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Our Ref: WIE12329-100-C-002-PJ
Application No: 161260

Peter Edwards
Carter Jonas LLP
One Chapel Place
London
W1G 0BG

20 June 2017

Dear Mr Edwards,

RE: Gas Works Road, Reading, Berkshire, RG1 3EQ

Further to our recent correspondence, I write with regards to the above site and the requirements of Condition 5.

Background

The Bel & The Dragon property at Blakes Lock is a Grade II listed building which comprises a number of buildings which were formerly part of the Blakes Lock Sewage Company. The main restaurant building comprises the original Engine House which was built in 1870 and an attached two storey timber clad building. The restaurant building is effectively a single room, open to the roof, with a small mezzanine level. The more modern extension provides ancillary office and former staff living accommodation at first floor level.

The site also abuts two smaller buildings, the Pump and Turbine House and Screens House, which are currently used as a museum and are in the freehold ownership of Reading Borough Council.

The property is situated on the banks of Kennet and Avon Canal and the permanently moored barge adjacent to the property is also part of the property used to host small wedding receptions and below deck, ancillary staff accommodation.

The site also comprises a car park, a length of Gas Works Road, the associated bridge and a number of moorings on the canal.

Permitted Development

The site has recently benefitted from planning approval for the following:

Proposed change of use at first floor to create five guest bedrooms and associated internal alterations (Application No. 161260).

The proposed accommodation was considered important from a commercial viability point of view as the additional occupancy will underpin the business model and cost of opening the restaurant in the mornings for breakfast.

Conditions are attached to the consent and include the following:

5. (i) No development shall take place until a final design stage BREEAM assessment has been submitted to and approved, in writing, by the Local Planning Authority, demonstrating that the development will achieve a least a 'Very Good' rating with a minimum score of 62.5 points. (ii) Prior to the first use of the development hereby approved, a final BREEAM certificate shall be submitted to and approved, in writing, by the Local Planning Authority, demonstrating that the development achieves a least a 'Very Good' rating with a minimum score of 62.5 points.

Reason: To ensure that the development contributes adequately towards environmental sustainability, in accordance with Policy CS1 of the Reading Borough LDF Core Strategy 2008 (Altered 2015) and Policy DM1 of the Sites and Detailed Policies Document 2012 (Altered 2015).

Proposed Redevelopment Works

The area affected by the above is approximately 100sqm and site works largely comprise redecoration; mainly associated with improvements to the existing bathrooms. Plans showing the existing layout and proposed works can be found appended to this letter (Appendices A and B).

Budget

The total budget for these works is £91,000; of which £80,890 has been allocated to the contractor. A full breakdown of the contractor costs is appended to this letter (Appendix C). The construction period is anticipated to be ~10 days.

BREEAM Pre-Assessment (Potential BREEAM Score)

A BREEAM Pre-Assessment has been undertaken by a BREEAM Assessor and BREEAM Accredited Professional (AP) (Pete Jeavons) and a copy of which is appended to this letter (Appendix D).

The assessment type is determined to be a BREEAM UK Refurbishment & Fit-out 2014 "Part 4 – Interior Design" assessment. The Pre-Assessment assumed all available and reasonably achievable credits; acknowledging that certain credits would not be available due to the current RIBA Stage and limitations associated with the site context and proposed works. A potential score of 63.69% was considered technically feasible (noting that there is very little scope to drop credits if the targeted 62.5% is to be achieved).

The following additional actions would need to be implemented. Fees are estimated and for illustrative purpose only:

BREEAM Action	Fee Estimate
Management	
Capital Cost Reporting	Negligible
Legally Harvested and Traded Timber	Negligible
Construction Stage "Sustainability Champion" (including involvement of an external BREEAM AP)	£1,300
Considerate Construction (including management time and assessment costs)	£2,000

