UPDATE REPORT

BY THE DIRECTOR OF ECONOMIC GROWTH AND NEIGHBOURHOOD SERVICES
READING BOROUGH COUNCIL **ITEM NO.**
PLANNING APPLICATIONS COMMITTEE: 15th February 2022

Ward: Abbey
App No.: 200328/FUL
Address: Vastern Court, Caversham Road, Reading
Proposals: Outline planning permission with the details of access, appearance, landscaping, layout and scale reserved for later determination. A demolition phase and phased redevelopment (each phase being an independent act of development) comprising a flexible mix of the following uses: Residential (Class C3 and including PRS); Offices (Use Class B1(a); development in Use Classes A1, A2, A3 (retail), A4 (public house), A5 (take away), D1 and D2 (community and leisure); car parking; provision of new plant and renewable energy equipment; creation of servicing areas and provision of associated services, including waste, refuse, cycle storage, and lighting; and for the laying out of the buildings; routes and open spaces within the development; and all associated works and operations including but not limited to: demolition; earthworks; provision of attenuation infrastructure; engineering operations.
Extended Target Date: 31/7/2021

RECOMMENDATION

As per the main report with the following additions **and** ~~deletions~~ **to those reported refusal reasons:**

1. Scale, height and massing

The Applicant has failed to demonstrate how proposed plot heights in excess of Local Plan and RSAF height and massing guidance will not result in unacceptable detrimental effects on the townscape, the surrounding area and the setting of public spaces, especially when considered in the context of cumulative effects with adjoining allocated, emerging and existing sites contrary to NPPF Section 12., the National Design Guide, National Model Design Code Parts 1 and 2, Reading Borough Local Plan Policies (2019) Policies CR2, CR3, CC7, H2, CR10 and CR10(a), CR11 and CR11e, the Reading Station Area Framework (2010).

2. Tall buildings

The siting, height and likely massing of proposed Tall Buildings within Plots A, B, C and D are bulky, harmful to the setting and the character of the surrounding area and public spaces and fails to achieve the high standard of design expected of a Tall Building. This is contrary to contrary to NPPF Section 12, Reading Borough Local Plan Policies (2019) EN1, EN3, EN5, CR2, CR3 CC7, CR10, H2, CR11, The Reading Tall Buildings Strategy, The Reading Tall Buildings Strategy Update Note 2018, and the Reading Station Area Framework (2010).

3. Views and townscape

The proposed siting, maximum heights, and likely massing of tall buildings within Plots C and D will appear bulky and over-dominant resulting in a detrimental impact on the skyline and harm to short and medium distance views including along Station Road, the setting of Station Square (North and South) and surrounding buildings and structures.

Therefore, the development is contrary to NPPF Section 12, Reading Borough Local Plan Policies (2019) Policies CC7, H2, EN1, EN3, EN5, EN6, CR2, CR3, CR10 and CR10e, CR11 and Section 12 and 16 of the NPPF, The Reading Tall Buildings Strategy, The Reading Tall Buildings Strategy Update Note 2018, and the Reading Station Area Framework (2010).

4. North-South Link

The development as proposed fails to demonstrate that satisfactory direct alignment and high-quality design and form of the north-south link can be provided in accordance with policy and guidance. Therefore, the development is contrary to NPPF section 12, The National Design Guide, National Model Design Code Parts 1 and 2, Reading Borough Local Plan Policies (2019) ~~CC2~~, CC7, CR2, CR3, CR11, CR11e, CR11g, TR3 and TR4 and the Reading Station Area Framework (2010).

5. Heritage

By virtue of the proposed maximum height and siting of Blocks C and D the proposal would result in a detrimental effect on the setting of and therefore, the significance of the Grade II listed Main building of Reading General Station, the Market Place/London Street Conservation Area and the Grade II Town Council Chamber. The public benefits of the proposals are not considered to outweigh the less than substantial harm caused to the significance of these designated heritage assets. Therefore, the development is contrary to Reading Borough Local Plan (2019) Policies EN1, EN3, EN5, EN6, The Reading Tall Buildings Strategy, The Reading Tall Buildings Strategy Update Note 2018, and the Reading Station Area Framework (2010) and Section 16 of the NPPF.*

6. Public Realm

The proposed siting of development plots, the public realm and vehicular access arrangements at the interface of the Development with Vastern Road, Caversham Road, and the remainder of the CR11e Allocated Site Station, (including integration with the North Station Square, fail to maximise and secure high quality public realm, make the most efficient use of the site, achieve effective permeability, and fail to adopt a comprehensive approach to the development of the Allocated Site. Therefore, the development is contrary to NPPF Section 12, Reading Borough Local Plan (2019) Policies, CC7, CR2, CR3 CR11 and CR11e, TR3, TR4 and the Reading Station Area Framework (2010).

