



PLANNING STATEMENT, INCLUDING S106 HEADS OF TERMS

WATERFRONT SQUARE, READING

OCTOBER 2024

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Appendix 1 – Local Plan Extract and Key

Appendix 2 – Hollis Hockley Market Overview

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Client
Packaged Living Limited

Project
Waterfront Square

Our reference
OP-06-24

7th October 2024, v4

1. Introduction

- 1.1. This Planning Statement has been prepared by Opus Works Consultancy to accompany an application for detailed planning permission.
- 1.2. The application is submitted on behalf of Packaged Living Limited (hereafter referred to as the 'Applicant'), as the developer, in partnership with Bridges Fund Management. The planning proposals are for a proposed residential-led development, providing Build to Rent ('BTR') accommodation, located at Norman Place, Reading (hereafter referred to as 'the Proposed Development').
- 1.3. Detailed planning permission in respect of the Proposed Development is sought for:

'Demolition of existing office and substation buildings and residential-led site redevelopment within 1-11 storey buildings comprising residential (Class C3) and ground floor commercial uses (Class E), together with various associated works including replacement pedestrian and vehicle access routes, car/cycle parking, hard and soft landscaping and a public open space adjacent to the river'

- 1.4. The submission of this application for the Proposed Development follows wide-ranging, multi-stage pre-application discussions with a wide range of stakeholders and statutory consultees, including planning and highways officers at Reading Borough Council (hereinafter referred to as the 'Council'), Ward and Senior Council Members, Design South East, local heritage and residents' groups.



Figure 1 – Red Line Plan, Proposed Development

- 1.5. The detailed feedback provided has enabled significant, beneficial changes to be identified and proposed within the planning submission for the Proposed Development. Section 4 of this document describes the design development process in more detail.
- 1.6. This Statement assesses relevant planning matters associated with the Proposed Development and considers the development in the context of relevant planning policy and guidance, alongside relevant material considerations. As part of this process, consideration will be given to emerging, consented developments in the vicinity and potential revisions to the Local Plan, which set a positive context for determination of the proposals in terms of defining acceptable development parameters for similar schemes in the locality and identifying the need to deliver much-needed housing, preferably on previously developed and under-utilised land, as is the case at Waterfront Square.
- 1.7. Further to pre-application discussions with Planning Officers and after review of the Council's "*Validation Requirements for Planning Applications, November 2021*" guidance, the following documents are submitted as part of the planning application for the Proposed Development:
 - Completed Planning Application Forms and Certificates
 - Completed CIL Additional Information Form
 - Planning Drawings – see drawing register
 - Air Quality Assessment
 - Arboricultural Impact Assessment, including Tree Survey and Tree Protection Plan

- Biodiversity Net Gain Assessment, including BNG Calculator spreadsheets (macro and non-macro versions)
- BREEAM Pre-Assessment
- Consultation Statement
- Daylight and Sunlight Assessment, including Internal Daylight and Sunlight Report
- Design and Access Statement (DAS), including Landscape DAS
- Drainage Strategy
- Energy Strategy
- Financial Viability Assessment
- Fire Strategy
- Flood Risk Assessment
- Heritage Assessment
- Landscape Management and Maintenance Plan, within DAS
- Lighting Assessment
- Noise Assessment
- Phase 1 Geo-Technical Report
- Planning Statement, including S106 Heads of Terms, Affordable Housing Statement and Loss of Employment justification
- Preliminary Ecological Appraisal
- Sustainability Statement
- Townscape and Visual Assessment
- Transport Statement
- Travel Plan, inc. Commercial Travel Plan
- Utility Assessment
- Wind and Microclimate Assessment
- Waste Management Strategy, within DAS

1.8. This document provides an overview of the Application Site and the Proposed Development and sets out a justification for the development. The Planning Statement makes the case for the proposals as follows:

- Section 2 provides detail regarding the site and surrounding area
- Section 3 details planning history pertinent to the scheme
- Section 4 identifies the stakeholder engagement undertaken during the pre-application process and how this has informed design development
- Section 5 sets out the development proposals in respect of built form, landscaping and public realm
- Section 6 outlines relevant planning policy context
- Section 7 sets out the planning assessment of the proposed development against policy requirements and relevant material considerations.
- Section 8 provides a summary of CIL and proposed planning obligations.

- Section 9 sets out our conclusions on the proposed development.
- 1.9. This Application represents the culmination of significant due diligence to determine how best technically and commercially to bring forward much-needed development to meet Reading's housing requirement.
- 1.10. Further, and importantly, this Application has considered how to derive meaningful community benefit. The proposals in this manner will transform the river frontage through enhanced public realm, improved footpath and cycle path connectivity and delivery of non-residential space that can meet a local convenience need.

2. The Site and Surrounding Area

- 2.1 The site is located on Vastern Road in Reading on land that stretches to the southern bank of the River Thames.
- 2.2 The site is bound by Clearwater Court, Thames Water's Headquarters, to the east, Vastern Road to the south, Sovereign House, a commercial / residential building to the west and the River Thames to the North.
- 2.3 The site is currently occupied an existing, vacant office building of 5,669m² floorspace (GIA) with a surface car park to the Vastern Road frontage providing 55 spaces. It is positioned to the north of Reading Station and is typified by a mix of residential, commercial, transport and retail uses. Residential and commercial uses are predominantly located to the north of Vastern Road with retail and transport buildings dominating land to the south.
- 2.4 Vastern Road features a variety of building forms and heights with vertical extent typically increasing from west to east, relating to the terraced pattern of housing in the west giving way to commercial, stand-alone buildings in the east. Neighbouring buildings range in heights between 4-11 storeys. Many of these are commercial buildings with greater floor to floor heights.
- 2.5 The site is connected to the wider area via a series of pedestrian and cycle paths and the local highway network. In particular, a National Cycle Network link runs to the north of the site, this connecting to the nearby Christchurch Bridge, which links the site to Christchurch Meadows to the north of the river.
- 2.6 The locality is subject to significant change with the Thames Quarter (LPA ref: 190809), completed in 2021, kick-starting that process. Subsequently, construction work has recently started on flatted development at the former Carter's site at the western end of Vastern Road (LPA ref: 221324) and also at 55 Vastern Road (Scottish and Southern Energy) (LPA ref: 231673). Separately, consents for residential-led development are in place at the former Royal Mail Sorting Office on Caversham Road (LPA ref: 182252), Reading Station Retail Park (LPA ref: 200328), whilst an application for a 10-key aparthotel is being progressed at Great Brighams Mead, which is a former office block situated at the Vastern Road/Caversham Road junction (LPA ref: 230745).
- 2.7 The emerging development scenario is not restricted to the immediate locality and beyond the Great Western Railway to the south, the Station Hill and Weldale Street major regeneration schemes are in a highly advanced stage of construction, these providing further backdrop and context pertinent to the planning assessment.

2.8 The Site is subject to the following designations, as defined in the Reading Local Plan 2019.:

- Within the Borough Boundary;
- Within Central Reading (black line);
- Within the Central Core and the Office Core (pink and blue lines)
- Within an Air Quality Management Area (AQMA) (purple line)

2.9 The Application Site is also adjacent to the River Thames, which is identified as an Area of Identified Biodiversity Interest and a Major Landscape Feature (light and dark blue areas), an area of Public Open Space at Christchurch Meadow (green area), cycle routes (red lines), the classified highway network (yellow lines) and a primary retail frontage (green lines). Slightly further afield, are the Station Area Major Opportunity Area (black line covering areas to north and south of Vastern Road) and the Tall Buildings Cluster (grey area to the south of Vastern Road). More detail, including a key, is provided in Appendix 1.

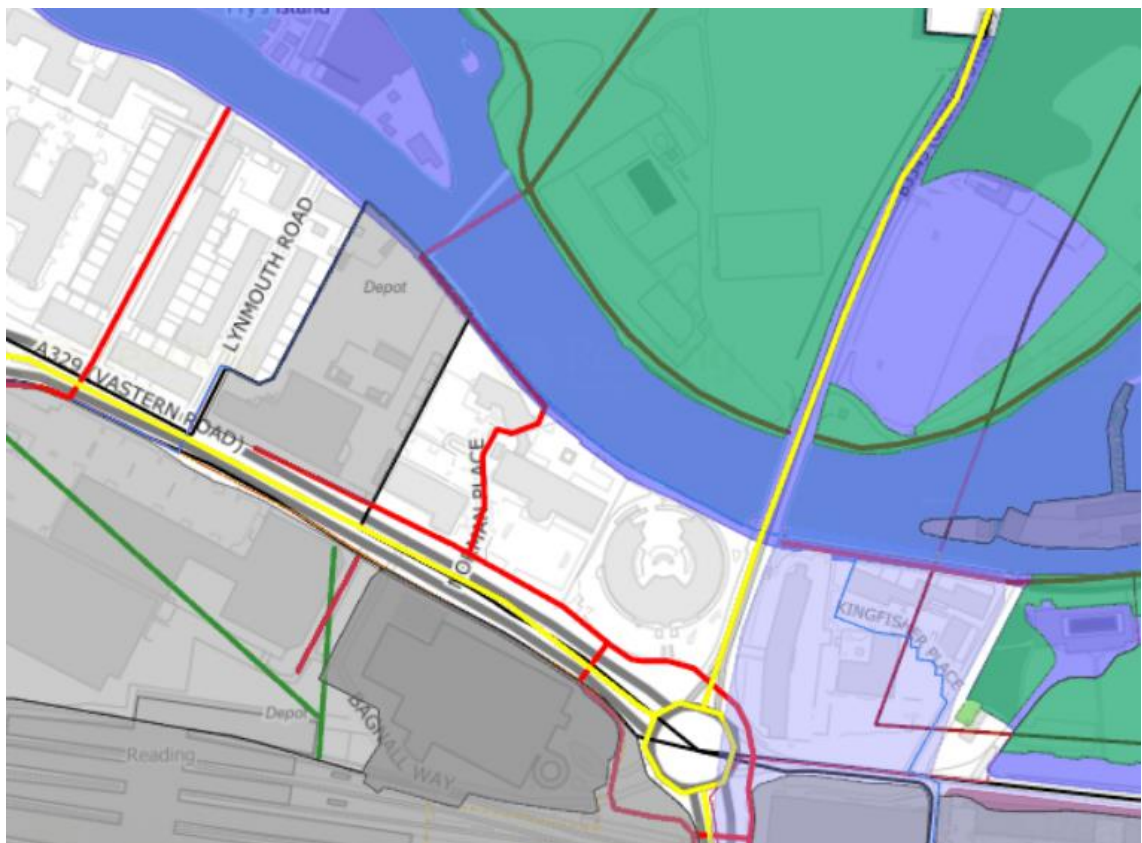


Figure 2: Local Plan Policy Map Extract

- 2.10 The site is not located within a Conservation Area, nor are there statutory listed buildings in the immediate vicinity; the closest being the Grade II listed Thames Lido, which is over 260m to the east and for which no visual connection exists.

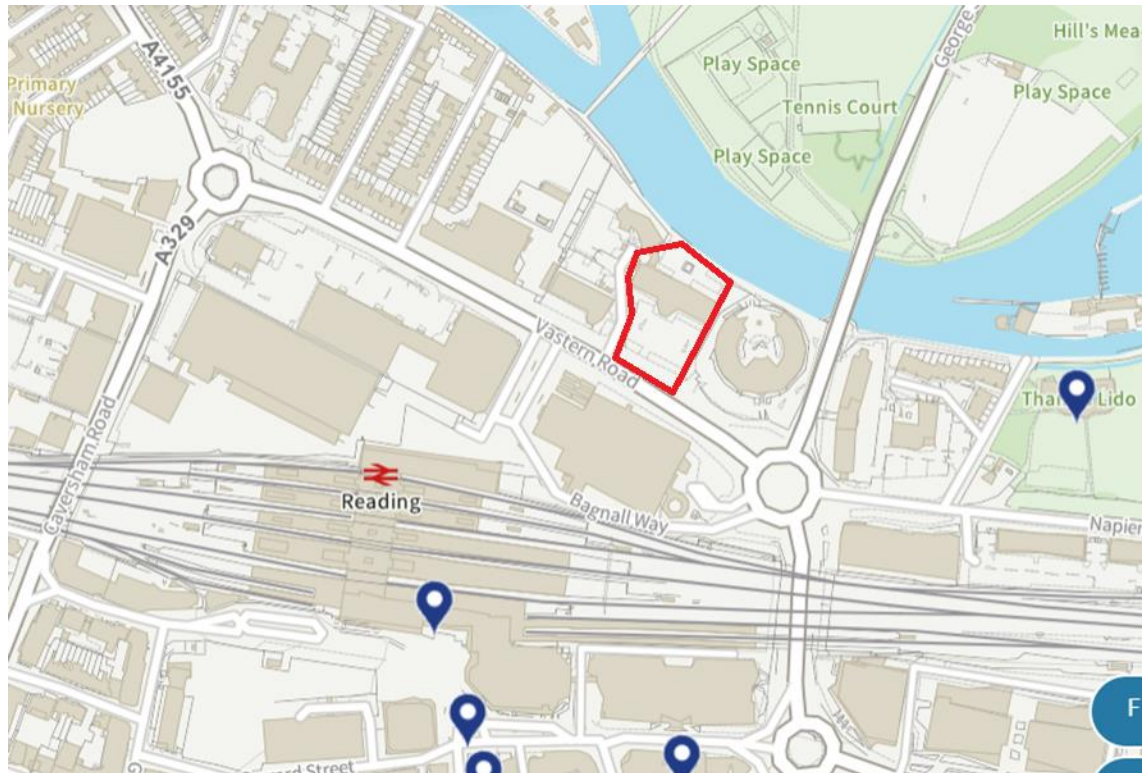


Figure 3: Historic England Map Search Extract

- 2.11 The developable area of the site is located wholly within Flood Zone 1. There are areas within the red line that are located within Flood Zones 2 and 3.



3 Figure 4: gov.uk Flood Map for Planning Extract

3. Planning History

- 3.1 The Council's online planning register¹ identifies limited planning records relating to the site. Records are maintained online from 1990 onwards, meaning that the current building was consented previously to this. The existing premises was used as an office premises for various insurance companies prior to vacancy, most recently for Covea Insurance.
- 3.2 The record of planning applications related to the site available via the online register are set out in the table below:

Date Received	Application Reference	Description of Development	Decision
16 th March 2000	990025	Erection of high level individual letter signage applied to illuminated domed Perspex domes	Not available on the planning register
24 th December 2014	141903	Erection of 1.5m high railings and automated gates adjacent to Norman Place	Approved on 18 th February 2015
2 nd September 2015	151272	Erection of two bicycle shelters to provide 12 additional secure bicycle stands	Approved on 4 th November 2015

¹ https://planning.reading.gov.uk/fastweb_PL/welcome.asp

4. Stakeholder Engagement

- 4.1 In addition to the technical due diligence undertaken, the Project Team has sought to engage with Council officers and Members, local stakeholder groups and local residents and businesses during the pre-application stage. The feedback received has specifically influenced the overarching design approach.

Consultation undertaken to date

- 4.2 Meetings were held with the following groups during the pre-application process:

Date	Stakeholder	Issues discussed
30/11/2023	Cllr Micky Leng (Lead Member for Planning & Assets, Reading Borough Council)	• Principle of development • Public realm • Affordable and key worker housing
18/01/2024	Cllr Richard Davies and Cllr Adele Barnett-Ward in their capacity as Thames Ward councillors	• Principle of development • Public consultation • Public realm • Affordable and key worker housing
21/02/2024	Sustrans, Reading	• Outline of proposals and principle of development • Improvements to cycleways
23/02/2024	Food4Families, Reading	• Outline of proposals and principle of development • Community food growing and the public realm
23/02/2024	Cllr Karen Rowland (Lead Member for Environmental Services & Community Safety, Reading Borough Council)	• Outline of proposals and principle of development • Public realm • Design
15/03/2024	Reading Cycle Campaign and Reading Bike Kitchen	• Outline of proposals and principle of development • Potential for collaboration • Public realm • Cycle path along the river
24/04/2024	Reading Civic Society	• Outline of proposals and principle of development • Riverside views and public spaces • Design • Naming ideas for the site
22/05/2024	Caversham District Residents Association (CADRA)	• Outline of proposals and principle of development

		• Design, height and massing • Type and tenure of homes • Public realm • Landscaping • Ecology and biodiversity • Pick-up / drop-off areas
08/07/2024	Cllr Micky Leng (Lead Member for Planning & Assets, Reading Borough Council) and Cllr Liz Terry (Leader of the Council, Reading Borough Council)	• Revisions to the scheme as a result of public consultation • The fixed proposals for submission
09/07/2024	Reading Civic Society	• Revisions to the scheme as a result of public consultation • The fixed proposals for submission
11/07/2024	Caversham District Residents Association (CADRA)	• Revisions to the scheme as a result of public consultation • The fixed proposals for submission
11/07/2024	Food4Families, Reading	• Revisions to the scheme as a result of public consultation • The fixed proposals for submission
11/07/2024	Reading Cycle Campaign and Reading Bike Kitchen	• Revisions to the scheme as a result of public consultation • The fixed proposals for submission
11/07/2024	Sustrans, Reading	• Revisions to the scheme as a result of public consultation • The fixed proposals for submission

- 4.3 In addition to the above, public engagement was undertaken in-person at a public exhibition on 15th January 2024 and online at www.normanplace.co.uk.
- 4.4 To provide notice of the exhibition and online consultation, a leaflet drop to c.1,200 homes and businesses was undertaken. Advertising boards to notify passing pedestrians and cyclists were also placed prominently at site boundaries and press releases were also sent to the Reading Chronicle and BBC Berkshire.

