximately 250 feet from the Oracle Shopping Centre and less than a 10 minute walk from Reading Town Centre. It is surrounded by a mix of residential, independent retail and commercial buildings. Reading is approximately 10 miles north west of Wokingham and 21 miles east of Newbury.

DESCRIPTION

A semi detached three storey building with part flat, part pitched tiled roof. The frontage is rendered and painted white with black and gold signage and large sash windows facing the road. The trade garden is to one side of the site.

TRADE

No trade warranted or sold.

ACCOMMODATION

Ground Floor

Consisting of two trading areas with a horseshoe shaped servery and there is a sports/pool area to the rear alongside the ladies and gentlemen's WCs.

First Floor

Not inspected.

Second Floor

Not inspected.

TENURE

Freehold with vacant possession.

LICENCE

A premises licence prevails, the main licensable activities being:-

Sale by retail of alcohol for consumption on and off the premises:

Sun - Thurs 10:00am - 11:00pm

Fri - Sat 10:00am - 12:00am Midnight

BUSINESS RATES & COUNCIL TAX

The property is in an area administered by Reading Council and we are advised that the current Rateable Value is £7,000. The domestic accommodation is within Band B for council tax purposes.

SERVICES

We are informed that the premises benefit from all mains services.

PLANNING

Please note this property is not listed and does not lie within a conservation area.

VAT

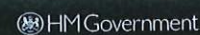
All prices quoted and offers made shall be deemed to be exclusive of VAT and VAT will be added where applicable. In most cases VAT is reclaimable. Prospective purchasers should consult their accountant for professional advice in this respect.

FINANCE & INSURANCE

If you would like to take advantage of the knowledge and experience of a selection of firms who specialise in providing finance and insurance for licensed properties contact your local Fleurets office. A phone call may help to provide you with terms and/or cover, which best fits your requirements

EPC

Energy Performance Certificate



Non-Domestic Building

Red Lion
34 Southampton Street
READING
RG1 2QL

Certificate Reference Number:
0910-0232-1139-0706-0002

This certificate shows the energy rating of this building. It indicates the energy efficiency of the building fabric and the heating, ventilation, cooling and lighting systems. The rating is compared to two benchmarks for this type of building: one appropriate for new buildings and one appropriate for existing buildings. There is more advice on how to interpret this information on the Government's website www.communities.gov.uk/epbd.

Energy Performance Asset Rating

More energy efficient



..... Net zero CO₂ emissions

A 0-25

B 26-50

C 51-75

D 76-100

E 101-125

F 126-150

G Over 150

Less energy efficient

72 This is how energy efficient the building is.

Technical Information

Main heating fuel: Natural Gas
Building environment: Heating and Natural Ventilation
Total useful floor area (m²): 174
Building complexity (NOS level): 3
Building emission rate (kgCO₂/m²): 177.68

Benchmarks

Buildings similar to this one could have ratings as follows:

27

If newly built

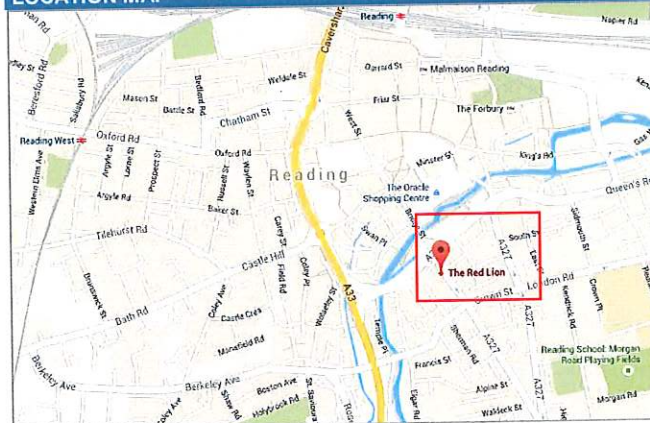
73

If typical of the existing stock

Green Deal Information

The Green Deal will be available from later this year. To find out more about how the Green Deal can make your property cheaper to run, please call 0300 123 1234.

