

HOUSING REQUIREMENT AND FIVE YEAR SUPPLY OF HOUSING LAND

Reading Borough Council response to Issue 3:

Whether the Council will be able to demonstrate a five year supply of housing land on adoption of the Local Plan?



Q1. When calculating the five year supply of housing land, is it appropriate in the context of Reading to apply a 5% buffer?

The presumption within the 2012 National Planning Policy Framework (paragraph 47) is that a 5% buffer should be applied unless there is a record of 'persistent underdelivery' of housing. Planning Practice Guidance (035) states that this is a matter for the decision-maker, and that a range of factors can be considered, but states that a longer-term view will generally be more robust.

Paragraph 2.3 and Table 1 of the Housing Implementation Strategy (EV012) consider whether a 5% buffer is appropriate for Reading. Over the 20-year period 1997-2017, there were only four years in which delivery was below requirements at the time, all of which were in the period of the recession and its immediate aftermath, between 2010 and 2014. This was clearly the result of exceptional national economic conditions during a limited time period, and is in no way a persistent issue. In general, Reading has tended to deliver well above policy targets. On average, over this 20-year period, Reading has delivered an additional 144 dwellings per year over its requirements. Therefore, the Council's view is that there is no reasonable argument that Reading is an authority where a higher buffer than 5% should be applied.

Q2. Is the housing trajectory at Appendix 1 of the LP realistic and does it align with the Infrastructure Plan at Section 10.3 of the LP and EV007?

The housing trajectory in Appendix 1 of the Local Plan is realistic. The assumptions which underpin it are from the same source as the Housing and Economic Land Availability Assessment (HELAA), and are therefore dealt with under Q3. Where the HELAA categorises sites as deliverable and developable, and therefore into 5-year delivery bands, the Housing Trajectory breaks this down into delivery by year. Unless other information is available, an even distribution across the entire 5-year band is usually assumed, which is why some sites in the Housing Trajectory are shown as delivering very small numbers per year, especially in the later years of the plan period.

The actual 2017-18 completion figure of 700, which has recently been published, is somewhat below the figure of 818 for 2017-18 in the trajectory. The main reason for the difference is that a single block of 129 apartments at Green Park that was expected to have been completed was still in the final stages of construction at the time of the survey. This difference is expected to be made up in 2018-19.

There is some alignment between the Housing Trajectory and the Infrastructure Delivery Plan. The main feature of the Trajectory is the emphasis on delivery in the first half of the plan period, and some of the most major specific delivery items, such as the South and East Reading Mass Rapid Transit schemes, Green Park station and interchange, and the provision of a new secondary school, are to be delivered early in the plan process. However, the form that development takes in Reading means that links between specific development sites and infrastructure

items are not always clear, as they would be should, for instance, there be large greenfield sites or urban extensions that need to be serviced by entirely new infrastructure. Developments form part of an existing urban fabric and are to some extent served by existing infrastructure. Pressure on infrastructure is generally cumulative rather than linked to a single development, and the funding that can be secured through the Community Infrastructure Levy also often needs to accumulate from several developments before it can fund a specific infrastructure item. For this reason, there are not usually explicit links between specific developments in the Trajectory and specific items in the Infrastructure Delivery Plan, but the overall pattern of delivery is broadly mutually supportive.

Q3. Are the assumptions and analysis regarding site suitability, availability and achievability and development capacity in the Housing and Economic Land Availability Assessment (EV013-EV015) reasonable and realistic?

The methodology of the Housing and Economic Land Availability Assessment (HELAA, EV014 & EV015) is robust, and the assumptions in considering suitability, availability and achievability are reasonable and realistic. The approach is based on the Berkshire Housing and Economic Land Availability Assessment (HELAA) Methodology (EV013), which was developed between five of the six Berkshire authorities. This also took account of stakeholder consultation with organisations including adjoining authorities, statutory consultees such as the Environment Agency, and developers.