- 4.5 A Statement of Community Involvement, produced by engagement specialists Cratus, supports this submission and provides further details regarding the consultation process and feedback received.
- 4.6 The engagement undertaken with the Council, local stakeholder groups and local residents and businesses has been invaluable and this has led to very significant design development during the pre-application period across five key design phases - Initial pre-app, Pre-app Meeting 2, Design South East (D:SE') Meeting, Pre-app Meeting 3 and current proposals.
- 4.7 More detail regarding this design evolution is set out in Sections 3 and 4 of the Design and Access Statement ('DAS'). A summary of the principal changes to the submission scheme is also set out below:
- Changes to river frontage built form to open up the public realm, create a ground floor, covered setback area to non-residential uses and residential amenity spaces
 - Larger 2 bed and 3 bed units provided in dual-aspect locations throughout the development
 - An increase in the quantum of 3 bed units and non-residential space
 - Reductions in height of built form closest to adjacent buildings to provide a sensitive transition to the development, including removal of pitched roofs and increased offset from Clearwater Court
 - Reductions in height of built form closest to the river frontage to ensure good levels of daylight and sunlight to this area and to provide a sensitive transition to higher built form on Vastern Road
 - Changes to built form to provide lower link blocks to break up the façade, creating visual variation and increase daylight and sunlight to the podium and public realm areas
 - Changes to proposed materiality to bring forward a landmark development that provides a new, high-quality, visually striking and innovative contemporary design
 - Significant additional tree planting within the scheme to accord with policy and to substantially increase canopy cover
 - Widening of the Thames Path and connections through Norman Place to improve pedestrian and cycle permeability and increase flood capacity

- Provision of a further pedestrian connection from the River Thames to Vastern Road along the eastern boundary of the site

- 4.8 Taking the Project Team's approach into account, it is clear that the Proposed Development has responded positively and proactively to comments received, which has beneficially influenced changes to design and layout. The resultant proposals identify an enhanced scheme that more appropriately reflects the riverside location, proposes appropriate, high-quality materials and finishes and brings forward a thriving, inclusive new community in the town centre.
- 4.9 Importantly, the Proposed Development will significantly contribute to the existing environment and enhance the experience of existing residents through the regeneration of a vacant brownfield site, the delivery of meaningful public realm around the site, provision of publicly-accessible, non-residential uses on the ground floor river frontage, improved cycle and footpath connections and improvements in the surveillance, lighting and the safety of the Thames Path.
- 4.10 The Applicant remains committed to working positively and proactively with the Council's Planning Department and Ward Members during the application process to ensure that the proposals can continue to be brought forward within a supportive local context.

5. The Proposed Development

- 5.1 This section details what is being applied for in the planning application for the Proposed Development. This Section should be read in conjunction with the Design and Access Statement, which further describes the principal components of the Proposed Development, its design approach and relation with the context and townscape.

Description of Development

- 5.2 This planning application seeks detailed planning permission for:

'Demolition of existing office and substation buildings and residential-led site redevelopment within 1-11 storey buildings comprising residential (Class C3) and ground floor commercial uses (Class E), together with various associated works including replacement pedestrian and vehicle access routes, car/cycle parking, hard and soft landscaping and a public open space adjacent to the river'.

- 5.3 The Proposed Development seeks to deliver 254 studio, one, two and three bedroom residential dwellings (Use Class C3), together with 278m² (GEA) of flexible Class E floorspace at ground floor level. A series of internal and external amenity spaces feature within the layout. Total GEA measures 23,349m², comprising the following floorspace (more details on the GIA and NIA are provided within the Accommodation Schedule submitted with the application):

- Residential (C3) – 21,567.3m²
- Residential Amenity – 564.1m²
- Flexible Class E – 277.8m²
- Ancillary – 365.3m²
- Car Park – 574.9m²

- 5.4 New pedestrian accesses are proposed from Vastern Road and Norman Place and a vehicular access to a ground floor undercroft car parking area is proposed from Norman Place. Substantial public realm surrounds the development, providing significant visual improvement to Vastern Road, Norman Place and the River Thames frontage.
- 5.5 Delivery of this BTR scheme will meet a number of strategic and local objectives, including a more positive design response to the River Thames, provision of usable spaces and flexible Class E floorspace, increased canopy cover, delivery of biodiversity net gain and the delivery of much-needed housing and the beneficial regeneration of a neglected part of the town centre.
- 5.6 The scheme makes best use of a previously developed site in a highly accessible location and takes the opportunity to create active frontages along Norman Place, Vastern Road, the Thames Path and the eastern boundary of the site.

5.7 A summary of the scheme proposals in relation to the Proposed Development is set out overleaf:

- Demolition of the vacant, former Covea Insurance building
- Provision of a residential-led scheme to provide much-needed housing, including affordable housing and 13 accessible units (5.12%) in line with policy
- Construction of two principally linear blocks of north-south orientation ranging from five (5) to eleven (11) storeys in height
- Creation of active frontage and 2,052m² of public realm on all four sides of the site, complemented by improvements to the Thames Path and connections from Vastern Road to the river
- Provision of non-residential Class E floorspaces at ground floor level
- Provision of 565m² (GEA) of internal amenity areas at ground and 8th floor levels
- Provision of 1,094m² of external amenity areas at 1st and 8th floor levels
- Creation of 320m² of play spaces for young children (0-5)
- Location of the majority of back of house, bin and cycle storage internally at ground floor level, helping optimise active frontage
- Provision of undercroft parking for 18 vehicles, including 6 accessible spaces, all with EV charging capability and allocation of car club spaces.
- Provision of 136 secure cycle spaces within the development and 14 cycle spaces for visitor use within the public realm
- Amendments to existing road and servicing accesses, including provision of new off-street delivery bays and refuse pick-up areas
- Amendments to the shared pedestrian and cycle path network along the northern (Thames Path) and western (Norman Place) frontages and creation of a further pedestrian connection to the east of proposed built form to connect Vastern Road to the river
- Planting of 61 new trees to provide a policy-compliant response to mitigate on-site loss, substantially increase canopy cover and reinforce the sylvan riverside frontage

- Delivery of significant landscaping and greening of a predominantly hardstanding existing site, coupled with provision of brown roofs to deliver in excess of 10% biodiversity net gain
 - Use of a fabric-first approach to create a high-efficiency, well-insulated built form, supplemented by use of air source heat pumps and photovoltaics to deliver over 70% in CO₂ reductions and BREEAM 'Excellent' performance.
- 5.8 The proposed changes will necessitate some remodelling of existing land levels to accommodate proposed built form and external hardstanding and enable improvements to flood capacity around the development.
- 5.9 The proposed changes will also lead to a reduction in overall car parking on-site by 37 spaces.
- 5.10 The proposed massing sits comfortably within the emerging and consented development context and will be viewed against the backdrop of Station Hill, Thames Quarter, Aviva, Royal Mail and 55 Vastern Road. Revisions to massing and increased separation distances have reduced perceived impact on the river frontage, Thames Court and Clearwater Court, whilst changes to link buildings also allow for generous levels of daylight and sunlight into the scheme. Overall, it is strongly contended that the proposals reconcile the need to provide commercially-viable development with the requirement to provide appropriate and sensitive built form in this transitional area between the urban town centre and greener suburbs beyond to the north.

Landscaping and Public Realm

- 5.11 The approach to landscaping and public realm seeks to provide a comprehensive approach to the site; one that will enable meaningful space to be delivered on all frontages for the benefit of public use.
- 5.12 Within the site a range of external amenity spaces are provided to meet the requirements of a range of residents. This is supported by internal amenity spaces.
- 5.13 The public realm stretches to the site boundary where it meets the Thames Path, but the Council has asked the Applicant to consider management of all lands up to River Thames in front of the development. The red line plan demonstrates the area of land within the Applicant's ownership and has been extended to cover all works on the Thames Path, Norman Place and Vastern Road identified in the proposed plans. Improvements to the public realm are envisaged to encapsulate works to the road and cycle/footpaths from Vastern Road, along Norman Place to the River Thames, the Thames Path and areas to the south of the development on Vastern Road where it is proposed to plant street trees.

5.14 Any highways works considered necessary on land outside of the red line will be controlled by legal agreement and where applicable an associated sum to enable delivery by the Council or by the Applicant on the Council's behalf.

5.15 A summary of proposed Landscaping and Public Realm is set out below:

- A comprehensive approach enabling seven character areas to emerge to provide distinction between public and private spaces and to enable high useability and biodiversity to co-exist
- Landscaped areas at 1st and 8th floors providing usable lawn spaces, play features, open spaces for passive uses such as yoga, integrated furnishings, private terraces, an outdoor kitchen and dining area, food growing, tree and amenity planting
- Improved public realm on all four sides of the development, reinvigorating Vastern Road, Norman Place and the Thames Path, creating 2,052m² of new and reinvigorated publicly-accessible space, including:
 - Retention of existing trees around the site, supplemented by significant new planting
 - Creation of a high-quality, accessible paved area that is defended from the River Thames to provide space for relaxation, programmable events, café spill out, public art and play.
 - Seating terraces to support spill out and programmable event spaces and to allow rest for passing pedestrians and cyclists. Visitor cycle spaces provided.
 - Integration with/and improvement of existing foot/cycle paths around the site, creating an enhanced opening onto Norman Place and a more legible street hierarchy

5.16 Further detail in respect of the approach to public realm and private external amenity areas is set out in Section 3 of the Landscape DAS.

Trees

5.17 There are a number of trees on site, the predominant amount of which are located on the site boundaries. To enable the central area of the existing site to be used for redevelopment it will be necessary to remove 18 trees, the majority of which are Category C trees. There are no Category A trees identified for removal. To appropriately mitigate this loss, it is proposed to plant 61 new trees, this approach accordingly with Local Plan policy. The

resultant proposals will increase canopy cover within the application boundary from 11% (equivalent to 622m²) to 21% (equivalent to 1,133m²), helping work towards the Council's target of increasing canopy cover across the Borough to 25% by 2030.

Proposed Floorspace and Residential Mix

- 5.18 As a consequence of the proposals to demolish the former Covea building, a total of 5,668.9m² of Class E floorspace (GIA) will be lost and replaced with new floorspace and uses.
- 5.19 A series of floorplans have been produced to identify the floorspace subject to demolition and are being submitted to inform the calculation of reliefs available in respect of the Community Infrastructure Levy ("CIL") payable in respect of the Proposed Development.
- 5.20 In place of the demolished building, the following floorspaces and uses are proposed:
- 254 Residential dwellings – 21,281.1m² (GIA) of accommodation, plus up to 268.1m² (GIA) of complementary uses, including residential amenity, flexible Class E uses, undercroft car park and ancillary floorspace²
- 5.21 A schedule of existing and proposed floorspaces is included within this submission.
- 5.22 The proposed residential mix has been amended during the pre-application process to more comprehensively align with Local Plan policy, whilst recognising current commercial realities to ensure that the affordable housing offer can be maximised. The proposed mix is highly comparable with several current applications as well as recent consents and in this regard, it is considered to accord with Policy CR6:

Unit Type	Quantum	%	CR6 deviation
1 bed	123	48.6%	+8.6%
2 bed	116	45.7%	-
3 bed	15	5.9%	+0.9%

Table 1: Proposed Housing Mix, broken down against Policy CR6

Flexible Class E Floorspace

- 5.23 It is recognised that the commercial use associated with the former Covea Insurance building will be lost through the redevelopment proposals. It is, however, also recognised that within Reading there is significant Grade A office space either recently completed or coming forward at locations such as Station Hill. This has created significant vacancy in subprime office accommodation, such as that at Covea, but also the former SSE building at 55 Vastern Road which is under redevelopment (ref: 231673), Northgate House, for

² GIA used for comparison

which an Office to Residential conversion application has recently been approved (ref: 240799) and the recently submitted Napier Court redevelopment proposals, which seek to replace existing office accommodation with 576 residential units (LPA ref not yet available)

- 5.24 The resultant approach on site is to reprovide a smaller element of Class E floorspace that will generate vibrancy on the river frontage as well as creating employment. In line with requests made by the Council during the pre-application process, the applicant is willing to offer discounted rent to local companies wishing to occupy the space in line with its commitment not only to deliver a new community in Reading, but to benefit existing residents and businesses. This will be secured by Legal Agreement, as identified in the S106 Heads of Terms set out in Section 8 of this document.

Affordable Housing Statement

- 5.25 The approach to affordable housing has been dictated by the desire to provide a scheme that is highly comparable to that recently consented by the Council³, as well as that currently under determination⁴. The scheme will provide a mix of 1, 2 and 3 bedroom properties that closely accords with that envisaged by Local Plan policy.
- 5.26 It is proposed that the quantum of affordable housing will be identified through negotiation with the Council's Independent Valuers to determine the maximum level of affordable housing that can be provided by the scheme.
- 5.27 A Financial Viability Assessment (FVA) is submitted at this stage, which identifies that delivery of the proposed development on a basis in compliance with the Council's adopted development plan fails to generate a profit sufficient to justify on-site provision of affordable housing. Notwithstanding this, a discretionary offer of 5.12% (representing 13 units) on-site affordable housing at Local Housing Allowance rates is made..
- 5.28 It is considered that submission negotiations during the determination process will help to determine that considered appropriate on site, alongside late stage review mechanisms.
- 5.29 It is proposed that the affordable housing offer will be balanced with market housing to ensure no skew towards smaller or family accommodation depending on tenure.
- 5.30 Similarly, affordable housing will be provided in a tenure-blind manner and will therefore be pepper-potted throughout the development. All homes will be constructed in line with NDSS, as per policy H5 of the Local Plan and all affordable homes will be M4(2) compliant and at least 5% of affordable units will be M4(3) compliant.
- 5.31 All residents will enjoy the same level of access to internal and external amenities within the scheme.

³ Broad Street Mall (extant), ref: 182137; Reading Metropolitan, ref: 182252; Weldale Street, ref: 170326' Aviva, ref: 200328, SSE, ref: 231673

⁴ Broad Street Mall (ongoing), ref: 240173; Oracle ref: 221916, 221917

- 5.32 In line with Policy H4 of the Local Plan and paragraphs 4.17 – 4.19 of the Affordable Housing SPD, affordable units will be provided at rental levels to satisfactorily respond to requirements. It is proposed that rental details, length of tenure and the property management process for the affordable homes will be discussed and agreed with the Council as part of post-submission negotiations and, if agreed, enshrined within a S106 Agreement as per policy requirements.

Highways, Access and Servicing

- 5.33 It is proposed to remove all existing car parking and reprovide this to a lower level within a ground floor undercroft area, accessed from Norman Place. As part of this process, it will be necessary to make minor amendments to existing access and egress arrangements from the site.
- 5.34 In addition, the development proposes to create a new shared foot/cycleway to accommodate both pedestrians and cyclists. Figure 6.1 in the Transport Statement demonstrates this arrangement, which is located along the eastern edge of Norman Place and extends through to the River Thames.
- 5.35 It is envisaged that the proposals will improve connectivity between the Thames Path (NCN5), Reading Town Centre and Reading Railway Station. The proposal will also improve the existing situation and provides cyclists with an alternative to cycling on the carriageway of Norman Place.
- 5.36 The development proposals also provide for improvements to the Thames Path to create a minimum 3m width path along the site boundary. Figure 6.2 in the Transport Statement set outs the plans in more detail.
- 5.37 It is proposed that servicing and delivery will take place in a new delivery and servicing bay located between the proposed shared foot/cycleway and the building, as set out in Figure 6.1 in the Transport Statement.
- 5.38 The proposals include two crossovers to allow access to the servicing bay by crossing the shared foot/cycleway.
- 5.39 The estate management team will be responsible for presenting any refuse for collection and managing the area to allow for smooth and consistent operation.
- 5.40 The tracking of the servicing bay is shown in Figure 6.3 of the Transport Statement.
- 5.41 Based on applying the standards prescribed in the Council's Parking Standards SPD, the development will provide 136 cycle parking spaces for the future residents.
- 5.42 The proposed cycle parking will be consolidated in the ground floor undercroft area, providing for secure, weather-proof storage with easy access from Norman Plan In addition, the cycle stores will have CCTV installed to increase the security. The proposed cycle parking will be mainly provided in the form of two tier Josta style racks, which 5

sheffield stands offering alternative storage. Within the public realm a further 7 sheffield stands are proposed; five to the north of the building and two near the southern entrance, providing 14 visitor parking spaces.