LOCATION MAP



Map Data © Google 2016

4 Roger Street, London WC1N 2JX
T 020 7280 4700 F 020 7280 4750
E londonagency@fleurets.com
fleurets.com - Our Reference: LA-620768

Fleurets
Leisure Property Specialists

FURTHER INFORMATION

For further information please contact: Elysia Wilson-Gunn at our London office on 020 7280 4700 or email londonagency@fleurets.com

DISCLAIMER

Fleurets Limited for themselves and for the vendors or lessors of this property whose agents they are give notice that: (i) the particulars are set out as a general outline only for the guidance of intending purchasers or lessees, and do not constitute, nor constitute part of, an offer or contract; (ii) all descriptions, dimensions, references to condition and necessary permissions for use and occupation, and other details are given without responsibility and any intending purchasers or tenants should not rely on them as statements or representations of fact but must satisfy themselves by inspection or otherwise as to the correctness of each of them; (iii) no person in the employment of Fleurets Limited has any authority to make or give any representation or warranty whatever in relation to this property.

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CHARTERED SURVEYORS • LICENSED LEISURE SPECIALISTS

A historic photograph of the Red Lion pub in Bournemouth. The building is a three-story white structure with a dark roof and a chimney. A sign on the upper floor reads 'RED LION'. A large sign above the entrance says 'sky SPORTS LIVE HERE'. A string of colorful bunting hangs across the front. To the left, there are red and black bins. To the right, a small sign lists 'Special & Home' offerings. The photo is framed by a green border.

- Less than 500 metres south of Reading Town Centre
- Total site area approx. 290 sq m (3,120 sq ft)
- Building footprint approx. 172 sq m (1,850 sq ft)
- May suit alternative uses (subject to obtaining necessary consents)

£425,000

SUBJECT TO CONTRACT

(VAT IS APPLICABLE)

LonF488

B EXCHANGE COURT, COVENT GARDEN, LONDON WC2R 0JH TEL 020 7836 7826 FAX 020 7836 7829 WWW.AGG.UK.COM

ASSOCIATE DIRECTOR M PENFOLD BSc (Hons) MRICS

AG&G limited. Company registration number 4004212 England & Wales. Registered office at above address.

LOCATION

The pub front Southampton Road (A327) near its roundabout junction with Queens Road (A329) and is located less than 500 meters from Reading Town Centre. The amenities of the Oracle Shopping Centre and Broad Street Mall are within a few minutes walking distance.

Reading Railway Station is located less than one kilometre to the north which provides frequent services into London Paddington with a journey time of less than 30 minutes.

A location plan is attached.

DESCRIPTION

A semi-detached property constructed over three storeys above part basement. There is a trade garden to the rear.

Using the Online Promap measuring system we have calculated that the total site area extends to approximately 290 sq m (3,120 sq ft) with a building footprint of circa 172 sq m (1,850 sq ft).

An extract from the Land Registry Title Plan is attached.

NB: The site area set out is based on measurements taken using the ProMap measuring system and is for guidance purposes only and no reliance should be placed on this when making any offer to purchase either expressly or impliedly and for the avoidance of doubt AG&G Chartered Surveyors will be not liable for any losses howsoever arising in law as a result of the bidder placing any reliance on such measurement. The successful bidder should state if they wish to undertake a measured survey prior to exchange of contracts to enable it to satisfy itself of the precise measurements.

PREMISES LICENCE

The Premises Licence formerly enabled the sale of alcohol from 10:00am until 11:00pm on Sunday to Thursday and from 10:00am until midnight on Fridays and Saturdays.

LOCAL TAXATION

The property is listed within the (2010) Rating List as a Public House and Premises and has a Rateable Value of £7,000.