The approach to estimating development potential is contained within paragraphs 3.3 to 3.10 of the HELAA Volume I (EV014). Essentially, there are three main sources for the figures: planning history, usually from planning permissions, but sometimes from advanced application or pre-application discussions; a pattern book approach based on densities that have been achieved in recent years, but with an uplift applied to urban and suburban sites to reflect a view that a higher average density is achievable on these types of sites; or a bespoke approach, which is particularly used for town centre mixed use sites where simple densities are not applicable. It is the pattern book approach for residential use which has generated the most comment, and is therefore dealt with here. In terms of the other two approaches, that based on planning history is relatively straightforward, whilst the bespoke approach differs from site to site and is explained for each site in Volume II of the HELAA.

The pattern book approach uses the following densities, which have been derived from an average of what has been granted in planning permissions over a ten year period from 2007 to 2017.

- Town centre residential new-build - 325 dwellings per hectare (dph)
- Town centre fringe residential new-build - 200 dph
- Urban residential new-build - 81 dph¹
- Suburban residential new-build - 46 dph¹

¹ Uplifted from 74 dph and 42 dph when revisiting the figures, see comments in paragraph 5.8 to 5.15 of the HELAA Volume I

These pattern book densities were based on 54 planning permissions, all of which had either been completed between April 2011 and March 2017, or were under construction or had not yet started at March 2017. The full breakdown is set out in Table 3.1.

Table 3.1: Year of completion of developments used in pattern book densities

Completed 2011-12	3
Completed 2012-13	8
Completed 2013-14	8
Completed 2014-15	7
Completed 2015-16	6
Completed 2016-17	6
Under construction 2017	10
Not started 2017	6
TOTAL	54

In terms of when those permissions were granted, the spread was somewhat greater. A number of the schemes were granted before 2010, some as early as 2002, but the vast majority of permissions were issued after 2010 and were therefore taken in line with Reading’s Core Strategy (adopted 2008).

Table 3.2: Year of permission of developments used in pattern book densities

Permitted before 2010	10
Permitted 2010-2013	28
Permitted 2013-2016	16
TOTAL	54

Whilst it would clearly be ideal to base such densities on only the most recent permissions or developments, this would not result in a sufficient number of sites to give confidence that the density figures were truly reflective. The fewer schemes in the analysis, the more likely the analysis is to be skewed by one or two exceptional sites. There was in any case no clear pattern that would indicate that densities had substantially changed during the period examined, either in terms of completions or permissions.

On this note, it is worth stating that the Council’s policy at the time that the vast majority of proposals that fed into the figures above were permitted has not been to artificially restrict the capacity of sites to meet restrictive density ranges. If the density of a site can be justified in terms of policies in the plan around matters such as character, increasing densities has been acceptable. Therefore, there is no reason to believe that there is significant headroom to simply uplift the figures above to reflect a theoretical policy drive for higher densities.

The purpose of the pattern book approach is to establish a reasonable average density for each type of site so that the overall conclusions in the HELAA about development capacity are robust. It is not a detailed predictive exercise on individual sites. Each site has its own set of circumstances which will need to be reflected in detailed proposals, and which the HELAA cannot hope to fully take into

account. In this regard, it is instructive to consider the ranges that have led to the averages above. Suburban sites that fed into these figures ranged between 20dph and 110 dph. The range for urban sites was even greater, between 16dph and 250dph (although most tended to cluster in the middle). Therefore, an average, uplifted where there is clear scope to do so, is a reasonable approach to assessing overall capacity and leads to a realistic assessment of what can be achieved overall.

The approach to development capacity was one of the key variables that the Council looked at when considering the HELAA results with other authorities in the Housing Market Area, and the Council's approach was considered reasonable by those authorities. It was reaching agreement on the approach of the HELAA, in particular on development capacity, that enabled those authorities to sign the Memorandum of Understanding on Reading's Unmet Needs.

It is also worth noting that the HELAA itself tests different assumptions on the densities applied in the pattern book approach in Table 12 of Volume I. Different assumptions actually have a relatively limited effect on addressing the identified shortfall, and the only scenario that removes the shortfall entirely is an extreme change of 50% increase in densities across the board, which is not considered realistic or reasonable.