- 5.43 Car parking requirements for development In Reading are categorised into zones, with Zone 1 primarily covering the town centre and Zones 2 and 3 dealing with suburban and outer areas. Whilst the site is situated within the Reading Central Area in planning terms, the site is located in parking Zone 2. It is, however, on the boundary of Zone 1 and is close to a number of transport nodes and connections. It is therefore considered appropriate to provide a lower level of on-site car parking to encourage use of non-car modes.
- 5.44 Table 6.2 of the Transport Assessment shows the minimum number of car parking spaces permitted under the Council's Parking Standards SPD based on Zone 1 requirements; as such, no visitor parking is required to be provided. It is deemed suitable to provide less than the minimum required under Council guidance as the site is located in a very accessible area with access to active travel routes, public transport nodes and local facilities within walking and cycling distance.
- 5.45 Based on the Council's Parking Standards SPD, 5% of the total capacity should be allocated to accessible spaces or three spaces, whichever is greater; as such, there will be three accessible spaces provided.
- 5.46 All of the parking spaces will be equipped with an EV charging point and two car club spaces will be provided on-site, in line with the Council's Parking Standards SPD.
- 5.47 It is proposed that there will be a servicing bay between the Active Travel route on Norman Place and the proposed residential building. This will accommodate the presentation of bins for collection along Norman Place. The estate management team will present the bins. For deliveries, a 7.5t panel van is able to pull into and out of the servicing bay, as shown in Figure 6.3. of the Transport Statement.
- 5.48 The servicing strategy outlining the type and number of bins required for each land use and presenting how the servicing will be contained within the site is contained in Appendix B of the Transport Statement, with this focusing on minimising the amount and duration of bins left on Norman Place for collections.

Energy and Sustainability

- 5.49 The Proposed Development will aim to achieve a high level of environmental performance to minimise its carbon footprint. This will be achieved by designing the buildings to have high standards of insulation to minimise the energy uses and using on-site renewable energy generation and low carbon technologies.
- 5.50 The Energy Statement sets out the approach in further detail, which uses a number of passive design approaches to improve fabric performance, space heating and cooling, natural ventilation and natural daylight and sunlight to the building.

- 5.51 Use of a domestic hot water system connected to an Air Source Heat Pump will provide hot water to each dwelling. Photovoltaics will also provide renewable energy to the scheme.
- 5.52 Through the implementation of passive and active design, the development will achieve a BREEAM Excellent rating in relation to the non-residential parts of the buildings and a 71% reduction in CO² building emissions over the Part L 2021 Building Regulations target with further reductions to net zero being made through contribution to the Council's Carbon Levy.

Biodiversity Net Gain

- 5.53 Whilst the site is predominantly hardscaped, there are limited areas of introduced scrub, amenity grassland and scattered trees. To ensure that a minimum 10% Biodiversity Net Gain (BNG) can be achieved in line with both policy and legislative requirements a series of habitats are proposed throughout the site including rain gardens, ground level planting, introduced scrub, urban trees, significant landscaping, brown roofs and SUDs measures incorporated into the drainage strategy.
- 5.54 The proposals, which are set out in more detail in the submitted BNG Report, enable an on-site net gain of 12.28%, which equates to 0.12 Biodiversity Units for area-based habitats.
- 5.55 A detailed 30-year management and monitoring plan is proposed to control the BNG planting and maintenance regime, the details of which can be secured via Legal Agreement.

Flood Risk and Drainage

- 5.56 The Environment Agency (EA) data from their River Thames (Pangbourne to Sonning) 2019 model confirms that the majority of the site – and all the proposed development footprint – is located within Flood Zone 1, defined as 'Low Probability' less than a 1 in 1000 (0.1%) Annual Probability of flooding from rivers or the sea (as defined in Planning Practice Guidance (PPG) 'Flood Risk and Coastal Change' Table 1). Small areas on the northern boundary with the River Thames lie in Flood Zone 2 'Medium Probability' and 3 'High Probability'. The southern boundary with Vastern Road lies in Flood Zone 2 'Medium Probability'. The site is at low risk from other sources of flooding
- 5.57 The proposals for residential development constitute a 'More Vulnerable' land use. In this respect, all development will be located in Flood Zone 1, and at low probability of flooding from other sources. The Sequential Test is therefore de facto passed and an Exception Test is not required. Notwithstanding this, given that a minor area within the red line is located within Flood Zone 2 and 3, a Sequential Test has been submitted to fully and appropriately respond on this matter.
- 5.58 The flood risk mitigation strategy comprises the following:

- The proposed ground floor levels are set at a minimum of 38.56m AOD, 300mm above the modelled 1 in 100 annual probability plus 35% allowance for climate change fluvial level and a suitable freeboard above surrounding ground level to mitigate surface water in an extreme rainfall event;
- Continuous safe and dry access is available at the present day 1 in 100 annual probability scenario but not available when climate change is considered. Based on the approach advocated in the RBC SFRA, 'More Vulnerable' residential development is acceptable on this basis subject to a Flood Management and Evacuation Plan.
- The majority of the site – and all of the proposed building footprint location – lies outside of all modelled flood extents. The EA modelling of the 'design' 1 in 100 annual probability +35% climate change allowance flood event indicates shallow flood in the patio to the north of the site and the proposed stepped/sloping transition, which will slightly alter site levels from the development area to the adjacent towpath, will result in an overall betterment in floodplain capacity as well as an improved ecological/amenity buffer alongside the river corridor.
- The proposed surface water drainage strategy for the development consists of on-site attenuation through a range of SuDS features and results in at least 50% betterment compared to the existing conditions and to discharge to the adjacent culverted Vastern Ditch watercourse.

Technical Reports

- 5.59 The proposed development has been subject to very significant and ongoing due diligence during the pre-application process to ensure that the scheme meets requirements in terms of expected daylight and sunlight levels, shading to adjacent properties, townscape and visual impact, fire safety, noise and air quality and fire safety. In addition, ground investigation and ecological work has been undertaken to ensure that more sensitive residential uses can occupy the site in a manner that is synchronised with habitat protection and enhancement.
- 5.60 The resultant proposals are robust, innovative and mark a step-change in the quality of development in the locality.
- 5.61 The following sections identify planning policy pertinent to the scheme and our planning assessment against these criteria in context of the development proposals.

6. Planning Policy

- 6.1 The purpose of this Section is to identify the key national and local planning policy and guidance relevant to the determination of the planning application against which the proposals have been considered during design development. An analysis of the key policies and tests relating to the proposed development is included below.

National Planning Policy

- 6.2 National planning policy is set out in the National Planning Policy Framework (NPPF), the most recent update of which was adopted in December 2023. At the heart of the NPPF is a presumption in favour of sustainable development (paragraph 11), with three overarching objectives: economic, social and environmental. These are to be delivered through the preparation and implementation of plans and the application of the policies within the Framework.
- 6.3 This means approving development proposals that accord with the development plan without delay and where the development plan is absent, silent or out of date, granting planning permission unless the adverse impacts of doing so would significantly and demonstrably outweigh the benefits of development, or specific policies in the NPPF indicate otherwise.

The Development Plan

- 6.4 Section 38(6) of the Planning and Compulsory Purchase Act 2004 states that any determination under the Planning Acts should be made in accordance with the Development Plan unless material considerations indicate otherwise.
- 6.5 The Development Plan for the Site comprises the Reading Local Plan, adopted November 2019. Policies relevant to the determination of this application will be referenced in the planning assessment.
- 6.6 There are also a number of supplementary guidance documents published by the Council which have been taken into account during the course of design development and the preparation of the planning application. Insofar as they may be considered relevant to this application is the Reading Tall Building Strategy (2008), Sustainable Design and Construction SPD (2019), Design Guide to Shopfronts (2022), Employment Skills and Training SPD (2013), Planning Obligations under Section 106 SPD (2015), Affordable Housing SPD (2021), Revised Parking Standards and Design SPD (2011), Employment and Training SPD (2013) and Reading Station Area Framework (2010).

Emerging Policy

- 6.7 The Council agreed in March 2023 to undertake a partial review of its adopted Local Plan (2019), following the publication of the NPPF 2021 which superseded the 2019

development plan. The 2021 revision of the NPPF included updates in relation to local housing needs and updates to the standard methodology for calculating housing needs, pertinent to urban centres including Reading that have been retained in the latest December 2023 update.

- 6.8 The number of homes to be provided is the most significant question that the Partial Update must address, and the main reason that an update is required. The standard methodology introduced by the NPPF 2021 placed a 35% uplift for the authorities that cover the main parts of the 20 largest urban areas in England, including Reading, which means that the housing need is increased by 35%. The Council considers that a lower figure of between 735 and 800 homes per year is more appropriate based on an ongoing Housing Needs Assessment and review of site capacity in the Borough. This still represents a significant uplift over the figure of 689 dwellings per annum identified in the Local Plan 2019, which did not account for unmet need of 230 dwellings across the plan period.
- 6.9 Meeting an annual provision figure of 800 dwellings per year would mean identifying sites for an additional approximately 1,700 dwellings, either on new sites or by changes to capacity of existing identified sites. As part of the LPU, the Council is currently proposing that *'the housing provision figure in H1 be amended to reflect available capacity to 2041, expected to be in the region of 800 homes per year for a total of around 14,400 homes, but to be refined through more detailed capacity work'*.
- 6.10 In addition to an increase in the number of new homes required within the Borough over the plan period, the Council has recognised need to provide larger-sized accommodation. It has been found that the policy as it stands is not delivering the size of accommodation needed and that *'based on the needs identified in the Strategic Housing Market Assessment, Reading needed 3,558 new homes of three or more bedrooms between 2013 and 2023, but actually delivered 1,125, only around a third of the need, despite overall housing delivery broadly in line with identified needs'*. Changes to Policy H2 seeks to increase delivery of 3+ bedrooms within the Borough, primarily outside of the town centre area in which Norman Place is located, but it is also proposed to increase provision in this area.
- 6.11 The Council's review has also identified the potential need to update the Local Plan to allocate more sites within the Borough and in particular within the central area for development to predominantly meet increased housing need. Policy CR14 identifies a number of sites that could meet requirements including the site which is identified as Cen5 with *'a potential redevelopment of office for a residential development of around 240 dwellings'*.
- 6.12 In addition, further to a change of government in July 2024, the new Labour administration has set out proposed changes to the NPPF, which primarily amend Chapters 5, 6, 11 and

13 of the current document, alongside the standard methodology, and therefore housing figures, to be applied to each Local Authority area.

- 6.13 Of pertinence, proposed changes to the NPPF give significant weight to housing delivery (Paras 61 and 62) and re-use of brownfield land (Para 122 c). Whilst it is proposed to delete the 35% urban uplift within the current NPPF, changes to the calculation of housing need currently identify a further increase in proposed housing delivery within Reading Borough from 878dpa to 1,023dpa, this far exceeding that envisaged within the Regulation 18 version of the Local Plan Update.

Site Designations

- 6.14 The Site is subject to the following designations, as defined in the Reading Local Plan 2019 and as evidenced in Figure 2 of this document:

- Within the Borough Boundary;
- Within Central Reading;
- Within the Central Core and Office Core
- Within an Air Quality Management Area (AQMA).

- 6.15 The site is also adjacent to the River Thames, which is identified as an Area of Identified Biodiversity Interest and a Major Landscape Feature (light and dark blue areas), an area of Public Open Space at Christchurch Meadow (green area), cycle routes (red lines), the classified highway network (yellow lines) and a primary retail frontage (green lines). Slightly further afield, are the Station Area Major Opportunity Area (black line covering areas to north and south of Vastern Road) and the Tall Buildings Cluster (grey area to the south of Vastern Road).

- 6.16 A more detailed plan and key to support the Local Plan map for the town centre area is included within Appendix 1 of this document.

Reading Tall Buildings Strategy (2008)

- 6.17 The Reading Tall Buildings Strategy was developed to provide a framework in which tall buildings could develop, given the Council's view that tall buildings were to become a feature of central Reading. At that point, there was no adopted policy in the Local Plan to specifically cover building height, this having now been satisfied by Policy CR10.
- 6.18 The Tall Building Strategy does, however, provide more detail beyond that set out in Local Plan policy, whilst providing further background to what has been enshrined in the Local Plan as a tall building, i.e. that generally over 10 commercial storeys or 12 residential storeys in height (or 36m).
- 6.19 In the context of the planning application, it is important to clearly identify that the Proposed Development does not exceed Tall Buildings parameters. It is nevertheless noteworthy that

the Tall Buildings Strategy included land at Norman Place within the Station Area cluster, as evidenced in Figure 5, below.

- 6.20 The approach to design development at Waterfront Square has been cognisant of the general principles set out in section 6.3 of the Tall Buildings Strategy, as echoed in supporting text to Policy CR10 and specific attention has been paid to architectural quality, materiality, public realm, wayfinding, streetscape, connectivity, neighbouring amenity, appropriate massing including setbacks and dropdowns, consideration of skyline and views and responding positively to light and microclimate conditions.



Figure 5 – Tall Buildings 2008 map extract

Reading Station Area Framework (2010)

- 6.21 The Reading Station Area Framework (RSF) was produced in 2010 to outline broad development principles to guide the planned redevelopment of the area, individual sites, the public realm, and new transport infrastructure.
- 6.22 Chapter 03 of the RSF sets out a number of core principles that are pertinent to consideration of the proposals, including:
- A vital and enjoyable place
 - A place to work
 - A place to live

- A well connected and accessible place
- A place to value
- A highly sustainable place

6.23 In respect of public realm, Chapter 05 of the RSAF sets out a number of aims to create, improve and better connect public spaces in the locality. Specifically in relation to this application, the RSAF sets out the following aspirations:

- Riverside Path and Water Spines – *‘the extensive network of open spaces along the Thames and immediately adjacent to the Station Area are a valuable amenity which can act as counterpoint to the planned intensive urban development around the station. They will need to be closely linked through new and improved footpaths, river crossings etc...Improvements to the riverside path along the south side of the Thames are proposed with the potential for ‘pocket parks’ to be opened up by negotiation with private land-owners. This will be combined with extension and enhancement of the routes leading from the river into the heart of the Station Area’.*
- Vastern Road – *‘Potential changes to Vastern Road could reduce the dominance of speeding traffic and transform the character of the road from a by-pass at the edge of the town centre into a tree lined avenue as a central element of the town centre public realm, by planting in the central reservation and creating planted verges’.*
- Riverside Open Space – *‘An area of high quality public realm will be created where the north-south spine meets the south bank of the Thames. This will not be of a large size, due to space constraints, but will be a high quality space to complement the tranquil nature of the Thames at this point’*

7 Planning Assessment

7.1 This Section sets out our assessment of the Proposed Development against relevant planning policy and in particular how this complies with planning policy in respect of the following matters:

- Principle of Proposed Development
- Land Use
- Design and Materiality
- Heritage and Townscape
- Residential Standards
- Residential Density
- Affordable Housing
- Private Amenity and Public Realm
- Transport and Servicing
- Energy and Sustainability
- Temporary Construction Area and
- Environmental Considerations.

7.2 Comparison to recently consented schemes will be used where appropriate to support the planning balance exercise and clearly demonstrate the positive attributes of the Proposed Development and to set out the case for approval in the context of planning policy and relevant material considerations.

Principle of Proposed Development

7.3 The Proposed Development is for residential-led mixed-use development, comprising 254 residential units, supported by internal residential amenity spaces and 268m² (GIA) of flexible Class E uses that will be accessed direct from Norman Place and the Thames Path..

7.4 The site is previously-developed land, situated centrally within Reading in a location identified within the planning policy and the Local Plan Update that could accommodate change and improvement to the public realm, transport connections and riverfront enhancement. The proposals therefore represent sustainable development that is consistent with RSAF principles and contribute to wider regeneration taking place in the Station Area Major Opportunity Area to provide meaningful and beneficial improvements to the use and enjoyment of the River Thames, non-car connections within the locality and

the provision of much-needed housing to meet the more challenging targets set out in the NPPF and associated standard methodology.

