

Mr J Markwell
Reading Borough Council
Civic Offices
Bridge Street
Reading
RG1 2LU

Private & Confidential

14th October 2020

Dear Mr Markwell,

Former SSE Offices, 53 – 55 Vastern Road, Reading (200188)

Thank you for your time on 8th October to discuss our viability submission accompanying the above planning application.

From the outset, I would like to reiterate that Berkeley are committed to creating a landmark scheme within Reading town centre, with high quality landscaping and public realm as well as delivering the key cycle/footway connection between Vastern Road, Christchurch Bridge and Caversham.

The appraisal toolkit submitted with the application demonstrated that this development does not viably support the provision of any affordable housing. We understand that the Council has had this toolkit independently reviewed, and whilst we do not have the findings of this we have been invited to make an offer to include some affordable housing. We have now had the opportunity to consider an offer to include affordable housing which has been made in the round, in light of the viability position and final the outstanding matters relating to the application.

With the above considered we would like to present Reading Borough Council with a 'without prejudice' affordable housing offer for you to consider ahead of our meeting tomorrow, as follows:

- 42no. (20%) affordable housing to be provided on site.
- All dwellings to be shared ownership.
- Berkeley intend to apply for grant funding from Homes England to enable the delivery of these homes.
- This funding will only be forthcoming if it is clear that the viability has shown that no affordable housing is viable on site without this grant; we would need to agree how this is captured within the 106 and we can discuss this tomorrow. As we are providing a significant betterment at this stage, there will be no review mechanism offered within the s106.

In addition to the above proposal, we would also like to offer an increased financial contribution of £200,000 to deliver the new pedestrian crossing on Vastern Road. We have had a quote for the crossing which we would be more than happy to share with you. This financial contribution is to be paid to Reading Borough Council, allowing them to deliver the crossing once the Aviva application comes forward and the exact location of the crossing landing is known.

When making the above proposal, we have also assumed the following:

- The energy strategy for the site retains the all-electric solution as currently proposed within the application.
- Officer's agreement to Berkeley delivering a new planting scheme and providing additional ecological enhancements on RBC owned land to mitigate the impact of shading from our proposed development as requested by the Environment Agency.
- The application being heard at the 4th November planning committee with an officer's recommendation for approval.

Berkeley Homes (Oxford & Chiltern) Limited,
Berkeley House, Farnham Lane, Farnham Royal, SL2 3RQ
Tel: 01753 784 400 Fax: 01753 646 855

www.berkeleyhomes.co.uk



Proud to be a member of the Berkeley Group of Companies
Registered in England and Wales No: 2843844
Registered Office: Berkeley House, 19 Portsmouth Road, Cobham, Surrey KT11 1JG



The above stipulations provide certainty to Berkeley regarding the costs that will be incurred as part of this development coming forward. On the basis that the above conditions are not agreed, this will affect the development costs and the subsequent affordable provision that Berkeley are able to offer, hence the without prejudice proposal being made at this time.

I would hope that this proposal provides Reading Borough Council with an affordable housing offer that you can support allowing us to agree a way forward to ensure that the planning application can be heard positively at planning committee on 4th November.

I look forward to discussing our proposal with you tomorrow.

Yours sincerely



Caroline McHardy
Land and Development Director

cc. Mr Steve Hicks – Reading Borough Council

Berkeley Homes (Oxford & Chiltern) Limited,
Berkeley House, Farnham Lane, Farnham Royal, SL2 3RQ
Tel: 01753 784 400 Fax: 01753 646 855

www.berkeleyhomes.co.uk



Proud to be a member of the Berkeley Group of Companies
Registered in England and Wales No: 2843844
Registered Office: Berkeley House, 19 Portsmouth Road, Cobham, Surrey KT11 1JG