Site Monitoring & Reporting (primarily management time)	£500
Building User Guide	£1,000
Aftercare Support (>12 months) (assume ~0.5 days pcm)	£3,000
Post Occupancy Evaluation	£1,500
Health & Wellbeing	
Indoor Air Quality Plan	£1,000
Use of low VOC products	Negligible
Thermal Comfort (requiring energy modelling)	£2,000
Acoustic Performance (including the incorporation of acoustic insulation and testing)	£10,000
Energy	
Sub-metering of major energy consuming systems	£1,000
Transport	
Assessment of local public transport and amenities	£1,000
Travel Plan	£1,000
Water	
Inclusion of low flow / flush systems (note: greywater systems are not assumed)	Negligible
Inclusion of pulsed output water meter	£500
Inclusion of flow control devices to each WC (likely comprising a shut-off valve linked to a PIR sensor)	£10,000
Materials	
Environmental impact of materials (procurement of materials with a decent Green Guide Rating) (cost are likely to include management time associated with product sourcing and recording).	£1,000
Responsible sourcing of materials (procurement of materials from suppliers that operate an Environmental Management System) (cost are likely to include management time associated with product sourcing and recording).	£1,000
Designing for durability and resilience (costs mainly relate to the time associated with compiling evidence)	£750
Waste	
Pre-refurbishment audit	Negligible
Resource efficiency (including production of a resource management plan and targeting and achieving waste reductions)	£1,000
Diversion of waste from landfill	Negligible
Land Use & Ecology	
n/a	
Pollution	
Assume no refrigerant use within the assessed area.	Negligible
Requiring a Flood Risk Assessment	£1,500
Additional Costs	
BREEAM Assessment	£8,000
BRE Fees	£670
TOTAL	£49,720

Condition 5 & Viability

Paragraph 173 of the National Planning Policy Framework (NPPF) concerns “Ensuring Viability and Deliverability” and includes reference to the following:

“Pursuing sustainable development requires careful attention to viability and costs in plan-making and decision-taking. Plans should be deliverable. Therefore, the sites and the scale of development identified in the plan should not be subject to such a scale of obligations and policy burdens that their ability to be developed viably is threatened. To ensure viability, the costs of any requirements likely to be applied to development, such as requirements for affordable housing, standards, infrastructure contributions or other requirements should, when taking account of the normal cost of development and mitigation, provide competitive returns to a willing land owner and willing developer to enable the development to be deliverable.”

Presently, the requirements of Condition 5 represent a 54.6% increase to the budget associated with the proposed works.

Furthermore, additional costs will be incurred through loss of trading associated with the requirement to produce a certificate prior to commencement on site; and for the local authority to review and sign this of. This delay is likely to be >6 months (typical time associated with the generation, review and audit of BREEAM evidence).

In light of the above, the requirements of Condition 5 are considered disproportionate to the scale of development and render the scheme unviable.

Recommendations

Nevertheless, the developer is mindful of “sustainable development” and the prevalence of this issue within council policy. Many of the costs presented above concern the procurement of documentation from suitably qualified experts to confirm actions / circumstances.

It is therefore recommended that a more limited budget be better directed at actual improvements to the building fabric. This would be in line with the principles of BREEAM and could be undertaken whilst maintaining project viability.

The key sustainability issues associated with the proposed scope of works include:

- Waste Management;
- Timber Procurement;
- VOC Content;
- Sanitary Ware;

The following actions are therefore suggested:

- The contractor would be required to produce a pre-demolition report and create a Site Waste Management Plan (SWMP). This would target both waste reduction and the diversion of materials from landfill;

- All timber will be sourced from certified sustainable sources;
- Paints and varnishes would be low VOC to ensure an improved internal air quality;
- All WCs would be dual flush and all other bathroom appliances low flow.

With the costs associated with BREEAM accreditation being so high (adding 54% to the total construction cost) it is extremely likely that this development would be unable to proceed; this would be extremely unfortunate as it seeks to utilise to better effect existing floor space for a purpose that will have socio economic benefits by supporting an existing local business, enhance spending in the local economy (associated with tourist expenditure and spin off trade for local suppliers) and create employment opportunities. This would appear to conflict with the advice in the NPPF which requires viability issues to be taken into account.

In the circumstances, we would hope that the Council would be able to relax its requirement for accreditation on the basis of the improvements set out above will be implemented.

I trust the above adequately outlines my concerns and proposals in relation to Condition 5. However, I would be happy to further discuss the matter, should this be required.