In terms of suitability, the general approach is summarised in paragraphs 3.12 to 3.15 of the HELAA Volume I. This is based around a set of criteria that emerged from the Berkshire HELAA Methodology, and in particular includes those set out in Appendix C of that document, unless not relevant to Reading such as for, for example, Green Belt. The criteria are grouped under a number of headings, and a conclusion on suitability under each heading is reached. Whether a development is suitable in overall terms is a balanced judgement on each site, and will depend on the degree to which any suitability issues can be overcome within a proposal. This is considered to represent a reasonable assessment of suitability, and there are no representations that argue that this is not the case.

The consideration of availability was based initially on the responses to enquiries with relevant landowners and/or developers, with certain exceptions as outlined in paragraph 3.17 of the HELAA Volume I. Around half of those contacted responded, meaning that the information on availability could be based directly on the responses received, which is therefore considered to represent a realistic analysis in most cases. For the remainder, in most cases there has been some history of discussions on sites in relation to pre-application enquiries, past planning applications, or discussions in relation to planning policy documents, meaning that there was generally a basis to reach a view on the likely availability of a site. Inevitably, this is a judgement call in each case. The Council can neither assume that all sites where there has been no confirmation of availability will be unavailable, nor available, as this will lead to either a vast-underestimate or overestimate of capacity. Again, there have been no representations challenging the availability of any sites on which the HELAA relies, and this is considered to be reasonable and realistic.

In terms of achievability, the approach to this is summarised in paragraphs 3.22 to 3.26 of the HELAA. This approach was based on the agreed Berkshire methodology, and included a set of criteria such as access, legal issues and market demand. Once again, it drew on the responses to the direct contacts with landowners and developers wherever possible, and broadly it assumed achievability unless there were clear reasons to think otherwise. Once again, there have been no representations challenging the achievability of any sites on which the HELAA relies, and this is considered to be reasonable and realistic.

Q3a. In particular, is the identified capacity for sites CR12b, CR13c, CR13d, CR14g, SR3, WR3j, ER1c and ER1e justified?

For most of the sites specified in the question, the HELAA uses a pattern book approach to site capacity, based on the location of the site, i.e. whether it is town centre, town centre fringe, urban or suburban. This is discussed in answer to Q3 above. As set out in that answer, the HELAA process cannot undertake detailed design work for each site, and it is of course possible that there may be scope to accommodate more or less units than the amount specified in the HELAA. This is why the allocation policies include a range (generally a 20% tolerance on either side of the HELAA figure), and the supporting text clarifies that these are not hard and fast policy limits and that much will depend on detailed design work. The purpose of the HELAA is to come to a realistic view of what the overall capacity of the Borough to accommodate development might be, which can actually be delivered and does not leave the Council in a position where it is tied to a provision figure that it is simply not realistic to achieve. The pattern book approach might lead to lower provision than is eventually provided on some sites, but it equally may lead to higher provision elsewhere.

In terms of each individual site:

- CR12b - Great Knollys Street and Weldale Street - The approach used is to take the parts of the site that were unpermitted at the time of the HELAA (excluding the small business units and existing dwellings), and apply a town centre fringe density of 200 dph to the remainder. The density used is slightly lower than the average surrounding residential density (within 150m of the site) is 216 dph, but this includes a 19-storey building at Chatham Place. Once adjustments are made to add in existing permissions (now completed), the final capacity of the site was considered to be 354 dwellings. This site is an unusual case in that a permission has been granted since the completion of the HELAA that would deliver 427 dwellings on the Iceland/Wickes site, which constitutes the vast majority of the developable land. This is therefore a case where an applicant has been able to demonstrate a higher capacity than the HELAA generated, although this development is yet to begin.
- CR13c - Forbury Business Park and Kenavon Drive - The approach excludes the area south of Kenavon Drive which contain four listed buildings and would not be redeveloped, which results in a remaining area of 1.83 ha. An urban density of 81 dph has been applied to the remainder. This results in a

HELAA capacity of 156 dwellings. The site sits between lower density development to the east, and higher density development to the west. The 42 Kenavon Drive development to the east was developed at 77 dph, whilst the application which was permitted subject to S106 at the former Homebase and Toys R Us site was at 276 dph, although this extends some distance to the west and fronts the Inner Distribution Road. The overall approach of this major opportunity area is of generally increasing densities in a westwards direction, and it is considered appropriate that the density of CR13c is assumed to be between the two, but more geared towards the 42 Kenavon Drive site, with which this site shares a substantial boundary. The presence of older two storey dwellings at the south east corner and four listed buildings immediately to the south of Kenavon Drive means that further density would need more detailed consideration.