PLANNING

From informal enquiry of Reading Council we have established that the property is neither listed nor situated within a conservation area.

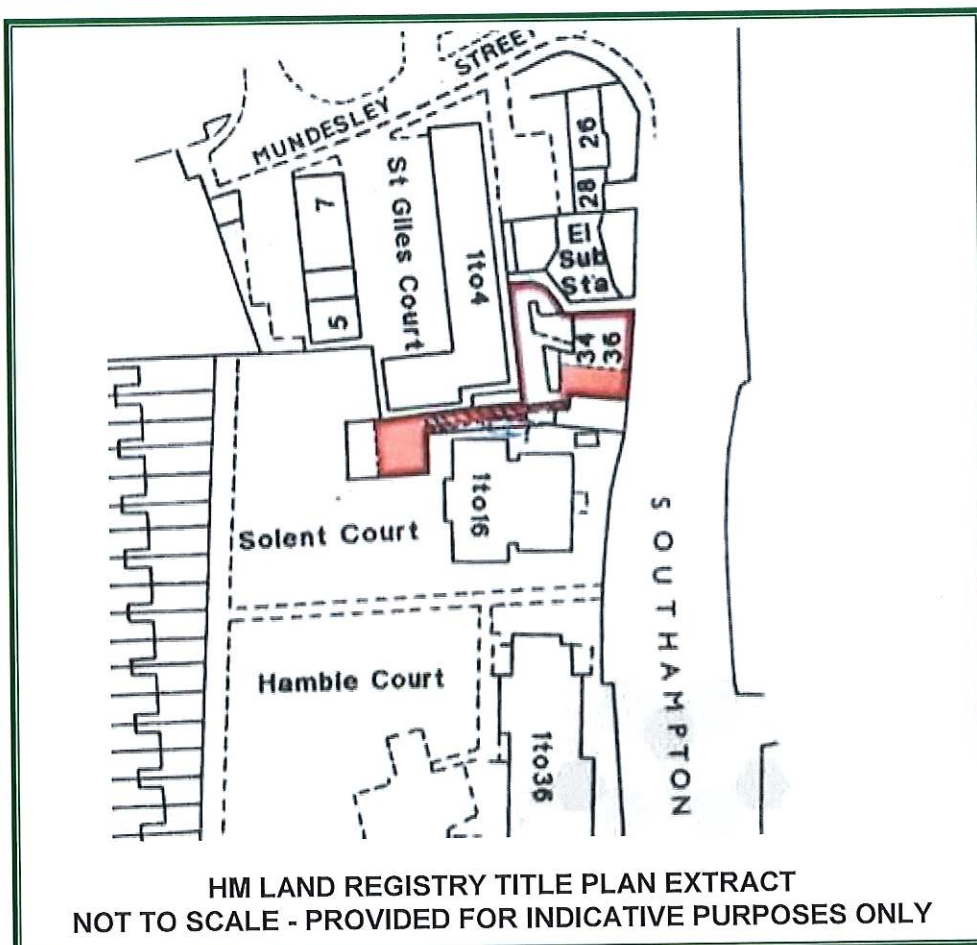
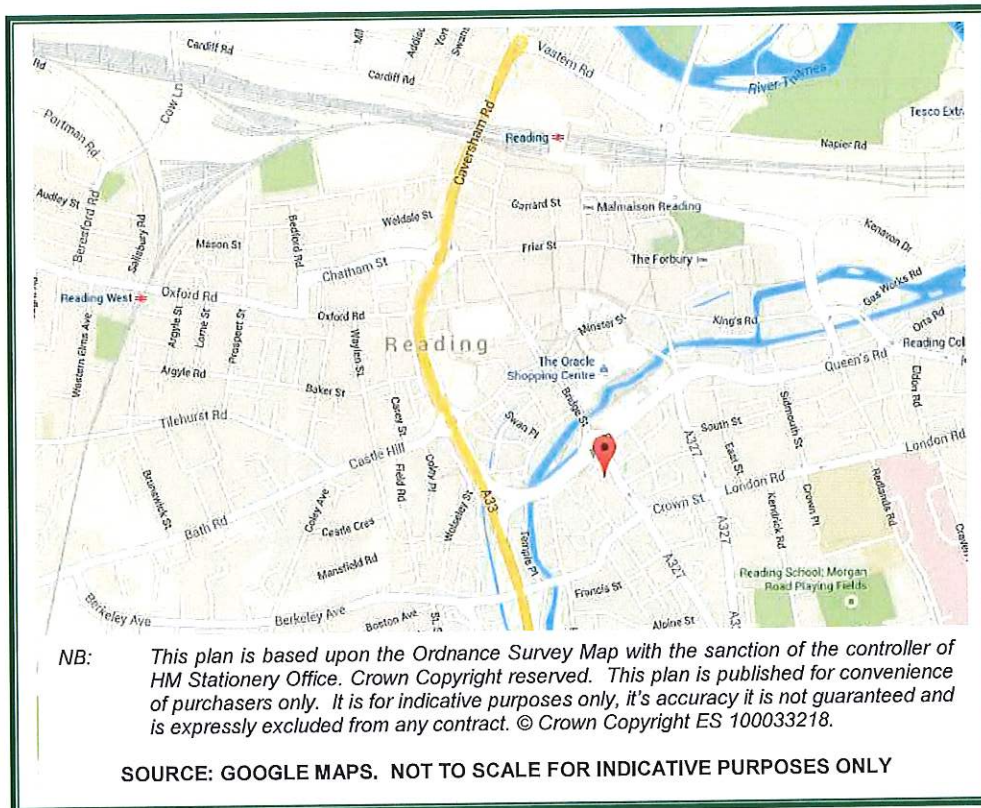
BASIS OF SALE