- 7.5 The NPPF (2023) states that *'at the heart of the planning system is a presumption in favour of sustainable development, which should be seen as a golden thread running through both plan making and decision taking...'* it goes on to state *'all plans should be based upon and contain the presumption in favour of sustainable development as their starting point, with clear priorities that will guide how presumption should be applied locally'*.
- 7.6 Local Plan Policy states that a positive approach to considering development proposals will be taken that reflects that of the NPPF and *'where appropriate will work proactively with applicants jointly to find solutions which means that proposals can be approved wherever possible'*. In this regard, significant engagement has been held with the Council at pre-application stage to identify proposed changes to the scheme, which create further local benefit and ensure that policies in respect of sustainability, tree cover, biodiversity and climate change are embedded within the scheme.
- 7.7 Redevelopment of the Site will result in a substantial amount of new residential accommodation of high quality design, located in a highly accessible location. The Proposed Development would contribute to meeting the housing targets by adding substantial new homes in a range of 1, 2 and 3 bed units to the existing housing stock.
- 7.8 The level of housing proposed will significantly assist the Council in terms of meeting the increased housing need it is seeking to deliver upon through the Local Plan Update and represents a logical and pragmatic way to achieve this; the Council recognises that it will need to accept higher density development and the Proposed Development represents an efficient use of the site whilst respecting environmental and residential amenity. The Proposed Development will deliver policy-compliant units in terms of size and accessibility and the proposals represent a comparable mix to recently-consented schemes in the central area. The increased provision of 3 bed units will work towards the Council's stated aspirations for some larger units in the town centre as set out in emerging Policy H2.
- 7.9 The Proposed Development will introduce a significant commercial frontage onto the River Thames, helping to provide for untapped demand in the locality for a café, convenience store or other publicly-beneficial operation. The Applicant is willing to offer discounted rent to local companies wishing to occupy the space in line with its commitment not only to deliver a new community in Reading, but to benefit existing residents and businesses. This will be secured by Legal Agreement, as identified in the S106 Heads of Terms set out in Section 8 of this document.
- 7.10 The provision of Class E floorspace, alongside residential lobbies, internal amenity areas and residential 'front doors' on all four sides of the development will significantly increase passive surveillance of the locality and introduce activity and vibrancy to a key route pedestrian and cycle route between the town centre and North Reading, in turn helping to

providing a meaningful, beneficial use to those using walking and cycling connections and creating a safer area for users in what has historically been recognised as an area subject to anti-social behaviour. It is therefore clear that the proposed ground floor uses are appropriate and beneficial to this established edge of town centre and riverfront location.

- 7.11 The proposals also seek to incorporate high levels of energy reduction and renewable energy measures, policy-exceeding tree planting and biodiversity net gain and SUDs and other policy-compliant or exceeding sustainability measures.
- 7.12 For the reasons above, the principle of the Proposed Development is considered to be in accordance with planning policy.

Land Use

Residential Use

- 7.13 The NPPF (Paragraph 60) sets out the Government's objective of '*significantly boosting the supply of homes*'. Paragraph 120 states in part that decisions should '*promote and support the development of under-utilised land and buildings, especially if this would help to meet identified needs for housing where land supply is constrained and available sites could be used more effectively (for example building on or above car parks)*'.
- 7.14 Local Plan Policy H1 states that provision will be made for at least an additional 15,847 homes in Reading Borough over the plan period with the Local Plan Update seeking an uplift of c. 110 homes per annum on top of this to respond to changes in calculating housing need at the national level (this potentially subject to further review and uplift in light of proposed NPPF 2024 changes).
- 7.15 The Site falls within the Reading Central Area, which is a preferred location for development, situated close to numerous sites coming forward in the Station/River Major Opportunity Area, Local Plan Policy CR11, which identifies the wider locality as appropriate for retail, leisure and residential uses.
- 7.16 The RSAF further supports the potential rejuvenation of the river frontage and delivery of high-quality built form and public realm to deliver on the Station Area Framework Principles and Public Realm objectives. In this manner, it is considered that the proposals which include a '*substantial element of new housing*' (RSAF, para. 3.5), accommodating '*new homes of mixed tenure, responsive to local housing needs*' (RSAF, para 3.5), alongside a ground floor offer which provides '*the opportunity to extend landscaped public space and to extend public access*' (RSAF para 3.6) and will '*further integrate and ensure good accessibility to adjoining open spaces*' (RSAF para 3.6) will be achieved through this well-considered scheme.
- 7.17 Further, the proposals progress a design that has been subject to very significant engagement with local groups to produce buildings of '*outstanding architectural merit and design innovation*' (RSAF, para 3.7). The proposals are not pastiche and do not follow the

prevailing emerging character of 'warehouse-style' development, they are intentionally contrasting and have taken appropriate reference from the river front location and the adjacent Clearwater Court to develop an appropriate palette and to engender a rhythm and materiality that is striking where needed, such as on the Vastern Road frontage, where a landmark building is planned, and sensitive where preferred, as in the case of the Thames frontage which is both set back and set down to respond appropriately to neighbouring buildings and the quieter, calmer nature of the water and open spaces beyond.

- 7.18 Planning policies at both national and local level encourage the effective use of previously developed land (PDL). Emerging policy adds weight to this approach and, in particular, draft paragraph 124c of the NPPF states *inter alia* that planning policies and decisions should give substantial weight to the value of using suitable brownfield land within settlements for homes and other identified needs.
- 7.19 The recent 'Aviva' appeal decision⁵ supports this approach with the Secretary of State advising that both housing delivery and the use of PDL should be given substantial weight in the decision-making process⁶. The Proposed Development would accord with this objective and make a valuable contribution to the regeneration within Reading.
- 7.20 In accordance with the NPPF and Local Plan, the Proposed Development will deliver 254 high-quality residential dwellings in Central Reading, contributing towards the Council's housing stock in a highly accessible location. As such, it is considered that the principle of residential development is acceptable, and delivery of housing on the Site should be supported.

Non-Residential Uses

- 7.21 At a national level, the NPPF sets out the Government's commitment to securing economic growth in order to create jobs. The planning system should encourage and not act as an impediment to sustainable growth, and local authorities should plan proactively to meet the development needs of business. Planning policies should be positive and promote competitive town centre environments and set out policies for management and growth of centres, including allocating a range of sites to meet needs for retail, leisure and other uses in full.
- 7.22 Local Plan Policy CR7 requires uses on the ground floor along designated primary frontages to be within the following use classes: A1, A2, A3, A4, A5 (now within Class E), C1, D1, D2 or related sui generis uses, unless it would be an entrance to upper floors.
- 7.23 The RSAF further advocates the provision of vibrant retail and leisure uses, to help make the Station Area an enjoyable place to work and live in and to visit. Para 3.3 noting that

⁵ APP/E0345/W/21/3289748, Council Ref: 200328

⁶ Para.44

'Street level retail, hotels, cafés, bars and restaurants and other sport, leisure and recreational uses will provide activity throughout the day and evening'

- 7.24 It is evident that the proposed non-residential ground floor uses will achieve the above policy ambitions. The proposals, which are reinforced by residential lobbies and some residential front doors, will create a vibrant day and night activity and round the clock passive surveillance. The BTR premises will also feature on-site management that will provide additional security and overview of the site and its immediate surroundings.
- 7.25 Taking this into consideration, the Proposed Development is appropriate for this established town centre, brownfield and sustainable location. The scheme will enhance the vitality and attraction of the site and in doing so will successfully tackle some of the current anti-social behaviour and urban decay issues faced on site. The non-residential and residential amenity uses proposed and therefore considered highly beneficial and complementary to the proposals and wholly in accordance with the planning objectives of the NPPF and Reading Borough Council Local Plan.

Loss of Employment Land

- 7.26 Policy EM3 identifies Core Areas of Employment Land, which don't include the development site. For locations outside of the core employment areas, six criteria are set to determine whether the loss of employment land is acceptable.
- 7.27 In March 2024, a Market Overview Report by Hollis Hockley was submitted to the Council. This identifies significant vacancy in office stock (over 2m sq ft as of H1 2023), as well as the locational characteristics of demand (essentially this is stronger to the south of the railway line). In this regard, it is considered pertinent to respond positively to criterion v of policy, which considers whether the need for alternative uses is stronger than the need for the retention of employment land.
- 7.28 Given the emerging policies set out in the Local Plan Update, it is contended that re-use of a vacant site to deliver much-needed housing is preferable in the planning hierarchy should be considered as such in the planning balance.
- 7.29 Taking each of the Policy EM3 criteria into consideration, the following response is provided:

- (i) *Is access by a choice of means of transport, including access to the strategic road network, poor, and likely to remain poor?*

The site is well-located within the Central Core, according to Policy CR1 and has direct access to the strategic road network, cycle and footpaths and the nearby Rail Station. As part of the proposals, footpath and cycle path improvements are proposed, which will improve modal choice in terms of travelling to and from the site.

- (ii) *Is the continued use of the site for employment, including the potential for redevelopment for employment uses, viable?*

As set out in the Hollis Hockley report, which forms Appendix 2 to this report, the building specification is no longer suitable for modern occupiers and in its current condition is not lettable. Allied to this, office vacancy is significant in Reading following Covid, with the 10 year average take up figure tracking substantially lower since 2020. The office vacancy rate currently stands at 16.8%, which represents an increase of 6.5% since 2020, is substantially above the long-term average vacancy rate within the South east Market of 9% and is the highest since the 2002 post dot.com crash period. The majority of vacant space is formed of Grade A or refurbished space. It is expected that vacancy will increase over 2024.

Further, the majority of office take up is being seen in the Grade A or new space in the core area to the south of the rail line where demand is much stronger.

Irrespective of location, the current specification of the existing building is over 25 years old and does not meet the required level for environmental & sustainability requirements to suit occupier needs. Had Covea sought to mitigate their outgoings by a subletting campaign it would have not been successful in Hollis Hockley's expert opinion. It is further concluded in the report that 'Regardless of the market wide reduction in demand since 2020, which is c30-50% lower based on long term average, in the current condition the building would be unlikely to let even at a discounted rent or within an acceptable timescale'.

The above conclusions are based on the fact that Norman House would be classified as Grade C due to the age of the central plant, low environmental performance and the existing specification. Hollis Hockley note that the internal condition is un-refurbished, dated and in poor repair which will not be attractive to occupiers. The EPC rating of E119 sits at the lowest end of the current regulations, reflecting the above statements on building quality. Over the last 5 years there have been no leasing transactions on Grade C space in Reading town centre, as occupiers move toward better suited, sustainable space, of which 95% of all take up in 2023 was Grade A or above.

Hollis Hockley further advise in Section 4 of the Market Overview that *'the ongoing changes to EPC legislation and statutory requirements over the next 5-10 years around sustainability, energy usage and net zero carbon target, means buildings of this type across the South East may have to be repurposed for alternative uses given the lack of viability of an office refurbishment'*.

(iii) Is there a surplus of a similar size and type of accommodation in Reading?

Overall, there is over 2m sq ft of vacant office stock in the Greater Reading as of H1 2023. Within this figure, there is currently c.750,000 sq ft of office space on the market in the town centre of which over 90% is Grade A, fully fitted or refurbished to a high standard.

As noted in the response to criterion (ii), it is expected that vacancy will further increase in 2024 as these figures do not include the upcoming completion of Station Hill, which will deliver a further 275,000 sq ft of brand new 'best in class' space to the market.

When Norman Place was completed, office stock was more equally spread across the town centre, including Vastern Road, Queens Road, Basingstoke Road, Kings Road and within the central area itself.

Modern town centre occupiers prioritize public transport, access to amenity, building quality, ESG and community, which did not form part of the corporate agenda 25+ years ago. The new office developments that have successfully attracted occupiers have been in the best areas, and over time the commercial 'core' has been condensed to the immediate area around the station (such as Thames Tower, Station Hill, Apex Plaza, R+ etc) and Forbury Gardens / reading Abbey (Forbury Place, Davidson, One Valpy, Abbots House, The White Building, The Blade).

Most transactions in Reading occur in the most desirable areas, on the best quality space, which all have optimal access to the station and the leisure / F&B / amenity offering situated on Friar Street, Broad Street, and the Oracle to the south of the station complex.

Norman Place is outside of this core area both geographically and anecdotally for most occupiers. Given our experience of office leasing in Reading for the last 20 years, the terms 'too far from the station' (Kings Road) or 'wrong side of the tracks' (Reading Bridge House, Great Brighams Mead, Napier Court) are commonplace when buildings in these fringe locations are discounted.

(iv) Would continued employment use of the site detrimentally affect the amenity and character of a residential area?

The immediate location comprises a mix of employment and commercial uses. As such, the continuation of employment use would not detrimentally affect neighbouring residential accommodation.

(v) Is the need for alternative uses stronger than the need for the retention of employment land?

For the reasons set out in paragraphs 7.3 to 7.20 of this report, it is contended that there is very significant and immediate housing need in the Borough, something that proposed changes to the NPPF also recognise, that would partly satisfied through this development. Recent appeal decisions and proposed changes to the NPPF further identify the weight to be given to housing delivery and the re-use of previously developed land.

- (vi) *Would the proposal result in a piecemeal loss of employment land where there is potential for a more comprehensive scheme?*

No, the site is relatively self-contained and re-development would not preclude potential future changes to immediately adjacent buildings. The spacing of buildings further allows for each to come forward in a separate manner that would respect the current street pattern and prevailing character of the area.

- 7.30 To conclude, given the current state of the office market, significant alternative, more-conveniently and attractively located, newer and refurbished accommodation and the significant expense required to bring the existing site to required ESG standards for letting; this being in the face of no discernible demand, it is considered appropriate for the site to be re-developed for an alternative, more pertinent use. It is considered that the weight to be given to housing delivery and re-use of previously developed land is significant, particularly as in this case where the employment loss can be more than satisfactorily accommodated within existing and emerging stock.

Design, Layout and Materiality

- 7.31 Paragraphs 126 and 129 within the NPPF state that good design is a key aspect of sustainable development, is indivisible from good planning, creates better places in which to live and work and helps make development acceptable to communities. Planning policies and decisions should ensure developments are sympathetic to local character and history, including the surrounding built environment and landscape setting, while not preventing or discouraging appropriate innovation or change.
- 7.32 Local Plan Policy CC7 states that all developments must be of high design quality that maintains and enhances the character and appearance of the area of Reading in which it is located.
- 7.33 The RSAF, Paragraph 3.7 requires the Station Area to '*contain building and development of outstanding architectural merit and design innovation, creating a unique sense of place...*'
- 7.34 As set out in Sections 4 and 5 of this document and Section 3 of the DAS, very significant design development has been undertaken to respond positively to engagement with the Council, D:SE, local representative groups and local residents and businesses.

- 7.35 In particular, the design has been radically changed to bring forward a unique, contemporary design that provides for a landmark building and innovative palette and materiality that better reflects where the scheme is located, rather than what is once was.
- 7.36 The resultant built form provides for a consistent design approach around the base of the development, which alongside horizontal banding and use of similar fenestration throughout provides a sense of consistency and regularity to the scheme within which changes in materiality and massing between blocks are able to provide visual variety and elevational breaks; the latter assisting daylight and sunlight to dwellings and the landscaped podium area.
- 7.37 Changes to the layout, which are set out in more detail in Section 3 of the DAS, have also been made to respond to comments made by Officers and Stakeholders. In particular, the scheme has been moved in from the eastern boundary, which in tandem with the provision of reductions in the link blocks between buildings, removal of the pitched roofs and creation of a wide, landscaped pedestrian connection to the east of the development provides an appropriate separation to Clearwater Court and allows for a sufficiently sensitive and respectful built form to emerge on site.
- 7.38 The changes proposed will be implemented alongside significant urban greening, street paving and furniture which together provide a well-considered, consistent architectural language across the scheme which results in a successful addition to Reading's townscape.
- 7.39 It is considered that the use of traditional materials, alongside pre-cast elements to provide visual distinction to the landmark building and around the entirety of the ground floor frontage has enabled a more ambitious, visually striking and higher quality development to come forward, as opposed to that initially presented to stakeholders at the January 2024 public exhibition.
- 7.40 The proposed height and massing has been influenced by the Site's accessible location within the Central Area, alongside that permitted at 55 Vastern Road, which in light of its similar riverfront to Vastern Road location, is highly comparable. The proposals provide for a similar frontage to the south, which is considered appropriate given the emerging development context bookended by Aviva and Thames Quarter.
- 7.41 To the north, it is considered that the proposed scheme is more sensitive than that approved at 55 Vastern Road ('SSE'); the separation to properties at Thames Court is greater than that attributable to that in construction at SSE in relation to Lynmouth Court. Equally, the juxtaposition and relationship with adjacent properties is more pertinent and less impactful; assisted by the setting down of river frontage properties to five storeys to tie in more appropriately with that adjacent to east and west.

- 7.42 Whilst the site is not allocated within the Local Plan and sits outside of the Tall Buildings Zone and Station/River Major Opportunity Area, it is clear that the wider locality is in transition and that the proposals at Waterfront Square are compatible with the ambitions of the Local Plan and Local Plan Update in terms of providing much-needed, sustainable development and the RSAF through delivering high-quality, innovative design, alongside rejuvenation of the river and Vastern Road frontage, delivery of public realm and active uses.
- 7.43 The height proposed is considered appropriate to the Vastern Road frontage and enables a rebalancing of built form across the site to allow for a more sensitive and appropriate response to the River Thames and open space beyond. By making the development to work more efficiently, it can provide the envisaged level of housing proposed within the Local Plan Update and, in doing so, help meet the more challenging housing need targets for Reading.
- 7.44 Overall the Proposed Development has undergone a positive design evolution that demonstrates the benefit of stakeholder engagement to the planning process. The resultant scheme optimises the development potential of the site, whilst substantially enhancing the existing local character, wider public realm and associated pedestrian and cycle connections
- 7.45 It is clear that the Proposed Development is in accordance with the NPPF, broadly aligns with other recently consented local developments and accords with the wider ambition for the area, as set out in the RSAF. In addition, the architectural journey and implementation of a more innovative, high-quality approach to materiality ensures that the proposal accords with Local Plan Policy CC7 and is therefore considered acceptable in design terms.