- CR13d - Gas Holder - An urban density of 81 dph has been applied to this site, resulting in a HELAA capacity of 58 dwellings. This is considered to be a fair assumption, as the site is mostly bounded by 2-3 storey dwellings. The average surrounding density is 62 dph. Whilst the site is in a prominent location on river and rail entrances to Reading, this is not considered to justify an increase in dwelling capacity to the 140-170 dph suggested by the landowner in their representations without assessing proposals in more detail.
- CR14g - The Oracle Extension - This policy has largely been carried forward from work on the Reading Central Area Action Plan. This work identified a potential for around 6,000 sq m of retail and related uses on the part of the site north of Mill Lane, assuming retention of the cinema and based on a plot ratio of approximately 50%, but also accounting for loss of existing retail and related uses of around 4,000 sq m. This is an estimate, and much would be subject to detailed design, and whether, for instance, uses stretched over more than one storey, so can only be an estimate. The area south of Mill Lane would be used for car parking. The contention of Hammerson plc in their (now withdrawn) representation that more floorspace could be delivered as an extension to the Oracle is not so much a disagreement about the specific capacity of the development identified in CR14g, but more about other as yet unspecified potential extensions to the Oracle. The Council is not aware of what these might entail, and it is not possible to assess them through the HELAA process. There are constraints in this area, notably the presence of a conservation area, scheduled ancient monument and listed buildings nearby, and flood risk, which means that greater capacity cannot simply be assumed without more knowledge of what an extension might involve.
- SR3 - South of Elgar Road - An urban density of 81 dph has been applied to this site, resulting in a HELAA capacity of 330 dwellings (please note that the Keyline Builders Merchant part of the site is excluded from the final HELAA figures due to there being no indication that this will be available). This site is mostly bounded by low-rise residential, and surrounding residential areas have an average density of 55-60 dph, but since it also borders larger scale townscape in the form of the industrial areas, and is a large site that may be able to accommodate some higher density forms

without a significant effect on character of surrounding areas, it is considered that this higher urban density can be accommodated.

- WR3j - Land at Moultsford Mews - An urban density of 81 dph has been applied, resulting in a HELAA capacity of 13 dwellings. There are both flats and houses in the immediate surrounds, and the average density is 61 dph. As the site is on the edge of a district centre, a higher density of 81 dph is considered to be reasonable, but that the density of 100-163 dph sought by the landowner in their representations would require more detailed justification.
- ER1c - Land rear of 8-26 Redlands Road - A suburban density of 81 dph is was initially applied, with a theoretical capacity of 55 dwellings. However, this site has considerable sensitivities. It is within the conservation area, and large parts of the gardens are covered by mature trees, which make a valuable contribution to the conservation area. On that basis, the HELAA considered it more appropriate to use the average density of surrounding areas of 33 dph, which leads to a capacity of 15 dwellings (a net gain of 10 when accounting for the existing student residential on site).
- ER1e - St Patrick's Hall, Northcourt Avenue: The identified capacity stems from planning application 161182, which was for redevelopment for 1,040 student units, which would have represented a net gain of 726 units. The HELAA works on the basis of residential equivalent, and for student accommodation uses a 4:1 ratio, so this was converted to 260 dwellings total and 182 net gain. One of the most significant concerns highlighted both through the application and the HELAA process was the need for retention of the locally-listed Pearson's Court building. The HELAA makes an adjustment to a 119 dwelling net gain based on the difference between the amount of units that the application proposed on the site of the redeveloped Pearson's Court and the amount of units that it is estimated could be accommodated within a converted building. This approach is therefore rooted in detailed consideration of potential development of the site.

Q4. Does the evidence give sufficient confidence that allocated sites will be deliverable and developable in accordance with paragraph 47 of the NPPF? How would the supply of housing sites be monitored and managed, including those sites where planning permission has expired?