Yours sincerely



Pete Jeavons

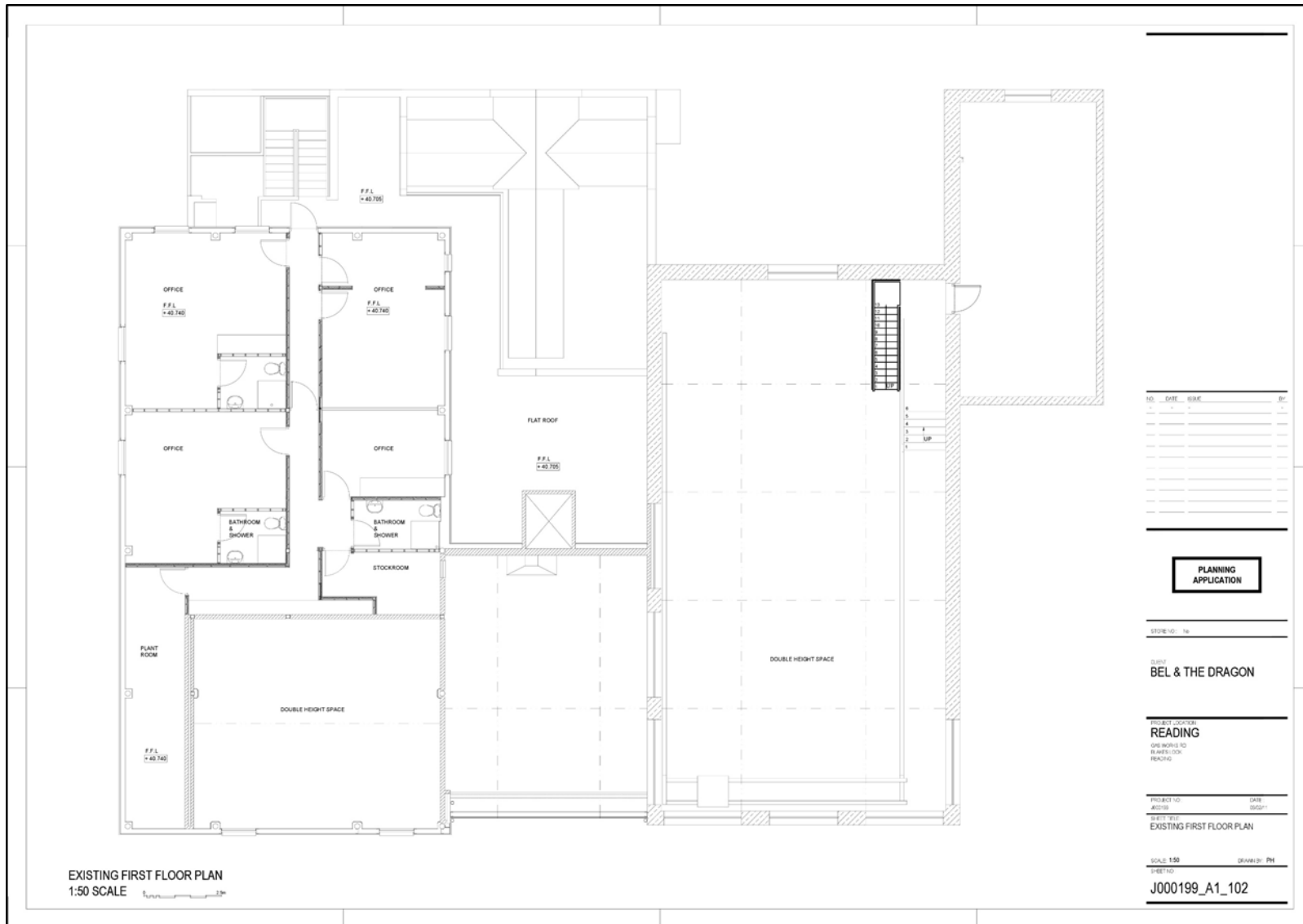
Director

For and On Behalf of Waterman Infrastructure & Environment Ltd

Enc.	Appendix A	Existing First Floor Plan
	Appendix B	Proposed Floor Plan and Location of Works
	Appendix C	Detailed Schedule of Works (Provided by Hipgrave)
	Appendix D	BREEAM Pre-Assessment (Potential Score)