Heritage and Townscape

- 7.46 Chapter 16 of the NPPF deals with Heritage Assets describing them as an irreplaceable resource that should be conserved in a manner appropriate to their significance.
- 7.47 Local Plan Policy EN1 notes that historic features and areas of historic importance and other elements of the historic environment, including their setting, will be protected and where appropriate enhanced.
- 7.48 Local Plan Policy EN6 requires new development to make a contribution to the historic character of the area by respecting and enhancing its architectural and visual qualities.
- 7.49 An assessment of the impact of the Proposed Development on local and strategic heritage assets is provided in the accompanying Heritage Statement and Townscape and Visual Assessment (TVA).
- 7.50 The Heritage Statement identifies that there is little heritage significance within the immediate locality and that Listed Buildings and Conservation Areas are distant and visually separated from the development. Views of the scheme from heritage assets are

typically fleeting or seen in the context of other, modern development, often providing a bookend to views, as in the case of Thames Quarter and Aviva/55 Vastern Road, or development in the foreground as in the case of Royal Mail, Station Hill and Thames Quarter which sit between the established Market Place/London Street and Castle Street/Oxford Road Conservation Areas in the town centre. From the north, views from heritage assets will typically sit against a backdrop of Station Area Cluster development. There is no visual link between the closest heritage asset at Thames Lido and the site, given intervening development, in particular the 11 storey Reading Bridge House.

- 7.51 As set out in the TVA, the Proposed Development has full regard for the character and appearance of the area of Reading in which it is located, alongside policy ambitions for the site and the wider locality and this is reflected in the form, scale and materials used to animate the proposed buildings.
- 7.52 The height and scale of the proposed buildings are considered appropriate for this location. The buildings are sufficiently sympathetic to the neighbouring buildings, whilst also responding to the emerging context of taller buildings in the vicinity.
- 7.53 The Proposed Development is consistent with the emerging context of buildings of a greater height in the RSAF area and the riverfront area in general.
- 7.54 The proposed massing is well articulated and it will have a positive relationship with the adjacent buildings, whilst not creating development that is either individually or cumulatively out of keeping with either the existing or emerging development context.
- 7.55 The Proposed Development will contribute to the enhancement of Vastern Road, Norman Place and also aims to make a positive contribution to the existing historic townscape by helping to reactivate and animate the river frontage, in doing so helping to promote and improve access and connectivity in the locality and the creation of a safe and accessible environment within this currently neglected part of the town centre.
- 7.56 The TVA considers the effects on the townscape character of the site itself and a number of surrounding Townscape Character Areas (TCA) including Vastern Road, Station Hill, Station Hill East and Kings Meadow.
- 7.57 The effect on the TCAs is set out in section 5 of the TVA, but can be summarised as follows:
- There would be positive (Moderate Beneficial) effects on the townscape of TCA1: Vastern Road
 - There would be Negligible effects on TCA2 Station Hill and TCA3 Station Hill East to the south.
 - There would be a Minor Beneficial effect on TCA4: King's Meadow to the north where there would be improvements to the River frontage as a result of the new

public realm and uses. The proposal is of high quality and has responded sensitively to its location on the riverside and is compatible with existing buildings within the surrounding urban context.

- 7.58 In context of the TCA findings, the proposals are considered to be consistent with the Council's policy ambitions, whilst also providing enhanced benefit through delivery of much-needed housing in line with that envisaged by the Local Plan Update and implementation of a comprehensive response to RSAF ambitions.
- 7.59 In terms of visual effects, the assessment has considered at total of 18 representative view locations and the effects on visual receptors over a range of different distances and directions. The assessment includes the consideration of the sequence of views obtained by people along the path to the north of the River and crossing Christchurch Meadows. It also shows the cumulative changes arising from developments in the surrounding area that already have planning permission and considers the additional effect of the proposal in that context.
- 7.60 The visual assessment (set out at pages 28-116 of the TVA and summarised on page 117) has found that there would be generally beneficial visual effects on receptors in the surrounding area as a result of the replacement of the existing office building and its car park with a residential led development of up to 11 storeys and public open space and commercial use fronting the river.
- 7.61 The potential for cumulative townscape and visual effects has also been considered. Within TCA1 Vastern Road, planning permission has been granted for the redevelopment of the vacant site at 55 Vastern Road with buildings up to 11 storeys and a connection to Christchurch Bridge as well as for redevelopment of the retail warehouse and former Royal Mail Sorting Office developments to the south of Vastern Road (Vastern Court and Reading Metropolitan). Together these developments will introduce a taller, more intensively developed urban character along Vastern Road and provide greater permeability within an area that is promoted for regeneration and redevelopment in planning policy.
- 7.62 To the north of the station, the Station Hill Masterplan includes a series of tall buildings in TCA2. These developments are seen together in views as a cluster of tall buildings marking the station.
- 7.63 The proposed development would be compatible with this emerging townscape character and would further reinforce permeability and legibility. It would fit in with the general townscape pattern of increasing height away from the River and would not undermine the emerging cluster around the station.
- 7.64 The visualisations including the cumulative schemes show that the scale and form of development would complement the 55 Vastern Road scheme, while maintaining the role of the latter as a focal point in views from Christchurch Meadows towards the bridge link.

- 7.65 The cumulative schemes around the station will create a prominent cluster of tall buildings on the skyline marking the station. The scheme would be well separated from and considerably lower than the cluster and would not distract from or undermine the legibility created.
- 7.66 It is therefore considered that the Proposed Development is in accordance with the NPPF and adopted Local Plan Policies EN1 and EN6 and is therefore considered acceptable in heritage and townscape terms.

Residential Standards

- 7.67 Local Plan Policy H5 states that new build housing should be built to the following standards:
- All new build housing outside the Central Area as defined on the Proposals Map will comply with the nationally-described space standards;
 - All new build housing will be accessible and adaptable in line with M4(2) of the Building regulations where it is viable, unless it is building in line with M4(3).
 - On developments over 20 or more new build dwellings, at least 5% of dwellings will be wheelchair user dwellings in line with M4(3) of the Building Regulations.
- 7.68 Local Plan Policy CR6 states that all proposals for residential development within the central area will be required to contribute towards a mix of different sized units within the development. This will be measured by the number of bedrooms provided within individual units. Ideally, a mixture of one, two and three bedroom units should be provided. As a guide, in developments of 15 dwellings or more, a maximum of 40% of the units should be 1 bed/studios, and a minimum of 5% of units should be at least three bed, unless it can be clearly demonstrated that this would render a development unviable.
- 7.69 The Proposed Development seeks to provide 254 units comprising 123 (48.6%) 1 beds, 116 (45.7%) 2 beds and 15 (5.9%) 3 beds across the Site. Within this, the scheme will also deliver 5% of the dwellings as wheelchair accessible (M4(3)) in accordance with Policy H5.
- 7.70 Although policy indicates that new build housing within Central Reading are not required to meet nationally-described space standards, it is recognised from pre-application discussions and adopted and emerging policy that the Council seeks best practice and accordingly all units have been provided to meet this criteria, representing a significant increase in the quality of spaces that will be enjoyed by residents over that demanded by policy.
- 7.71 In addition, the comprehensive redevelopment of the site has allowed for the creation of bespoke residential amenity areas to be provided within the scheme. Internal amenity will provide weatherproof spaces, likely to be used for socialising, working and exercising. External amenity spaces will provide for a range of activities including relaxation, play,

cooking and dining. Surrounding public realm will seamlessly integrate with the surrounding street network to provide substantial improvements to wayfinding and connectivity and improved surveillance.

- 7.72 Taking the above into account, it is evident that the Proposed Development provides an excellent standard of residential accommodation for all tenures, in accordance with relevant national and local standards, specifically Local Plan Policies H5, and CR6.

Residential Density

- 7.73 Local Plan Policy H2 notes that the appropriate residential densities will be informed by a number of factors, including: accessibility, effective use of land and the character and mix of uses in the area. An indicative density for the Town Centre as set out in Policy H2 is above 100 dwellings per ha (dph), although the Local Plan Update is considering increasing this figure to 200 dph, citing average delivery of 334 dph over the period 2013 – 2023.
- 7.74 The scheme proposes a total of 254 dwellings and has a site area of 0.54ha, resulting in a residential density of 474dph. It is notable that this is reflective of consents within the area⁷, which provide a range from 275dph at 55 Vastern Road (which in itself would be higher had the whole site been developable) to Thames Quarter at 670dph. The consented Aviva scheme provides a range from 339 – 564dph, within which the proposals would fit comparatively.
- 7.75 It is notable that density has been omitted as a guide to development in London and that the response to key technical constraints including *inter alia* residential and neighbouring amenity, daylight and sunlight and provision of meaningful private and public open spaces forming the key determinants in the decision-making process. In this regard, it is important to recognise that the proposals meet all technical requirements in terms of separation distances, amenity and play space provision, biodiversity net gain, SUDs, public realm and so on. Put simply, the density proposed does not inhibit the delivery of a policy-compliant place that also meets Local Plan and RSAF aspirations.
- 7.76 In this manner, it is considered that the Proposed Development optimises the development potential of previously developed land in Central Reading where land is at a premium, whilst delivering a scheme of exceptional architectural quality, providing 254 much needed residential units towards RBC's housing stock in a manner that satisfactorily performs against expectations in terms of housing mix. The proposals further reflect envisaged changes in terms of Local Plan policy, which seek higher densities and improvements in unit size. As such, the scheme is considered acceptable in density terms.

⁷ 55 Vastern Road, ref: 231673; Thames Quarter, ref: 190809; Aviva, ref: 200328

Affordable Housing

- 7.77 Paragraph 63 within the NPPF states where LPAs have identified that affordable housing is needed, they ought to set policies for meeting this need on-site, unless off-site provision or a financial contribution of broadly equivalent value can be robustly justified, and the agreed approach contributes to the objective of creating mixed and balanced communities.
- 7.78 Local Plan Policy H3 requires 30% of the total dwellings be in the form affordable housing on sites of 10 or more dwellings and also notes that in all cases where proposals fall short of the policy target as a result of viability considerations, an open-book approach will be taken.
- 7.79 At this stage, the client is offering 5.12% (13 units) on-site affordable provision further to a Financial Viability Assessment (FVA). The offer is discretionary and is in excess of the maximum reasonable quantum of affordable housing identified as deliverable further to the FVA and in line with policy requirements.
- 7.80 It is anticipated that post-submission discussions between the Applicant and the Council's Independent Advisors will take place to identify and secure an appropriate affordable housing offer and any associated review mechanism by S106 Legal Agreement.
- 7.81 Affordable housing to be provided on-site will be tenure-blind and provide equal access to internal and external amenity spaces, NDSS compliant units and surrounding public realm, as well as 2 and 3 bed units. Subject to agreement on the affordable offer between parties, which will follow interpretation of the submitted FVA and subsequent negotiation, it is considered that the Proposed Development will be in accordance with the NPPF and Local Plan Policies, H2, H3 and H4.

Private Amenity, Public Realm and Open Space

- 7.82 The NPPF at paragraph 127 sets an aim to ensure that developments incorporate green and other public spaces as part of the development.
- 7.83 Local Plan Policy EN9 states that all new development should make provision for appropriate open space based on the needs of the development. This can be achieved through on or off-site provision, contributions towards provision or improvement of existing leisure or recreational facilities.
- 7.84 Local Plan Policy H10 indicates that in the past the Council has sought the following minimum provisions for private or communal outdoor space for each type of accommodation, and they provide a useful guidance for proposals:
- For Flats outside Central Reading
 - 1 and 2 bedrooms: 25 sqm per flat
 - 3 or more bedrooms: 40 sqm per flat

- 7.85 Developments in Central Reading will not always be expected to comply with standards set above. Open space is nonetheless required, unless exceptional circumstances prevail, to accommodate modest sitting out areas and clothes drying facilities.
- 7.86 As set out in the landscape section of the DAS, the Proposed Development will deliver a range of private and communal amenity spaces both internally and across the scheme at 1st, 5th and 8th floor levels. There is also possibility to create further private, defensible space adjacent to the ground floor residential units on the eastern side of the site.
- 7.87 The external amenity spaces include a range of hard and soft landscaping and informal children's play spaces to allow relaxation, play, socialising, cooking and dining.
- 7.88 The Proposed Development also seeks to deliver improvements to the public realm, both within and adjacent to the land within the Applicant's ownership. To cover all works, the proposals for the public realm are included within the application boundary. It is proposed that works outside of the Applicant's ownership will be controlled via planning conditions and S106 Legal Agreement so that they can be brought forward as envisaged.
- 7.89 The public realm identifies significant urban greening, retention of existing trees along the site boundaries, provision of street furniture and public art; the latter of which will also be secured via Legal Agreement and subject to community outreach to assist with concept development. The proposed design philosophy reflects discussions with local residents, stakeholder groups and D:SE, further to substantial pre-application engagement.
- 7.90 The proposed public realm works will significantly improve the appearance of the Proposed Development and surrounding area, assisting with the wider regeneration vision for the Station/River Major Opportunity Area. The works will also add to an improved street frontage on Vastern Road and Norman Place to create a welcoming, vibrant and well-used location that will help serve as a meaningful connection (and potential stop-off point) between North Reading and the town centre.
- 7.91 In respect of Open Space, the landscape section of the DAS recognises the close proximity of significant usable green space within 5 minutes' walk of the site. Existing public realm is significantly hardscaped with greening and canopy cover sparse and so the proposals will transform the locality through provision of multi-purpose, environmentally-optimised space that also generate appropriate opportunities for localised play.
- 7.92 The proposals in this manner reflect the location at a transitional point between the more urban town centre and the greener suburbs beyond, whilst ensuring that existing under-provision is recognised and resolved. The proposals will help introduce much needed landscaping, greening, additional tree cover and biodiversity net gain into the locality with localised play available for residents of the development in both private areas and the public realm.

- 7.93 It is considered that the proposed public realm will help rejuvenate what is largely a neglected and hardscaped urban area that suffers from lack of greening and usable open space. The proposals enable vast improvement and complement area-wide improvements within the RSAF area that will address the current lack of open space, provide meaningful and programmable public spaces and help deliver tree lining along Vastern Road.
- 7.94 Given the significant public realm and landscape improvements along Vastern Road, Norman Place and the Thames Path and the introduction of significant internal and external amenity spaces, allowing for year round benefit, in line with supporting paragraph 4.2.33 of the Reading Borough Local Plan, it is considered that the Proposed Development meets the requirement for the provision of open space that meets the needs of the residents/occupiers of the development and which also contributes to the intended environmental improvement of the immediate locality. In this regard, it is contended that the Proposed Development is in accordance with Local Plan Policies EN9 and H10.

Transport and Servicing

- 7.95 At a national level, the NPPF states that development should take opportunity to promote walking, cycling and public transport use (see Paragraph 104).
- 7.96 Local Plan Policy TR1 states that planning permission will not be granted for major development proposals unless there is a commitment to implement measures to promote and improve sustainable transport facilities, such as through the provision to encourage walking, cycling, and the use of public transport.
- 7.97 Local Plan Policy TR5 notes that developments should provide car and cycle parking that is appropriate to the accessibility of locations within the Borough to sustainable transport facilities, particularly public transport.
- 7.98 Local Plan Policy CC5 requires developments to include adequate, well-designed space to facilitate waste storage, refuse, recycling and composting.
- 7.99 A Transport Assessment, prepared by Stantec accompanies this application and is supported by a Travel Plan. The Transport Assessment demonstrates the acceptability of the Proposed Development in respect of the effect of the proposals on the local highway network, specifically in relation to the approach to car parking, deliveries and servicing.
- 7.100 The Site contains a surface-level car park which currently provides 55 car parking spaces. The car park is currently not publicly accessible and provides no local or wider benefit.

Car Parking

- 7.101 RBC's Revised Parking Standards and Design SPD (October 2011) provides the residential car parking requirements for Reading. Whilst the site is located in Zone 2, it is close to the boundary of Zone 1 and is located in close proximity to a number of non-car transport links including foot/cycle connections, Reading Station and a bus stop hub. As

such, Stantec consider the scheme to align more realistically with that appropriate to Zone 1 proposals, which according to the SPD suggests a potential need for 0.5 spaces for 1-2 bed dwellings and 1 space for 3+ bed dwellings.

7.102 As set out above, given the high accessibility of the site and the car demand by likely BTR users, a maximum of 18 spaces is sought. This will include the appropriate provision of 3 accessible spaces to accord with M4(3) proposed within the buildings and 2 car club spaces. All spaces will provide EV charging. *Cycle Parking*

7.103 RBC's Revised Parking Standards and Design SPD (October 2011) provides the residential cycle parking requirements for Reading. 0.5 cycle parking spaces are required for 1-2 bed dwellings and 1 space for 3+ dwellings.