The property is being offered for sale freehold with vacant possession upon completion. Guide price £425,000 + VAT. (VAT is payable in addition).

VIEWINGS, OFFERS AND FURTHER INFORMATION

Strictly by appointment only. Those requiring further information should contact Panayiotis Themistocli of AG&G on Tel: 0207 836 7826 or Email:

panayiotis.themistocli@agg.uk.com



Energy Performance Certificate

Non-Domestic Building



Red Lion
34 Southampton Street
READING
RG1 2DL

Certificate Reference Number:
0910-0232-1139-0706-0002

This certificate shows the energy rating of this building. It indicates the energy efficiency of the building fabric and the heating, ventilation, cooling and lighting systems. The rating is compared to two benchmarks for this type of building: one appropriate for new buildings and one appropriate for existing buildings. There is more advice on how to interpret this information on the Government's website www.communities.gov.uk/spbd.

Energy Performance Asset Rating

More energy efficient

A+

A 1-15

B 16-20

C 21-25

D 26-30

E 31-35

F 36-40

G Over 40

Less energy efficient

72

This is how energy efficient
this building is.

Technical Information

Main heating fuel: Natural Gas
Building environment: Heating and Natural Ventilation
Total useful floor area (m²): 174
Building complexity (NBS level): 3
Building emission rate (kgCO₂/m²): 177.68

Benchmarks

Buildings similar to this
one could have ratings as
follows:

77 If newly built
73 If typical of the
existing stock

Green Deal Information

The Green Deal will be available from later this year. To find out more about how the Green Deal can make your property cheaper to run, please call 0300 123 1234.