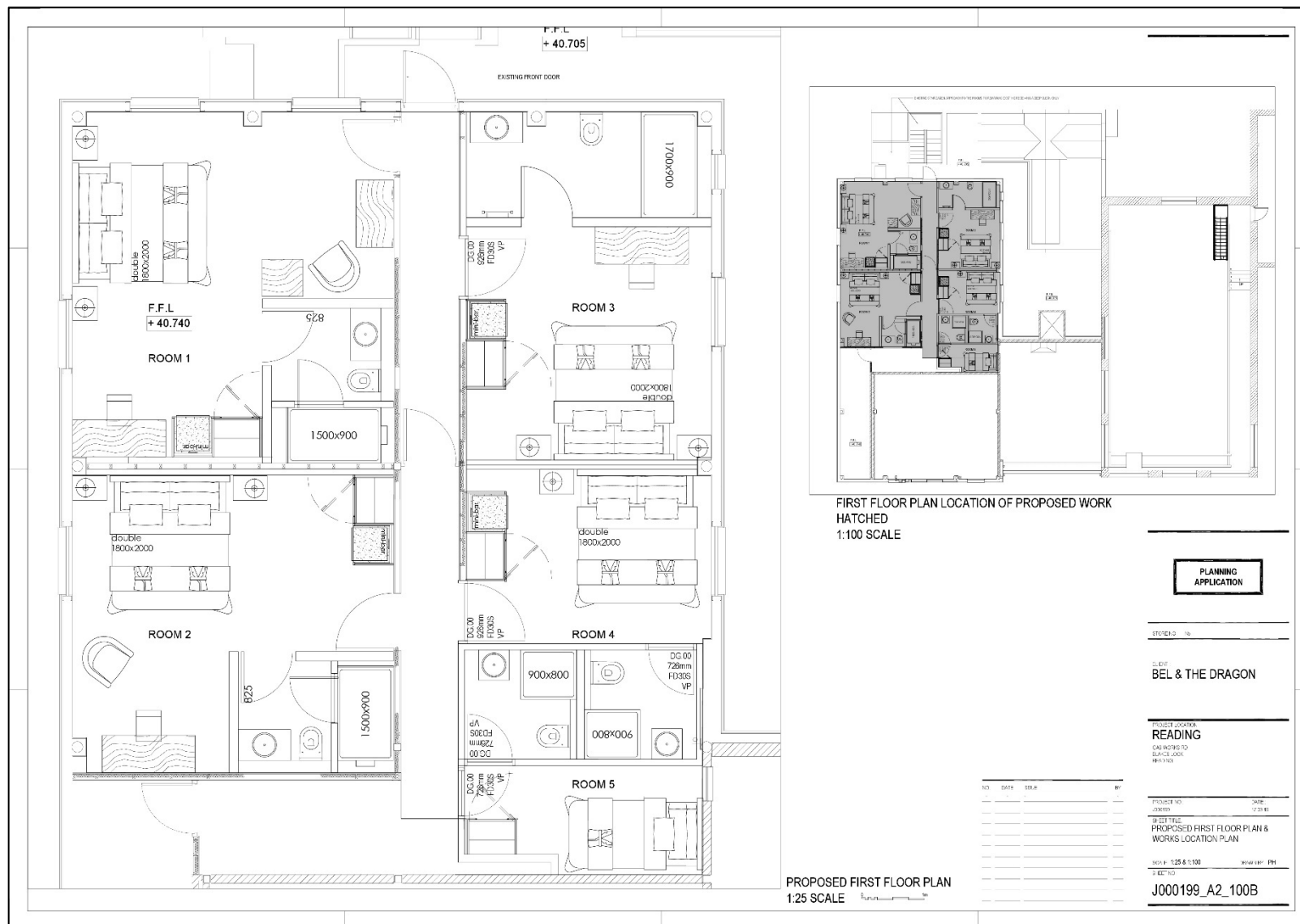


Appendix A – Existing First Floor Plan





Appendix B – Proposed Floor Plan & Location of Works





Appendix C – Detailed Schedule of Works (Provided by Hipgrave)