7.104 Based on applying the standards prescribe in RBC parking guidance, as set out in Table 6.1 of the Transport Assessment, the development will provide 136 cycle parking spaces for the future residents.

7.105 The proposed cycle parking will be consolidated in a secure store within the ground floor undercroft area. In addition, the cycle stores will have CCTV installed to increase the security. The proposed cycle parking will be provided in the form of two tier Josta style racks and sheffield stands, supplemented by a further 14 sheffield stand spaces provided within the public realm.

Servicing

7.106 In accordance with RBC Local Plan Policy CC5, the Proposed Development includes adequate space in the ground floor undercroft area for refuse storage as detailed in the DAS.

7.107 The proposals for both the refuse collection are set out in Section 6.5 of the Transport Assessment and identify locations for collection days. The Transport Assessment also provides details at Appendix B of the servicing strategy outlining the type and number of bins required for each land use and presents how the servicing will be contained within the site.

7.108 To encourage sustainable practice, residents will be encouraged to consider the use of services such as Click and Collect and local collection points when ordering goods for home delivery. This will be achieved through promoting the benefits of Click and Collect within the Travel Information Pack that is distributed to the new residents as part of the Residential Travel Plan. The pack will contain information of the available goods collection points such as Amazon Locker and InPost parcel lockers.

7.109 Click and Collect and local collection points provide an alternative to having deliveries sent to individual home addresses. This can help reduce the number of missed deliveries (particularly during the day) and subsequently reduce delivery vehicle trips.

- 7.110 Where residents require an extended period of set-down time for deliveries that require extended periods of time such as when moving home or receiving bulky goods, the resident should inform the estates management team so that a delivery bay or location within the undercroft car park can be booked for use.
- 7.111 In addition, to the use of the undercroft parking area, an off-street delivery bay to the eastern side of Norman Place is proposed to provide space for a car or small van to use for loading/unloading. This arrangement is shown at Appendix A of the Transport Assessment.
- 7.112 Taking into consideration the approach to provision of sustainable parking, encouragement of sustainable modes of transport and the considered, effective management of deliveries and servicing, it is considered that the Proposed Development is in accordance with the NPPF and adopted Local Plan Policy CC5 and is therefore considered acceptable in transport and servicing terms.

Energy and Sustainability

- 7.113 Paragraph 154 of the NPPF states that local authorities should approve applications if its impacts are (or can be made) acceptable. In accordance with Paragraph 154 of the NPPF, the Proposed Development takes into account layout and massing to minimise energy consumption.
- 7.114 Local Plan Policy H5 indicates that all major new build housing should be built and designed to achieve zero carbon homes, unless it can be clearly demonstrated that this would render a development unviable.
- 7.115 Local Plan Policy CC4 states that in meeting the sustainability requirements of this plan, developments of more than 20 dwellings and/or non-residential development over 1,000 sqm shall consider the inclusion of decentralised energy provision within the site, unless it can be demonstrated that the scheme is not suitable, feasible or viable for this form of energy provision.
- 7.116 Local Plan Policy CC3, notes that all developments will demonstrate how they have been designed to incorporate measures to adapt climate change.
- 7.117 Sustainability and environmental performance are integral to scheme design and the Proposed Development responds to a number of key sustainability objectives.
- 7.118 An Energy Statement has been prepared by Hoare Lea and is submitted in support of the amended planning application. The Energy Statement makes use of the 'Be Lean, Be Clean, Be Green' energy hierarchy. In relation to the Proposed Development, it is demonstrated that the design proposals, with a contribution achieves zero carbon.
- 7.119 A range of sustainability design measures have been incorporated into the Development. This will be achieved by designing the buildings to have high standards of insulation to

minimise the energy uses and using low carbon technologies such as ASHP's and photovoltaics.

7.120 The Proposed Development is therefore considered to be in accordance with the NPPF and adopted Local Plan Policies CC3 and CC4.

Environmental Considerations

Air Quality

7.121 Paragraph 186 of the NPPF further states that development proposals should contribute towards compliance with relevant limit values or national objectives for pollutants, taking into account the presence of Air Quality Management Areas (AQMA).

7.122 Local Plan Policy EN15 states that development should have regard to the need to improve air quality and reduce the effects of poor air quality.

7.123 A qualitative construction dust risk assessment has been undertaken in line with IAQM guidance. Through implementation of appropriate mitigation measures as outlined in the Air Quality Assessment, it is expected that the release of dust would be effectively controlled and mitigated, with residual effects considered to be 'not significant'. All dust impacts are considered to be temporary and short-term in nature.

7.124 An operational phase assessment has been undertaken by following screening criteria provided in EPUK & IAQM guidance. Vehicle traffic movements generated by the Proposed Development are below the relevant EPUK & IAQM guidance criteria and as such, it is not anticipated that any significant adverse impacts on local air quality will occur and the Proposed Development is considered to be compliant with the NPPF and relevant clauses within adopted local planning policy.

7.125 A site suitability assessment has been undertaken due to the location of the Site within the RBC AQMA. Emissions of NO₂, PM₁₀ and PM_{2.5} from traffic travelling along local roads were modelled in ADMS-Urban (version 5.1). The dispersion modelling undertaken was conservative as it applied robust assumptions by holding background concentrations at the 2019 base year. The results demonstrated that there are not predicted to be any exceedances of the relevant AQALs at the Proposed Development.

7.126 Based on the assessment, the Proposed Development is not expected to introduce new receptors into an area of poor air quality and air quality should not present a constraint at the Site. Therefore, the Proposed Development is expected to comply with all relevant air quality policy and should not pose any significant obstacles to the planning process.

7.127 For the reasons above, the Proposed Development accords with the NPPF paragraph 186 and Local Plan Policy EN15.

Daylight, Sunlight and Overshadowing

- 7.128 Paragraph 130 of the NPPF stipulates that planning policies and decisions should always seek to secure a good standard of amenity for existing and future users of place. Furthermore, national guidelines for daylight and sunlight issues are contained with BRE guidelines, local policy refer to these guidelines as the accepted standard.
- 7.129 Local Plan Policy CC8 states that development will not cause detrimental impact on the living environment of existing residential properties or unacceptable living conditions for new residents.
- 7.130 A Daylight and Sunlight Assessment has been prepared to quantify the effect of the proposed development upon the daylight and sunlight amenity to the existing properties, as well as an assessment of internal standards of daylight for proposed users of the Proposed Development.
- 7.131 The analysis of the impact on external properties demonstrates that the construction of the Proposed Development, either in isolation or in combination with the proximate committed developments, will result in either BRE compliant or minor changes in daylight and BRE compliant changes in sunlight amenity to the surrounding residential sensitive receptors. The daylight and sunlight effect of the Proposed Development is therefore considered to be no greater than minor and, therefore, reasonable in context.
- 7.132 The Internal Daylight and Sunlight Report identifies that overall, the Proposed Development is considered to make the most of the daylight and sunlight available. Where shortfalls occur, it is predominantly because of the courtyard configuration or the obstruction resulting from existing surrounding buildings. It is concluded that this is inevitable within the development context and that some rooms may fall short of the recommended levels.
- 7.133 The design team has sought to maximise light within these areas as much as possible, however a degree of flexibility ought to be used in applying the BRE criteria for urban locations. The proposed levels of light are considered comparable with what would likely be found within other emerging schemes in the locality.
- 7.134 In conclusion, it is reasonable to conclude that the daylight and sunlight levels proposed are acceptable for the context and in line with expectation for a town centre location in accordance with the NPPF and Policy CC8 of the Local Plan, all whilst balancing the need to deliver a viable scheme that makes optimum use of land and responds positively to other policy objectives.

Fire Safety

- 7.135 In line with requirements of the Building Safety Act, the proposals have been subject to a Gateway 1 review, which is submitted with the application and sets out the proposed approach to fire safety proposed for the development. As part of the determination process,

it is proposed to engage further with the Health and Safety Executive to discuss matters in more detail and to ensure that the scheme meets expectations in this regard.

Noise and Vibration

- 7.136 Paragraph 183 of the NPPF seeks to prevent new and existing development from contributing to, being put at unacceptable risk from, or being adversely affected by, unacceptable levels of soil, air, water or noise pollution or land instability.
- 7.137 Paragraph 185 within the NPPF states that planning decisions should aim to avoid noise giving rise to adverse impacts on health and quality of life as a result of new development.
- 7.138 Local Plan Policy CC8 states that development will not cause detrimental impact on the living environment of existing residential properties or unacceptable living conditions for new residents.
- 7.139 The Proposed Development has been designed to avoid noise that could adversely impact on health and quality of life and mitigate and minimise any adverse impacts arising from noise associated with the Development.
- 7.140 An assessment of likely noise and vibration has been undertaken and to assess likely noise levels, a baseline for noise and vibration levels was established on the site and surrounding area.
- 7.141 The assessment indicates that compliance with Approved Document O (ADO) internal noise levels in bedrooms at night is possible at most facades overlooking the podium garden with a geometric window opening of 0.5m².
- 7.142 Compliance with BS8233 + 5dB and within Acoustics, Ventilation and Overheating Guidance (AVOG) is possible for some facades overlooking the podium garden with a geometric window opening of 0.5m².
- 7.143 An alternative means of mitigating overheating using MVHR with tempered cooling will be required where windows cannot be opened due to site noise constraints.
- 7.144 The guidance provided within the Noise Assessment is considered sufficient to demonstrate the site suitability in respect of noise and demonstrates that the Development fully accords with the NPPF (Paragraphs 183 and 185) and Local Plan Policy CC8.

Wind and Microclimate

- 7.145 The assessment of wind conditions requires a standard against which the measurements can be compared. The Wind Microclimate Report uses the Lawson Comfort Criteria, which have been established for over 30 years.
- 7.146 For the existing site and surrounding area, the wind microclimate are suitable for sitting use to strolling use during the windiest season.

7.147 Wind conditions at and surrounding the Proposed Development would generally range from suitable for sitting use and strolling use during the windiest season.

7.148 A comprehensive quantitative wind microclimate assessment has been carried out based on CFD modelling which concludes that there are no wind safety risks associated with the proposed development and that wind comfort conditions will be suitable for the intended use for all thoroughfares, existing building entrances, proposed building entrances, bus stops, the Thames Path, existing amenity spaces, and proposed amenity at ground level, level 1, level 5 and level 8.

7.149 It is further concluded that the cumulative impact of future committed developments would be negligible on the wind environment around the site.

Flood Risk and Drainage

7.150 The NPPF and accompanying National Planning Practice Guidance (NPPG) set out the Government's national policy on development and flood risk and seeks to provide clarity on what is required at regional and local levels to ensure flood risk is taken into account at all stages in the planning process to avoid inappropriate development in areas at risk of flooding and to direct development away from areas at highest risk. The NPPF outlines a risk based approach to the planning process and requires a Sequential Test is used in cases where sites are located in vulnerable flooding zones to guide the decision making process by steering development to areas with the lowest probability of flooding where feasible.

7.151 The NPPG also provides details of how all new development must include appropriate consideration of the potential effects of climate change on flooding and the hydrological regime, within Flood Risk Assessments: climate change allowances (last updated February 2022). The NPPG refers to the Environment Agency's Guidance to support the NPPF. Depending upon the specific River Basin District that the proposed development site lies within, the guidance indicates precautionary increases in fluvial flows, sea levels and rainfall intensities that should be applied when assessing the risk of flooding, from now until 2115.

7.152 Local Plan Policy EN18 notes that development will be directed to areas at lowest risk of flooding in the first instance, following the Sequential and Exceptions Test set out in the NPPF.

7.153 As set out in the accompanying Flood Risk Assessment, the existing site is brownfield in nature and largely impermeable.

7.154 The developable area of the site is within Flood Zone 1 where the probability of river or sea flooding is less than 1 in 1000 chance in any given year. Therefore the probability of tidal or fluvial flooding is negligible.

- 7.155 The proposals are for redevelopment of the site for residential uses, classified as 'More Vulnerable' as defined in as defined in the National Planning Practice Framework (NPPF) Annex 3.
- 7.156 The site lies predominantly in Flood Zone 1 'Low Probability'; the only exceptions to this are the small areas over the northern patio and southern boundary that extend into Flood Zone 2 'Medium Probability', and smaller areas of public realm alongside the River Thames in Flood Zone 3 'High Probability'.
- 7.157 A Sequential Test is de facto passed as the proposed building footprint lies solely within Flood Zone 1 and is at low risk from other sources. The Exception Test is not required.
- 7.158 Notwithstanding this, given that the red line encapsulates parts of Flood Zones 2 and 3, albeit without development being proposed in these areas, a Sequential Test has been produced to ensure that all procedural matters are fully and appropriately considered.
- 7.159 The Sequential Test is submitted as part of the application package and is accompanied by an Executive Summary, which is part-repeated here. The Sequential Test identifies that due to the development characteristics and scheme design, the SFRA outlines that a sequential test is not required for these proposals. The report is produced, however, in accordance with relevant guidance on the application of such tests to confirm the position in any event.
- 7.160 The area of search has been identified with regard to the Borough's spatial strategy and defined as the Reading Central Area, due to the nature of the proposals and the site's sustainable location. Criteria has been applied to the consideration of sites within the search area to identify whether there are any reasonably available and suitable alternative sites at a lower risk of flooding.
- 7.161 A total of 74 sites were assessed and no other sequentially preferable sites that meet the search criteria within the defined area of search were identified. The report therefore concludes that the proposals are considered to pass the sequential test.
- 7.162 In respect of drainage strategy, the main source of flood risk is from the River Thames to the immediate north. The remaining sources of flood risk are considered to be a low risk.
- 7.163 National climate change guidance set out in the Planning Practice Guidance (PPG) confirms that the site conditions require consideration of an increase in peak river flow of 31% ('Central' allowance for 2080 epoch).
- 7.164 The +31% climate change scenario has not been modelled by the EA and therefore the modelled +35% scenario has been used as a conservative proxy. This results in shallow flowing along part of the northern patio of the site, and along the southern boundary. The existing and proposed building footprints lie fully outside this 'design' floodplain.

- 7.165 To mitigate against this residual risk the minimum residential floor level will be set above 38.56m AOD, which includes a 300mm freeboard above the 1 in 100 annual probability +35% climate change flood level.
- 7.166 Continuous safe and dry access is available at the present day 1 in 100 annual probability scenario but not available when climate change is considered. Based on the approach advocated in the RBC SFRA, 'More Vulnerable' residential development is acceptable on the basis subject to a Flood Management and Evacuation Plan.
- 7.167 The proposed building is outside the 1 in 100 annual probability +35% climate change flood extent and will not impact on floodplain storage capacity. Improvements to the northern boundary treatment and landscaping enhancements will result in a stepped/sloping bank that will improve the local floodplain capacity from the existing conditions.
- 7.168 A surface water drainage strategy has been developed that propose on-site attenuation through a range of SuDS features, and controlled discharge to the Vastern Ditch culverted watercourse at a reduced rate, in accordance with the Lead Local Flood Authority (LLFA) requirements.
- 7.169 In conclusion, the future occupants and users of the proposed development will be at a low risk of flooding and the development will not increase flood risk elsewhere. It is demonstrated that the proposal complies with the NPPF, Planning Practice Guidance (PPG) and Local Plan Policy EN18 with respect to flood risk and is an appropriate development at this location.

Lighting Assessment

- 7.170 A lighting assessment has been undertaken to support the submission. The approach takes into consideration that progressed and approved at nearby 55 Vastern Road and proposes a well-considered, environmentally sensitive approach that ensures no additional impact from external lighting within the Environment Agency 10m buffer from the River Thames. The Lighting Assessment also sets out proposed mitigation measures and control mechanisms to ensure that both lighting duration and light spill are carefully managed.
- 7.171 A series of plans and tables to identify the existing baseline and to illustrate the proposed built development scenario and associated isolux contours are set out in the Lighting Assessment.
- 7.172 The corresponding assessment concludes that the existing scheme, particularly the globe lanterns, cast light in all directions with no optical control to prevent spill light into neighbouring properties and the River Thames ecological corridor and that by contrast the indicative scheme proposes luminaires and design techniques intended to place the illumination where it is required, avoiding obtrusive light spill characteristics (glare, skyglow, spill) as per the ILP Guidance Notes GN01 recommendations. It is considered that the new

external lighting scheme improves the illuminated condition of the site in regard to obtrusive light and the local ecology.

Cumulative Development Context

7.173 Significant heritage and townscape assessment has been undertaken during the design development process to bring forward a scheme that respects its current context, optimises the delivery of much needed housing and recognises the evolving face of Reading and, in particular, this area of the town centre.

7.174 As set out in Section 6, land in the vicinity of Waterfront Square is subject to an overarching policy framework that sets the context for the positive change of the Station Area Cluster and which includes the 55 Vastern Road, Reading Metropolitan and Aviva consented developments.

7.175 The changes to this area create a future development scenario that vastly differs from that in-situ, as demonstrated in the TVA. When considering the acceptability of proposals it is therefore important to recognise this changing context and therefore how this will affect short, medium and long-distance views from different vantage points around the site.