APPENDIX 3



LOCATION

- Summary:** Reading is home to major international companies including Microsoft, Oracle Group, BG Group, Verizon and Cisco and Reading University with 21,000 students. Reading will be the western starting point for Crossrail's fast services across London.
- Miles:** London 36 miles
- Roads:** M4 (junctions 11 & 12), A33
- Rail:** Reading Station (London Paddington 30 minutes)
- Air:** London Heathrow (26 miles)
- Nearby Occupiers:** Evans Cycles, Oracle Shopping Centre

TENURE

Freehold

VAT

Refer to the legal documentation

EPC

See website

PLANNING

Reading Borough Council (0118 937 3787) www.reading.gov.uk

ADDRESS	ACCOMMODATION	SQ M	SQ FT
34-36 Southampton Street	Basement store	32.30	348
	Ground floor bar/restaurant	164.30	1,769
	First floor residential	70.60	760
	Second floor residential	49.10	528
TOTAL		316.30	3,405

The measurements have been provided by the vendor.

Seller's Solicitor

Phillips Law Solicitors
Jonathan Pender
01256 854613
jonathan.pender@phillips-law.co.uk

LOT 4

READING FORMER RED LION PUBLIC HOUSE, 34-36 SOUTHAMPTON STREET, RG1 2QL

- Freehold former public house
- Near town centre and Oracle Shopping Centre
- Residential potential, subject to consents
- Vacant possession

DESCRIPTION

The property comprises a semi-detached former public house arranged over ground, first and second floors. The building is arranged as a ground floor public house with cellar and ancillary and residential accommodation on the first and second floors. The building offers development potential, subject to obtaining the necessary consents.



Mat Harris
020 7198 2229
msharris@lsh.co.uk
www.lshauctions.co.uk

Please ensure that you are aware of the general and special conditions and any relevant addendum. The successful buyers on all lots will be required to pay the auctioneers an administration fee.

MAY AUCTION 2017

APPENDIX 4



LOCATION

- Summary:** Reading is home to major international companies including Microsoft, Oracle Group, BG Group, Verizon, Cisco and Reading University with 21,000 students. Reading will be the western starting point for Crossrail's fast services across London.
- Miles:** London 36 miles
- Roads:** M4 (Junction 11 & 12), A33
- Rail:** Reading Station (London Paddington 30 minutes)
- Air:** London Heathrow 26 miles
- Nearby Occupiers:** Evans Cycles, Oracle Shopping Centre

TENURE

Freehold

VAT

Refer to the legal documentation

EPC

See website

PLANNING

Reading Borough Council (0118 937 3787) www.reading.gov.uk

The area hatched blue on the plan is unregistered land and is believed to have belonged to the house. This cannot be verified and all buyers must make their own enquiries.

ADDRESS	FLOOR	USE	ACCOMMODATION
38 Southampton Street	Ground First	Residential	Hall, kitchen/living room (wood burning stove), utility area, bathroom/WC, access to garden Two double bedrooms (access to the loft)

Seller's Solicitor
Mundays LLP
Graham Tong
01932 590614
graham.tong@mundays.co.uk

VIEWINGS

10:00am on Wednesday 5th July 2017

READING

38 SOUTHAMPTON STREET, RG1 2QL

- Freehold 2 bedroom house
- Possible extension, subject to necessary consents
- Near town centre and Oracle Shopping Centre
- Vacant possession

LOT 48

DESCRIPTION

A two storey property of traditional construction consisting of two bedrooms, living room/kitchen, bathroom/WC. There may be scope to extend into the loft or add another storey subject to obtaining all necessary consents. There is also a large unregistered rear garden that we understand has been used by the property and may be obtained by separate negotiations. This land is shown hatched blue on the below site plan and does not form part of the sale.



(See NOTES)

Mat Harris
020 7198 2229
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www.lshauctions.co.uk

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JULY AUCTION 2017

APPENDIX 5

Lot 17

38 Southampton Street, Reading, Berkshire, RG1 2QL

A vacant, period semi-detached house requiring minor refurbishment, located in the town centre. Ideal letting investment.