Item	Fee
Stripping Out	
To strip out and dispose of all carpets and any redundant loose furniture etc.	£600.00
To strip out and dispose of all internal stud walls (assuming not load bearing)	£950.00
To disconnect and strip out and dispose of any redundant data and electrical fittings	£550.00
To drain down and strip out kitchenettes and bathrooms	£950.00
Carpentry	
Allow to form timber stud work to shower base and end wall for shower valve to 3 no bathrooms	£1,800.00
Allow to form new timber stud walls to newly formed bathrooms inc. doors, frames, architraves and skirting as per NH drawing	£2,800.00
To supply and fit 2 no fire doors to replace existing with glass inc intumescent strip and ironmongery	£750.00
Allow to form 3 no new doorways inc doors, frames, architraves, int strip etc.	£2,300.00
Allow to form new stud wall and door, frame etc to end of corridor to boiler area to comply with fire regs	£1,200.00
Allow to form timber stud work with feather edge boarding to one side (stair fire escape side) with a flat roof to exposed area to exterior fire escape stairs and fit new entrance door with feather edge boarding to the sides	£2,700.00
Allow to adapt metal fire escape for entrance area to rooms	£3,700.00
Allow provisional sum for wooden coat pegs and shelves etc.	£400.00
Allow for 2 men to fit NH supplied pictures, soap holders, toilet roll holders etc.	£500.00
Allow for an 8yd skip to clear site of fixture & fittings boxes etc. at end of job	£300.00
Internal decorations only throughout all 5 no rooms and corridor to NH paint schedule	£9,400.00
Underlay and carpet to all bedrooms and corridor as odium coach house spec	£6,100.00
Allow for making good to ceiling and walls (plastering etc.) prior to decorating	£850.00
Signwriter	£450.00
Services	
To carry out all electrical work to proposed layout to NH drawing and test inc of cat 5,tv outlets, wifi and emergency lighting	£8,900.00
To carry out plumbing installation to bathrooms inc to provide new waste and hot and cold services to newly formed bathroom	£6,500.00
Under floor heating to 5 no bathrooms inc to latex prior to tiling	£4,500.00
Tiling	
Allow to tile shower enclosure walls and vanity basins all as previous b&d spec	£3,100.00

Allow to tile floors all to previous b&d spec 20m2	£2,200.00
Sanitary Ware	
5no towel radiators inc valves	£1,500.00
3no shower trays	£840.00
5no counter top basins	£1,375.00
5no close coupled wcs	£2,125.00
5no shower valves inc arm and shower head	£3,750.00
5no concealed basin taps	£1,450.00
5no basin vanity units	£2,100.00
3no sliding shower screens	£1,200.00
2 no standard baths	£700.00
2 no bath mixer taps	£800.00
2 no bath shower screens	£550.00
Prelims	£3,000.00
TOTAL	£80,890.00

Appendix D – BREEAM Pre-Assessment (Potential Score)

Pre-assessment: Bel & The Dragon (Pre-Assessment) (17-E044)
BREEAM Rating

	Credits available	Credits achieved	% Credits achieved	Weighting	Category score
Man	16.0	8.0	50.00%	17.72%	8.86%
Hea	13.0	6.0	46.15%	17.18%	7.92%
Ene	1.0	1.0	100.00%	1.12%	1.11%
Tra	11.0	7.0	63.64%	14.21%	9.04%
Wat	7.0	5.0	71.43%	9.05%	6.46%
Mat	12.0	9.0	75.00%	22.36%	16.77%
Wst	9.0	5.0	55.56%	10.90%	6.05%
Le	0.0	0.0	0.00%	0.00%	0.00%
Pol	5.0	5.0	100.00%	7.45%	7.45%
Inn	10.0	0.0	0.00%	10.00%	0.00%
Total	84.0	46.0	54.76%	-	63.69%
Rating	-	-	-	-	Very Good

Performance by environmental category