7.176 The TVA has sought to review the future development scenario and includes the scale and massing of recently consented schemes. A series of CGI's showing the current baseline and emerging scenarios in relation to the proposed development have been provided alongside an associated assessment of townscape, visual and cumulative development impact for which the TVA considers a generally beneficial influence on the site and surrounding area.

7.177 The future development scenario is a significant material consideration that should be given weight in the decision-making process. The Council recognises that to meet housing need and to drive interest and greater use of the town centre that new uses, regeneration and improved places and spaces are required.

The Planning Balance

7.178 In the planning balance, it is considered that whilst the proposals will create new height and visible buildings within a sensitive riverfront location, the use of appropriate positioning of built form, alongside delivery of much-needed housing, a commitment to high-quality materiality and the creation of meaningful public realm and improved pedestrian and cycle connectivity and wayfinding provides a strong counterbalance to enable the development to come forward in an acceptable manner.

7.179 The future development scenario means that viewing of Waterfront Square will be taken in context of a changing town centre with more tall buildings, including some that occupy the foreground from key views.

7.180 The site uses previously developed land and will generate significant housing delivery, including provision of on-site affordable housing, which in line with recent appeal decisions and proposed changes to the NPPF are to be given significant weight in the decision-making process.

7.181 Whilst the proposals will lead to the loss of an existing employment use, a significant review of the building and the current office market clearly demonstrates that it is not fit for purpose and would require significant investment to bring it up to the required standard with no certainty of the space ever being let. There is significant over-supply in the Town Centre and Greater Reading area and vacancy rates are increasing due to market trends and new stock emerging. In this context, it is considered more appropriate to utilise the site for a more beneficial purpose.

7.182 In this regard, the proposed development will provide a series of recognisable benefits that need to be given due weight in the Council's assessment:

- Delivery of 254 much-needed homes;
 - Within this, a policy-exceeding proportion of 3 bedroom homes.
 - Provision of a tenure-blind scheme, allowing all residents the same quality housing and access throughout the development.
 - All homes to Nationally Described Space Standards.
 - All homes with access to internal and external amenity spaces for relaxation, socialising and play.
- Rejuvenation of Vastern Road, Norman Place and the Thames Path, making the area more accessible, safe and welcoming.
- Provision of active frontages on all sides helping with surveillance to reduce anti-social behaviour in the locality.
- Delivery of substantial, new public realm and significant improvements to local pedestrian and cycle routes, alongside wayfinding enhancement.
- Creation of non-residential Class E floorspace to enable local deficiencies in retail service provision to be met.
- Significant new tree and shrub planting around the site, creating associated biodiversity new gain and canopy cover improvements.
- CIL and S106 contributions arising from the scheme towards a range of services, initiatives and on-site improvements, the detail of which is set out in the following section.

7.183 For the reasons given above, it is concluded that the Proposed Development is in accordance with Policies CC1, CC2, CC3, CC5, CC6, CC7, EN1, EN3, EN5, EN6, EN9,

EN12, EN13, EN14, EN15, EN18, EM3, H1, H2, H3, H4, H5, H10, TR4, TR5, CR1, CR2 and CR3 of the Development Plan and that although the development does not comply with every policy it is compliant with the Development Plan as a whole.

7.184 Paragraph 11 of the NPPF advises that '*Plans and decisions should apply a presumption in favour of sustainable development*'. For decision-making, sub-section (c) applies which advocates '*approving development proposals that accord with an up-to-date development plan without delay*'.

8 CIL and Planning Obligations

Community Infrastructure Levy

- 8.1 CIL is a tariff chargeable by Reading Borough Council on new development following 1 April 2015. In relation to the Site, CIL is charged at £120 per sqm (GIA), as indexed, currently £179.29 for C3 Use Class and £0 for the Class E uses proposed.
- 8.2 The Proposed Development is therefore CIL liable and a CIL payment would be made as part of the Proposed Development. Details of proposed area liable for CIL, alongside those areas subject to demolition that can be deducted from calculations have been provided as part of this application.

S106 Obligations

- 8.3 The scope of any prospective Section 106 Agreement will be subject to further detailed discussions during determination of the application. The Planning Obligations secured through S106 Legal Agreement will be a material consideration to which weight should be attached provided that meet the tests set out in Regulation 122 (2) of the Community Infrastructure Levy Regulations 2010 (as amended), which are:
- Necessary to make the development acceptable in planning terms;
 - Directly related to the development; and
 - Fairly and reasonably related in scale and kind to the development.
- 8.4 The Council has an adopted Planning Obligations under Section 106 SPD (April 2015), which alongside that discussed at pre-application phase has helped form the proposed draft Heads of Terms, as set out below.
- 8.5 It is proposed that the Section 106 Agreement may contain planning obligations (in line with other comparable developments in the town centre) as follows:
- On-site affordable housing provision, quantum subject to viability review;
 - Employment and Training relating to the construction and operational phases of the Proposed Development;
 - Travel Plan;
 - Public Realm Improvements;
 - Provision of on-site Public Art;
 - Reduced rent for local businesses wishing to occupy the Class E floorspace
 - Carbon Offset Levy;

- On-site BNG provision, including management and maintenance provisions;
- Other site specific mitigation measures required, as discussed and agreed during the course of the determination process with Officers; and
- Monitoring and implementation.

8.6 The negotiation of the above detailed obligations, which sit separately to CIL, will have regard to all relevant site specific constraints and considerations and the overall viability of the Proposed Development.

8.7 These Draft Heads of Terms are provided without prejudice.

9. Conclusions

- 9.1 This Planning Statement has been prepared by Opus Works Consultancy to accompany a detailed planning application for:

'Demolition of existing office and substation buildings and residential-led site redevelopment within 1-11 storey buildings comprising residential (Class C3) and ground floor commercial uses (Class E), together with various associated works including replacement pedestrian and vehicle access routes, car/cycle parking, hard and soft landscaping and a public open space adjacent to the river'.

- 9.2 The planning application is submitted following significant pre-application engagement with Council Officers and Members, local stakeholder groups and local residents and businesses, which has helped positively mould the proposals submitted for consideration.
- 9.3 The new proposals provide a technically-deliverable scheme that will transform the Vastern Road area and associated river frontage, bringing new life and vibrancy through the delivery of a striking new residential-led development alongside significant, meaningful public realm in an area currently subject to some building vacancy and anti-social behaviour issues.
- 9.4 The Proposed Development will also engender greater surveillance and use of the locality, creating greater footfall through activity associated with the public realm and Class E floorspace. Local pedestrian and cycle paths will be enhanced as part of the proposed works.
- 9.5 The latest proposals accord with a range of current policy and legislation requirements in respect of *inter alia* fire safety, unit sizes and daylight and sunlight and also responds appropriately to existing and emerging Council ambitions in terms of housing delivery and provision of larger unit and family accommodation.
- 9.6 The Proposed Development has been subject to significant design development to bring forward a high-quality and innovative landmark scheme which reflects the river borne environment in which it is located.
- 9.7 A very detailed assessment of the scheme has been undertaken to consider environmental matters and appropriate design development and mitigation has been proposed. Appropriate mitigation and planning control through use of conditions and planning obligations has been proposed where necessary and the applicant welcomes further discussion with the Council in this regard.
- 9.8 Ultimately, this is a project that is deliverable and which will provide significant benefit to the community, both existing and future residents, who will benefit from the delivery of

much-needed mixed-tenure housing, rejuvenation of a brownfield site, delivery of public realm, pedestrian and cycle network improvements and substantial urban greening and biodiversity net gain uplift.

- 9.9 Section 38(6) of the Planning and Compulsory Purchase Act 2004 requires development proposals to be determined in accordance with the Development Plan unless other material considerations indicate otherwise.
- 9.10 This Planning Statement assesses the Proposed Development against the Development Plan and other relevant national and local planning policy and guidance and together with the detailed plans and documentation forming this planning application demonstrates how the Proposed Development complies with the requirements of the NPPF and the adopted Development Plan.
- 9.11 It is concluded that the Proposed Development satisfactorily complies with the policies of the Development Plan and that although the development does not comply with every policy it is compliant with the Development Plan as a whole.
- 9.12 Further, it is considered that Paragraph 11 of the NPPF applies to decision-making for the reasons set out earlier in this document and it is therefore respectfully requested that the Council grant consent for the Proposed Development without delay.

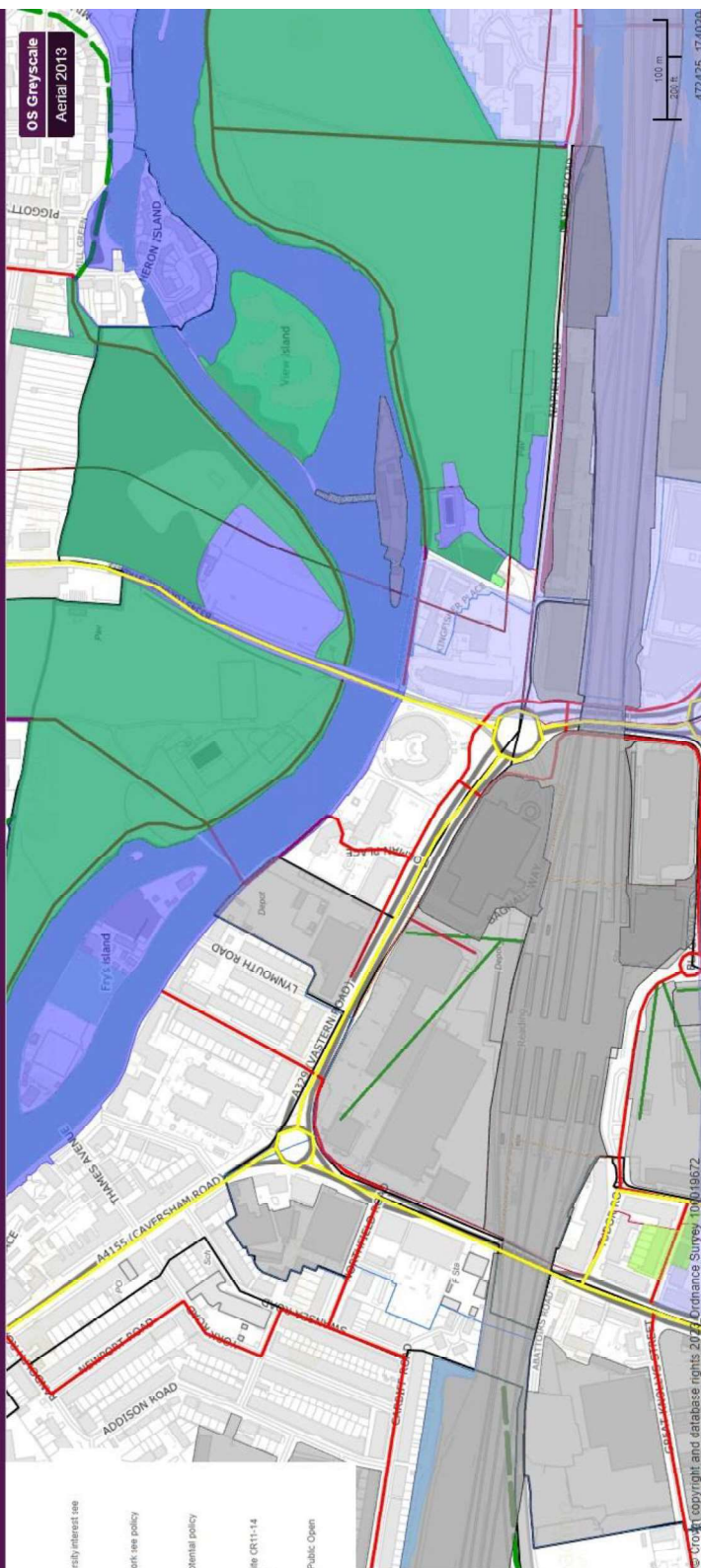
Appendix 1 – Local Plan Extract and Key

Reading Borough Council - Local Plan

Reading Borough Council - Local Plan 2019

Map Extract and Key

- Blue line of Reading Central Area policy CR1-10
- Area of identified biodiversity interest see policy EN12
- Existing or proposed Green Link policy EN12
- Classified highway Network see policy TR3
- Designated primary footpaths in Central Reading existing policy CR2
- Area of archaeological potential policy EN2
- Allocated development site CR11-14 SR1-4 WR1-3 CA1 ER1
- Local Green Space and Public Open Space policy EN7
- Air Quality Management Area see policy EN15
- Major Opportunity Area boundary Policies CR11-13 and SR1-3
- Tall buildings cluster policy CR10
- Central Core policy CR1
- Office Core policy CR1
- Cycle Routes see policy TR4
- Area safeguarded for Crossrail see policy TR2
- Major Landscape Feature policy EN13



Appendix 2 – Hollis Hockley Market Overview

By Email
21st March 2024

FAO: Ed Owen

Packaged Living
Queensbury House
3 Old Burlington Street
London W1S 3AE

Norman Place, Reading – Market Overview

Dear Ed

As discussed recently I have set out below our advice on the viability of Norman Place as an office scheme, both in context of Greater Reading itself but also with consideration to wider supporting market statistics.

The report is structured as follows:

- 1) Executive summary
- 2) Reading overview
- 3) Greater Reading office location review
- 4) Office market dynamics
- 5) Norman Place overview
- 6) Office supply summary
- 7) Demand review
- 8) Financial viability and ERVs
- 9) Conclusion

The executive summary below covers the main points of the report with particular focus on the location of the subject property, market dynamics and suitability of the scheme regarding and compared with existing core offices in the town.

1) Executive summary

- Reading is a large commercial centre, with excellent road and rail communications and a diverse occupier base across multiple employment sectors.
- Greater Reading as a market comprises the In Town and Out of Town sub sectors, with a total built stock of 11.7m sq ft. It is the largest single office market in South East outside of Central London and the West London suburbs.
- The In Town market core area is around the station and Forbury Gardens, and Norman Place is situated to the north of the train line which is inferior to the main commercial and employment area for most occupiers.



- The core office pitch in Reading town centre is south of the train line adjacent to the station and the area surrounding Forbury Gardens. Regarding office leasing and occupier sentiment this is the most desirable location, and a further brand new speculative office scheme of 265,000 sq ft will be delivered in 2024 at Station Hill further enhancing this micro location.
- The building has been occupied since completion in c1994, but the specification is not suitable for modern occupiers, and in the current condition is not lettable.
- The immediate location around Norman Place is mixed use, with offices, residential and retail.
- Prime buildings in the Reading town centre core area achieve a premium of up to 45% over the immediate area around Norman Place, regardless of the geographically proximity.
- Reading office take up since 2020 is significantly lower than the 10 year average take up figure of 425,000 sq ft to 450,000 sq ft per annum.
- Office take up in Reading town centre in H1 2023 is the lowest on record which mirrors the wider South East office market.
- The office vacancy rate in Reading now stands at 16.80% and the majority of which is Grade A or refurbished space, which is an increase of over 6.5% since 2020.
- The vacancy rate is forecast to increase to 19.00% – 19.50% in 2024.
- There is over 2.0m sq ft of office stock available to lease in Greater Reading as of H1 2023.
- Total supply expressed as sq ft per year currently represents c4.6 years average annual take up but trending out, and we would define under 1.5 years as undersupply and anything over 3.5 years as oversupplied.
- Over 90% of all office take up in Reading is on Grade A or New space in the core area South of the train line.
- Demand is much stronger in the immediate area by the station to the south of the railway line, and this will be further cemented with the completion of the first phase of Station Hill in Q2 2024.
- Over the last 5 years only 6% (48,000 sq ft) of transactions in Reading Town centre have occurred north of the train line, and 60% of that total was accounted for in one transaction to Thames Water for very flexible short term contract space.
- Named occupier demand is static, but economic factors and sentiment have reduced transaction speed and frequency since 2020.
- Reading as an office location is attractive to most businesses, but occupiers now need less space and best in class locations, specification, community, amenity, and sustainability.
- Prime rents for best in class space in strong locations in the South East have seen good rental growth.
- Secondary and Tertiary offices have not benefited from rental growth, and an inflation in build costs, reduction in demand, additional incentives and void periods have made most office schemes unviable.
- Changes to alternate use for existing offices in most South East towns is driven by obsolescence due to an inability to achieve minimum environmental, sustainability and regulatory levels.

2) Reading overview

Greater Reading is a mature and diverse market and the effective 'Capital' of the Thames Valley, long considered Britain's equivalent to Silicon Valley due to its historic affinity with tech-based firms. Whilst many high-tech manufacturing and TMT firms choose to locate in and around Reading it is worth highlighting that the town has a more diverse economic base than many of the other M25 West centres located within the Thames Valley, with excellent representation from not only TMT, Cyber and Software firms, but Pharmaceutical, Professional Services and the growing Media/Film/TV industry.



The town has excellent transport links with direct access to the M4 at three junctions as well as the benefit of Reading Station which has undergone comprehensive improvements and refurbishment and serves local and national train routes, as well as acting for the terminus for The Elizabeth Line. Reading is additionally only 30 miles from Heathrow Airport, further enhancing its appeal especially with Global businesses.