**LATE
ENTRY**



Location:

- Located in town centre
- Good access to Reading University and Royal Berkshire Hospital
- M4 access at junction 11 & 12
- Mainline rail service from Reading to London

Description:

- Requires minor refurbishment
- Period two storey house
- Good investment potential

Accommodation:

Ground floor:
Open plan living room & kitchen, WC & shower room

First floor:
2 bedrooms

Outside:
Rear garden

EPC rating:
E

Tenure:
Freehold with vacant possession

Legal documents:
Visit romans.co.uk/auctions

Local Authority:
Reading Borough Council
0118 937 3787

To view:
Please call Romans Auctions on
01344 753120



APPENDIX 6

From: Markwell, Jonathan <Jonathan.Markwell@reading.gov.uk>
Sent: 04 May 2018 14:42
To: Jonathan Walton
Cc: Martin Baker; alex.hunt@macnivenquays.com
Subject: 34-38 Southampton Street, Reading (172328)
Attachments: Red Lion _34-38 Southampton Street_172328-FUL.PDF

Dear Mr Walton et al,

Further to previous correspondence, I am now in a position to provide overarching feedback on the proposals. In short, there are a range of significant issues which means that planning permission will not be supported at officer level on this occasion. I set out the main reasons for this below (whilst also providing feedback on some matters not previously responded to as well):

Principle of the demolition of the existing buildings

The Historic Buildings Consultant for the local planning authority has raised concerns regarding the demolition of the existing buildings at the site. Please see the observations in full attached. On this basis, whilst also mindful of the separate response received from Reading Conservation Area Advisory Committee, officers have contacted Historic England regarding whether one or both of the buildings are worthy of listing. This request has been acknowledged by Historic England, who have advised officers that we will be contacted shortly regarding the appropriateness of a listing request, the process (likely to involve a site visit) and timescales for this. In terms of the implications for the current application, officers are minded to recommend that it has not been sufficiently demonstrated that the buildings should be demolished on heritage grounds, thereby resisting the proposals on this basis (contrary to policy CS33).

Principle of the loss of the existing drinking establishment use at 34-36 Southampton Street

Although mindful of the paragraphs 69 & 70 of the NPPF and third party objections being received which include elements of matters raised by these paragraphs, officers consider (partly owing to the supporting information which you have submitted in this regard) on balance that the development will not be resisted on the principle of the loss of the existing drinking establishment use.

Proposed Design

The following advice is provided on a notwithstanding basis to the concerns already raised above in respect of the principle of the demolition of the existing buildings.

As you are aware, this proposal was considered by the Reading Design Review Panel on 12th April. This advice has been factored into this feedback, to assist the overarching views of officers (including the Historic Buildings Consultant). It is initially noted that Reading DRP has formally commented that "The proposals as they stand are poor and cumbersome, lacking in an integrity of approach or architectural rigour" and that "The quality of the agents submission was very poor and did not demonstrate adequate care or understanding of the issues or context". Furthermore, as per the attached comments from the Historic Buildings Consultant, this specialist officer concludes that "The proposed replacement building is considered overly

large and dominant due to the proposed 4 storey height, which is out-of-keeping with the prevalent streetscene and particularly in relation to the Listed Buildings, Nos. 26 and 28”.

In summary, significant officer concerns are raised in relation to:

- The height of the proposed building, within the context of the nearby listed buildings in particular. It is considered that the scale/height of the building needs to be reduced to address the current concern.
- In particular, it is questioned whether the upper most floor is appropriate and whether a three storey building is the maximum possible at this particular site. The “mansard” storey is considered out of proportion / ‘top heavy’ (the floor to ceiling heights are greater for this floor than all other floors, which is the opposite one would usually anticipate, where normally the top floor instead being recessive in scale) and this is exacerbated by the dark material (set against the lighter colour of lower floor material) and chosen form - this is not a mansard and instead is simply a slightly set back additional floor, located in an immediate area characterised by pitched roofs rather than flat roofs.
- The overall footprint and form of development is simply considered to be a clear overdevelopment of the site, both in itself and given the surrounding context.
- Greater articulation is required to the proposed south elevation, which at present appears as a unrelenting mass which would be harmful in the streetscene. Given the footprint of the building in relation to its context this elevation is particularly prominent in short/long views along Southampton Street.
- There are significant shortcomings in the detailed design of the scheme, which lack finesse and a sufficient understanding of the site/surrounding area. The finished appearance of the building would appear stark and harsh within its setting, which is evidentially a highly prominent and sensitive site. There is considered to be no coherence, with a wide variety of materials / features incorporated. There is considered to be a need for a more simple form to be created, with a clearer (possibly single) entrance point from the street, improved window proportions and clearer projections in the changing front building line (whereby the current steps in and out are ‘lost’ in the elevation plans).