Paragraph 47 of the 2012 NPPF states that local planning authorities should identify five years' worth of specific deliverable sites. Deliverable sites are defined as follows:

"To be considered deliverable, sites should be available now, offer a suitable location for development now, and be achievable with a realistic prospect that housing will be delivered on the site within five years and in particular that development of the site is viable. Sites with planning permission should be considered deliverable until permission expires, unless there is clear evidence that schemes will not be implemented within five years, for example they will

not be viable, there is no longer a demand for the type of units or sites have long term phasing plans.”

The vast majority of those sites which are considered to be ‘deliverable’ in the HELAA process already have planning permission, and do not therefore appear as allocated sites in the Local Plan. Some allocated sites do have planning permission, in some cases where permission has been granted since the plan was drafted, for instance CR14k (Crown Street and Silver Street) and part of CR13b (part of Forbury Retail Park). In line with the NPPF, these are considered deliverable. Where an allocated site without planning permission is considered to be deliverable, it is usually already cleared or vacant, as is the case for instance for CR14b (Reading Family Centre), CR13c (Forbury Business Park and Kenavon Drive), CR14j (Crown Street and Southampton Street), WR3n (Amethyst Lane), WR3p (Alice Burrows Home), WR3s (Land at Kentwood Hill), WR3t (Land at Armour Hill), and ER1a (The Woodley Arms). There are no known reasons to doubt the deliverability of development of any of these sites.

Paragraph 47 has different expectations for how developable sites should be identified, which should constitute the sites for years 6-10, and, where possible, 11-15:

“To be considered developable, sites should be in a suitable location for housing development and there should be a reasonable prospect that the site is available and could be viably developed at the point envisaged.”

As for deliverability, this has been assessed through the HELAA process. The suitability, availability and achievability analysis in the HELAA has already been discussed. No sites are considered developable or potentially developable without passing the suitability, availability or achievability analysis, with the latter two elements informed by responses from landowners or developers of the relevant site wherever possible. The specific analysis for each site is available to view in the HELAA Volume II (EV015).

It is worth noting that not all allocated sites have been identified as being deliverable or developable. Figure 10.1 of the Local Plan looks at delivery timescales, and where an allocation is identified as “longer term/unknown”, this is because it is not identified as ‘developable’. This is generally because there is no confidence that the site will become available in the plan period. However, the Council considers that these sites are nonetheless important and that the Local Plan should advocate their development and provide policy guidance in case they come forward.

The Council’s answer to Q10 in the Council Response to Initial Comments and Questions (EC001) looks at this issue in more detail, and justifies the Council’s position on continuing to include these as allocations. The Council is not relying on these as ‘deliverable’ or ‘developable’ sites to meet needs, and they do not count towards the anticipated development in the HELAA, Housing Trajectory or provision in policies H1, EM1 or RL2. Development on these sites would therefore be over and above the figures set out in those calculations.

In terms of monitoring, the Council undertakes annual monitoring of residential and non-residential developments between 1 April and 31 March each year, and publishes this on the website. This feeds into an annual refresh of the 5-Year Housing Land Supply and the Housing Trajectory, which is then included in the Annual Monitoring Report each December. The Monitoring Framework in figure 11.1 of the Local Plan shows how the Council intends to monitor policies, and this includes monitoring overall housing provision and 5-year supply for H1, office and industrial and warehouse space for EM1, retail and leisure floorspace for RL2 and the levels of development for uses in each of the five areas of Reading.

In terms of managing the supply of housing sites, the Housing Implementation Strategy (EV012) contains information on how the Council plans to maintain a five-year supply of sites across the plan period. This, however, relates to the overall supply rather than specifically managing the delivery of individual sites, such as those where permission has expired. In terms of individual sites, the introduction of the Brownfield Land Register offers an opportunity to grant permission in principle, and it may be that this lends itself well to sites where permission for residential development has expired or to outstanding Local Plan allocations, as these are sites where there has already been a decision that there is suitability for development. The Council has not placed any sites on part 2 of the Brownfield Land Register in the 2017 edition, but will need to keep this under review in future years.