Reading is an average sized office centre compared to the wider UK with around 200,000 employees, however comfortably larger than geographically localised centres such as Maidenhead, Newbury, Bracknell, or Slough for example.

3) Greater Reading office market definition

Greater Reading as an office market consist of approximately 11.7m sq ft total built stock. There are two distinct markets with considerable office space, the Out of Town market (OOT) and Town Centre markets (TC). Total stock is split across these areas as roughly 60/40% in favour of the out of town market.

Reading accounts for approximately 15% of the total stock in the wider South East and is comfortably the largest single market between the South Coast, Bristol, and West London.

From an employment, commercial and leasing perspective there are four main core areas in the sub location defined as Greater Reading, set as follows.

- A) Reading town centre; as a whole consisting of the area surrounding Reading station bounded broadly by the IDR, which is discussed in greater detail below. The market can further be separated into core (Station Hill regeneration area, Station Road, Valpy Street and Forbury Gardens area situated south of the railway line), secondary (Western Kings Road, Oracle area, Friar Street) and tertiary locations (Caversham Road, Vastern Road, Queens Road, Southampton Street, Oxford Road, Eastern Kings Road, Queens Road).
- B) J10 of the M4, incorporating significant commercial areas at Winnersh Triangle Business Park & Thames Valley Park, as well as ancillary secondary offices, both of which fall within the Wokingham Borough Council boundary.
- C) J11 of the M4, consisting of Green Park, Campus (formerly Reading International), and secondary offices around Imperial Way, Gillette Way and Worton Grange.
- D) J12 of the M4, and the areas surrounding Theale, with the largest single ownership being Arlington Business Park, as well as the commercial mixed use area around Theale Station.

The commercial area of Reading town centre has evolved over the last 20-30 years. Occupier requirements have changed due to technology and working methods and the market has grown to accommodate greater demand for the location through new build, significant refurbishments, and large scale mixed use redevelopment.

At the time Norman Place was completed (c1994) the office stock in Reading was equally spread across now peripheral areas, such as the Kings Road, Queens Road, Vastern Road and the Old Basingstoke Road, as well as in pockets in the town centre area.



Modern town centre occupiers prioritize public transport, access to amenity, building quality, ESG and community, which did not form part of the corporate agenda 25+ years ago. The new office developments that have successfully attracted occupiers have been in the best areas, and over time the commercial 'core' has been condensed to the immediate area around the station (such as Thames Tower, Station Hill, Apex Plaza, R+ etc) and Forbury Gardens / Reading Abbey (Forbury Place, Davidson, One Valpy, Abbots House, The White Building, The Blade).

Most transactions in Reading occur in the most desirable areas, on the best quality space, which all have optimal access to the station and the leisure / F&B / amenity offering situated on Friar Street, Broad Street, and the Oracle to the south of the station complex.

Norman Place is outside of this core area both geographically and anecdotally for most occupiers. Given our experience of office leasing in Reading for the last 20 years, the terms 'too far from the station' (Kings Road) or 'wrong side of the tracks' (Reading Bridge House, Great Brighams Mead, Napier Court) are commonplace when buildings in these fringe locations are discounted.

The recent closure of the DeskLodge serviced office at the adjacent Sovereign Court demonstrates the challenges the micro location faces despite ongoing, albeit suppressed, demand for office space of a better quality in core locations, as referenced by the following article <https://ukpropertyforums.com/deskldodge-to-close-new-reading-centre/>

The immediate area surrounding Norman Place consists of a mix of residential, offices and retail users. The office component north of the train line has seen declining occupier demand, and always transacted at a lower rental value to the core of central Reading.

Since January 2018 approximately 775,000 sq ft of office space has been leased in Reading town centre, of which only 48,000 sq ft (6%) occurred north of the train line, and all at Reading Bridge House. 28,000 sq ft of the total was let as short term contract space to Thames Water, on a 4 year lease with annual breaks, who are situated in the adjacent building. This transaction occurred prior to COVID and since then Thames Water have significantly reduced their head count and the space is not occupied.

Reading Bridge House has now achieved rents of £28.50 sq. ft, with limited growth over a 5-10 year period. The central Reading core area as described above on the other side of the train line has achieved between £38.50 sq ft to £40.50 sq ft at a current prime, with a forecast prime level at Station Hill of over £50.00 sq ft.

4) Norman Place overview

Originally built by Cheval in the mid-1990s the property was let during construction to Norman Insurance, who had been a long time occupier in the Thames Valley. The Tenant rebranded to MMA Insurance and in 2010 they bought the property Freehold, before rebranding again following acquisition by Covea.

We understand the property had varying levels of occupancy during their long term occupation, and over the course of their lease and latterly ownership the property was never sublet. During COVID19 lockdowns in 2020 and the emergence of hybrid working the business scaled back its need for office space. The resulting changes to their sector, in line with the wider market, resulted in a significant reduction in head count and floor area. The occupier subsequently chose to dispose of the office FH entirely and have now provided all employees with a full time work from home agreement.



The current specification is over 25 years old and does not meet the required level for environmental & sustainability requirements to suit occupier needs. Had Covea sought to mitigate their outgoings by a subletting campaign it would have not been successful. Regardless of the market wide reduction in demand since 2020, which is c30-50% lower based on long term average, in the current condition the building would be unlikely to let even at a discounted rent or within an acceptable timescale.

We classify buildings as either New, Grade A, Grade B or Grade C. The specifications, although often require context and are open to broad interpretation, as set out briefly as follows. There are subcategories within each bands, especially Grade A, due to age, condition, M&E etc.

New: New build from ground up with high quality finishes in core locations, all electric plant, full new efficient A/C and likely with additional onsite events, management, and concierge services. Necessity to have an EPC of A and a BREEAM of Excellent or Outstanding, plus other accreditations such as FitWell Wirescore. Examples – Station Hill B1

Grade A: fully refurbished office space either back to frame or substantially improved within the last 10 years. More recent examples will be fully electric with EPC Grade B or above, modern A/C systems with more than 15 years life expectancy, modern finishes and high-quality internal systems with very good if not excellent accreditations. Grade A will incorporate both Cat A and Cat A+ finishes. Examples – R+, Forbury 2, Davidson House, One Valpy, Thames Tower

Grade B: This considers older specification buildings, which were refurbished more than 10 years ago, with M&E toward the end of service life but with the ability to occupy immediately or are occupied toward the end of existing leases. These may be more commonly marketed To Let by Tenants than Landlords direct. Systems internally will be less efficient than a modern standard, with gas boilers and non LED lighting / PIR. Externally these buildings may appear tired, but internally habitable, with ERV discounted from prime levels as reflection of the quality. There will be limited environmental standards, with and EPC rating of C or D, and no BREEAM or further accreditations. Examples – 260 Wharfedale Road Winnersh Triangle, The Anchorage, Abbey Gardens North, Beta Building 121 Kings Road.

Grade C: Similar to Grade B in age and finishes with the exception of not being able to occupy immediately without significant upgrade works. This could be a combination of dilapidated internal condition, partial strip out, malfunctioning, or obsolete plant etc. Buildings awaiting refurbishment or 'mothballed' due to market conditions or impending wider redevelopment are usually classed as Grade C, as would any building where A/C, lifts, M&E are stripped out entirely. Buildings of EPC E or below are categorised as Grade C in most circumstances. Examples – 1210 Arlington Business Park, Forum Theale, Tangent House & County House.

Norman House would be classified as Grade C due to the age of the central plant, low environmental performance and the existing specification. The internal condition is unrefurbished, dated and in poor repair which will not be attractive to occupiers. The EPC rating of E119 sits at the lowest end of the current regulations, reflecting the above statements on building quality. Over the last 5 years there have been no leasing transactions on Grade C space in Reading town centre, as occupiers move toward better suited, sustainable space, of which 95% of all take up in 2023 was Grade A or above.

The ongoing changes to EPC legislation and statutory requirements over the next 5-10 years around sustainability, energy usage and net zero carbon target, means buildings of this type across the South East may have to be repurposed for alternative uses given the lack of viability of an office refurbishment.



Additionally, whilst the building is situated close to the main station and backs on to the river Thames for most occupiers it is located on the wrong side of the railway line, with the focus of the core town centre which expands from Station Road across to Forbury Gardens, to the South of the railway. This shortcoming will be cemented further as the 'prime' pitch when Building 1 Station Hill completes in H2 2024 delivering and additional c265,000 sq ft of best in class space to the market.

5) Office leasing market dynamics

There have been wider economic, political, and global macro issues to contend with post Covid, and within property the office sector has disproportionately borne the brunt of these challenges. Occupiers have chosen to pause live requirements, reduce overall sq ft leased and consolidate where possible due to more flexible working arrangements.

In the wider South East office market overall both Q1 2023 at 230,000 sq ft and Q2 2023 at 270,000 sq ft, recorded the worst statistics for take up in the last 25 years against a long term running average of c650,000 - 700,000 sq ft per quarter. Total H1 2023 take up was also the worst on record against an average of figure of 1.3m – 1.6m sq ft per half year. The benchmark for recording office transaction has historically been set at leases of greater than 5,000 sq ft.

Prior to 2020 Reading has performed very well against competing centres, with an average take up figure (over 5,000 sq ft) that has steadily increased per annum over the last 15 years, from a base of 325,000 sq ft per annum in 2008. The 10 year and 5 year average figures, largely because of the COVID 19 Pandemic, are now similar at 425,000 sq ft per annum, respectively.

Greater Reading office take up in 2022 was approximately 28% down on the long term average at 290,000 sq ft however overall transactional volume had increased by nearly 50%, reflected by several smaller deals in the market on fitted and smaller suites of sub 3,000 - 10,000 sq ft. This correlated to a slow but positive improvement in sentiment for smaller and local business, who favour cap ex neutral options and moves away from traditional serviced offices.

Despite expectations of a swift recovery in 2023 office market take up has decreased further.

Q1 2023 take up in Greater Reading totalled 15,000 sq ft in a single transaction at Abbey Gardens, against an average of c100,000 sq ft. Including all deals recorded during this time the total was 28,000 sq ft for Q1 with only one further new lease in the town centre of 2,800 sq ft.

At the end of H1, 2023 total take up had reached 42,000 sq ft, well below the long term average, with no further significant transactions in the town centre. Year to date there have only been five office transactions in the town centre totalling 24,000 sq ft, of which only one is above the 5,000 sq ft threshold.

6) Office supply summary

The total built office stock across the Greater Reading area is currently c11.70m sq ft, which is largely split 60/40 in favour of out of town centre markets.

Vacancy rates in Greater Reading currently stand at 16.80% or just over 2,000,000 sq ft, which comprises c60 buildings with an average size of 34,000 sq ft. Vacancy rates have increased by c6.5% (c750,000 sq ft) since 2020/2021, however the bulk of this has come from secondary grey / Tenants' space, and in the out of town markets.



These figures do not yet include the upcoming completion of Station Hill in mid-2024, which will increase the vacancy rate further up to 19.0 – 19.5% for Greater Reading.

For context, the historic long term average vacancy rate within the South East market has been approximately 9.0% over the last 10-15 years. The vacancy rate fluctuates due to economic conditions, levels of take up and speculative development. Reading has seen vacancy rates range from between 5.50% to 14.50% over this period. The current vacancy rate at 16.80% for Greater Reading is the highest since 2002-2004 post the dot.com crash.

There is currently c750,000 sq ft of office space on the market in the town centre of which over 90% is Grade A, fully fitted or refurbished to a high standard. There is roughly the same sq ft of supply in the out of town markets from Landlords at Junctions 10, 11 and 12, and a further c500,000 sq ft of Tenant 'grey' space released in response to hybrid working patterns.

Total supply expressed as sq ft per year currently represents c4.6 years average annual take up but trending out in 2024, and we would define under 1.5 years as undersupply and anything over 3.5 years as oversupplied.

7) Demand review

Overall, across the South East, named demand is currently c30% down on the long term average. This is reflected in the levels of take up recorded. Since the onset of COVID larger occupiers have been downsizing anything from 20-40% of total existing sq ft, and this has had an impact on overall take up and conversely increasing supply as net absorption returns more space than is leased.

Our statistics point to a trend of larger than 50,000 sq ft and sub 10,000 sq ft being the most active sectors at present across the South East in 2023, but in turn total demand is now lower than at a similar point in 2022 which is also consistent with the wider market.

In Reading demand is broadly static by number of new enquiries YoY across H1 2023 however each transaction recorded now takes longer to complete and there is a significant lag between occupiers planning to move and completion of a new lease. Additionally overriding economic factors have created a negative market sentiment leading to delays in decision making for most occupiers.

Companies who are drawn to Reading almost exclusively favour a best in class or Grade A product and this is referenced by c90% of all take up transacting on Grade A or New space. This is the highest percentage in the Thames Valley by location.

Despite the oversupply in Reading town centre at present there are speculative schemes which are in far stronger core locations than Norman Place to secure occupiers. Station Hill as an example will deliver a further 275,000 sq ft of brand new best in class space to the market. This could satisfy medium and large occupiers in the town centre for the next 24 months from PC in H1 2024. The combination of mixed use development of scale, with residential, amenity and rail access makes the office element more attractive to occupiers.

When Thames Tower was completed as a full back to frame refurbishment by Brockton / Landid in 2016 the scheme secured over 75% of town centre transactions in a single calendar year, over 5,000 sq ft.



8) Financial review & viability

Prime rents in all markets, with Reading no exception, have seen rental growth on prime over the last 3 years despite lower overall take up, as occupiers only seek best in class and sustainable office space. Norman Place in its current condition and configuration is not attractive to occupiers.

The cap ex required to deliver best in class sustainable space to attract new occupiers has spiked dramatically since COVID, Russian/Ukraine and the inflation/interest rates rises seen in the last 12 months. Average refurbishment costs ranging from £80-£125 ft pre 2020, to upwards of £150-£225 sq ft today, with contracts on new builds more than £300 sq ft.

Tenant incentives on prime space have moved out due to supply pressures and slightly weaker demand, from 9-12 months per 5 year term certain in 2019, to around 15 - 18 months per 5 year term since 2021. Given the secondary location of Norman Place, even on a refurbished basis, between 24-26 months' rent free per 5 year term certain may be needed to secure new lettings.

The letting strategy for the building would require leasing by part floor or by single floor, and Tenants would expect a level of flexibility resulting in a likely term certain of a maximum of 5 years, and likely breaks in the 3rd year on some part floors.

A refurbishment in the current climate, to a Grade A standard, would require significant investment to include new M&E and all electric plant, ceilings and floors and external improvements. This is not viable at current rental levels for the non-core location, as referenced previously. Due to further economic headwinds and current & forecast vacancy rates it is likely this lack of viability will not change soon.

For this reason, proposed 'pipeline' developments in the wider south east, including Reading, are currently not viable given reduced demand, over supply and cost of refurbishment. These are now changing to alternative uses such as residential, assisted living, and out of town locations as residential, data centre and industrial/distribution.

9) Conclusion

Greater Reading is a strong employment area and can satisfy a range of occupiers across multiple sectors, and the location has appeal to local and global businesses, however the current oversupply of offices across the market provides a stern challenge to the viability of new developments and refurbishments over the next 3-5 years. Whilst there has been good office take up in previous years, like most towns in the South East, demand and transactions levels have fallen since 2020, with 2023 so far performing at the lowest level since 2002.

In Reading vacancy rates are currently higher than comparable M4 towns at c4.6 years supply. Additional speculative space under construction, on top of recent completions out of town and added Tenant 'grey' space, will increase the vacancy in H1 2024 to c19.00%. The market will become further oversupplied with c5.4 years average take up on market.

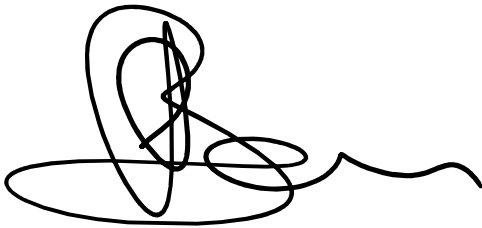
Reading town centre core area is established to the south of the train line and the upcoming completion of c275,000 sq ft at Station Hill improves this area for occupiers further. The area to the north of the station does not attract new occupiers, and transactions are limited given reduced demand for the sub location. We believe this will continue in the future as occupiers moving to the town want amenity, best in class space and optimal station access; none of which are provided by Norman Place.



For Reading town centre, the concentration of the core office area to the south of the station will have a positive effect on reducing total stock and supply levels in the medium and long term. This will also ensure those 'new' best in class next generation offices in the core become more attractive as the overall economic offer of the town is improved by way of varied multi sector development rather than stagnation of a single and/or obsolete user class.

I hope the above provides sufficient information. I would be happy to refine any of these considerations further with you at the proper time, and if you need any clarity or additional information, please do let me know.

Kind regards

A handwritten signature in black ink, consisting of several loops and a long horizontal stroke at the end.

Christopher Barrs
Partner



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