For your information Reading DRP suggested the following minimum elements would need to be provided in the future:

- 3D modelling needs to be representative to be useful, the gradient in Southampton St is a very relevant consideration.
- Street elevations are required.
- A narrative linking the analysis of context to the proposals.

Consequently the proposals are considered to be contrary to policies CS7, CS33 and RC5. The above comments should not come as a surprise to you, given the range and nature of shortcomings discussed at the DRP meeting, including those identified/initiated by your own architect at the meeting. To seek to address these concerns would require a substantial change in the design of the scheme.

Affordable housing

Based on discussions with BPS, they are awaiting further information from your consultant to enable them to finalise their report to the local planning authority. However, on the basis of an initial position indicated by BPS (based on the information already provided) to the local planning authority, it would appear that there are significant differences in the conclusions reached by your consultant (seeking to justify a nil contribution to affordable housing) and

those by BPS (suggesting that the viability of the scheme is such that on-site affordable housing could viably be provided). Naturally we will await the further outstanding information from your consultant (which I understand is imminent), which will facilitate BPS's final report, but at present it would appear that the scheme will not be providing an appropriate affordable housing contribution. If this is subsequently confirmed in the final report from BPS (anticipated early next week, once the remaining outstanding information is received from your consultant), this would consequentially form a further reason for refusal of the application, contrary to policy DM6. I will therefore confirm the feedback on this matter next week.

Amenity for future occupiers

In overall terms significant concerns are raised with the quality of accommodation proposed for numerous residential units at the site. For example, concerns include:

- an unacceptable lack of outlook (resulting in the proposals being overbearing for future occupiers) for Apartment 2 (the basement l/d/k is solely served by a shallow lightwell, one bedroom is served only by an obscure glazed window - facing north on the site boundary - the other bedroom is recessed and beneath an overhanging area adjacent to the Southampton Street frontage. The unit is effectively single aspect, which is another shortfall (in-fact the vast majority of proposed units are single aspect / effectively single aspect because of obscure glazing - which is far from satisfactory).
- Apartment 3 is a single aspect north facing unit with limited outlook (owing to the 1.8m fence proposed in close proximity) - I am presently awaiting a response from my colleague in legal services regarding access matters to this unit (as per your submission earlier in the week, responding to a previous query raised and objections raised by the neighbouring landowner).
- Apartments 6&9 are effectively single aspect north facing units (owing to obscure glazing to the south - although obscure glazing is not specified on floor plan 351H, it is specified on 451I as being obscure glazed). Furthermore, the external balcony would result in future occupiers suffering from direct overlooking at a distance of 8.9m from Solent Court, severely compromising the functional value of the spaces.
- Apartment 11 includes no natural light to the proposed kitchen, which is unacceptable in compromising the quality of accommodation for future occupiers at this point.
- Apartments 10, 11 & 12 are specified as studio units, but are clearly shown in layout terms as 1B2P units. At 41/42sqm these units are significantly below the minimum 50sqm expected for such units, again severely compromising the quality of accommodation proposed.
- Stacking between 2nd & 3rd floors and Apartments 2 (g/f) & 5 (f/f) is far from ideal.
- It is also noted that Apartment 7 includes a side facing window 5.5m from Solent Court - had the proposals been considered acceptable this window would have been secured as obscure glazed.

For a new build proposal these shortcomings are considered unacceptable both individually and cumulatively. In this regard, it is also noted that Reading DRP formally commented as follows in these regards "The quality of rooms, and flat layouts are both compromised as the scheme focuses on maximising footprint as opposed to producing an efficient arrangement". In overall terms the proposals would therefore cause a significant detrimental impact to the living environment to future residential occupiers, contrary to policy DM4.

Amenity for existing nearby occupiers

The proposed scheme would introduce new overlooking opportunities towards Solent Court occupiers from the proposed balconies serving Apartments 6&9. Furthermore, the proposal would result in an unacceptable visual dominance and be overbearing in this area too (owing to

the significant increase in massing proposed at the side/rear of the application site in comparison with existing). As such, existing/future occupiers of Solent Court would suffer significant detrimental impacts to their living environment, contrary to policy DM4.

SuDS

As advised in my email of 23rd April the level/nature of information submitted in this regard is unacceptable and means that planning permission will be recommended for refusal on this basis.

Transport

No response has been made to transport/waste services comments fed into you on 20th March. As such, I will now re-contact these colleagues to gauge whether, in the event of the application being recommended for refusal, such issues previously raised could be controlled via condition or whether they should form further recommended reasons for refusal of the application.

Other matters

The proposal will also be recommended to be refused on the basis of being in the absence of a s106 legal agreement to secure an appropriate contribution towards employment, skills and training. This is in line with policies CS9 & DM3 and the Council's Adopted Supplementary Planning Documents on Employment, Skills & Training (2013) and Planning Obligations under Section 106 (2015). An informative would be included on any refusal decision notice explaining that, without prejudice to any future application or appeal, this reason for refusal could be overcome by entering into a Section 106 Legal Agreement or unilateral undertaking for a scheme that was in all other respects acceptable.

Based on the officer site visit, it is also noted for completeness that there was an inaccuracy on the existing plans, which do not depict an obscure glazed window on the rear (west) elevation of No. 38, next to the back door. This inaccuracy will be noted as an informative on any future decision notice.

In addition, it is not clear precisely what is intended in terms of the cellar access point. On 299A this is shown (and this is also shown to be outside of the red line of the application site), whereas there is no depiction of it on 349C or 350I. It would therefore appear that it is being sought to be removed/blocked up, on land outside the red line of the application site. I will discuss this further with my transport colleague.

Next steps

In light of the above, planning permission will not be supported by officers on this occasion. Moreover, the issues raised are of a nature and number which means that they are not able to be overcome as part of this application, as they would require fundamental changes to the proposals (and officers consider it highly doubtful that revisions would be able to address all such matters at this time - furthermore, there is insufficient time for the likely re-consultation / re-assessments required). Therefore, revised plans will not be appropriate or accepted in this instance. As such, your options for the application are considered to be either to allow it to be recommended for refusal by officers and be considered at Planning Applications Committee on 30th May (whereby ultimately members would decide whether to approve the application or to refuse permission) or formally withdraw it prior to the application being considered by Planning Applications Committee and a decision being issued. Should you wish to withdraw the application, please confirm this in writing by 9am on Friday 11th May. If I have not heard from

you by this time and date, I will assume that you wish for the application to be determined and will proceed to complete the officer committee report for the 30th May meeting. You are naturally advised of your right of appeal.

Should you decide to withdraw the application you would be strongly recommended to enter into formal pre-application discussions with the local planning authority prior to any re-submission.

Although this is unlikely to be the feedback you were hoping for, I nevertheless trust that this information is of assistance to you. Should you wish to discuss any matter further, please do not hesitate to contact me.

Yours sincerely,

Jonathan Markwell
Principal Planning Officer
Planning Section | Directorate of Environment and Neighbourhood Services

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