7. Daylight/Sunlight (Existing and future residents)

The proposed development would result in unacceptable loss of daylight to existing residents at 17-51 ~~Caversham Road~~ Vastern Road and has not demonstrated whether acceptable living conditions (daylight and sunlight) could be achieved for occupants in the new development. In addition, it has not been adequately demonstrated how an acceptable level and quality of private and communal amenity space could be achieved for all future occupiers, whilst meeting appropriate levels of daylight and sunlight penetration. The proposal submission does not also include an assessment of the cumulative impact on the adjoining RMG site and the loss of daylight sunlight to the SSE site. Therefore, the development would be contrary to NPPF, The National Design Guide, National Model Design Code Parts 1 and 2, Reading Borough Local Plan Policies (2019) CC7, CC8, H10, and CR10.

8. Wind

It has not been demonstrated that the proposed development would result in an acceptable wind and microclimate environment, such that the mitigation measures as set out in the ES would not be sufficient to provide the required level of mitigation. This would create a harmful and unpleasant environment for users of the site. Therefore, the development would be contrary to NPPF, The National Design Guide, National Model Design Code Parts 1 and 2, Reading Borough Local Plan Policies (2019) CC7, CC8, CR2, CR10, The Reading Tall Buildings Strategy, The Reading Tall Buildings Strategy Update Note 2018, and the Reading Station Area Framework (2010).

9. Landscape, trees and green network

The proposed layout, scale and quantum of development fails to demonstrate the satisfactory delivery of required landscaping principles, appropriate protection and retention of protected trees, and consolidation, extension and/or enhancement of the 'Green Network'. Therefore, the development is contrary to NPPF 2021, The National Model Design Code (July 2021), Policies EN12, EN14, EN15, EN18, CR3, CC7 of the Reading Borough Local Plan (2019), the Council's Sustainable Design and Construction SPD (2019), Reading Station Area Framework (2010), Reading's Biodiversity Action Plan (2021) and the adopted Tree Strategy

10. Failure to provide appropriate public open spaces

The proposed development fails to provide appropriate, well-designed public spaces of a flexible size and shape due to the location and alignment of development plots related to the Station Square North and the area of open space at the western end of the east-west link, and as a result fails to demonstrate that it is part of a comprehensive approach to its sub-area which contributes towards the provision of policy requirements for open space that benefit the whole area, contrary to policies CR2 b, CR3 ii, CR11 viii and EN9 of the Reading Borough Local Plan (2019) and the adopted Reading Borough Supplementary Planning Document Reading Station Area Framework (2010).

11. Sustainability

The application fails to demonstrate a sufficiently robust strategy in terms of minimising carbon dioxide emissions, meeting the predicted residential and commercial energy targets and selection of most appropriate on-site renewable energy technologies, contrary to policies H5, CR10, CC2, CC3, CC4 of the Reading Borough Local Plan (2019) and the Council's adopted SPD, Sustainable Design and Construction (2019).

12. Failure to secure S106

In the absence of a completed legal agreement to secure an acceptable contribution or mitigation plan, towards the provision of:

(i) Employment, skills and training for the construction and end user phases of the development;
(ii) Affordable Housing pre-implementation, mid-point and final outturn review mechanism;
(iii) Off-site open space, leisure and recreation facilities;
(iv) Transport including: footpath/cycle way enhancements on Vastern Road and Caversham Road, provision of pedestrian/cycle route through the site before first occupation and

associated infrastructure/signage, car parking management strategy, signalised crossing, underpass, car club, parking permits, travel plan;
(v) Highway works - S278/38;
(vi) Carbon offsetting;
(vii) Public realm;
(viii) Build to rent controls;
(ix) Phasing;
(x) Decentralised energy;
(xii) Education;
(xiii) Public art;
(xiv) CCTV;
(xv) Monitoring/Legal fees;

Contrary to Reading Borough Local Plan (2019) Policies CC4, CC8, CC9, EN9, CR2, CR3, CR11, H3, H4, H5, TR1, TR3, TR5, Employment Skills and Training SPD (2013, Affordable Housing SPD (2021), Reading Borough Supplementary Planning Document Planning Obligations under Section 106 (2015).

1. Flood risk and drainage

1.1 Further to Section 9 within the main agenda report, the Environment Agency (EA) have now reviewed the additional clarifications provided by the applicant in their submitted flood risk technical note. The EA have confirmed that the additional information provides the reassurance that, in principle, the required flood water storage compensation can be provided within the site. Therefore, the EA would have removed their current flood risk objection to the proposed development and requested planning conditions if the application had not been referred to the Planning Inspectorate.

1.2 The LPA expect formal comments by the 18 February 2022 with this revised position and the conditions that would have been requested.

2. Affordable Housing

2.1 BPS were commissioned to review the viability information provided by the applicant in connection with this application. Their report was provided to the Council dated 10 February 2022.

2.2 In summary, they considered there are significant areas of ambiguity attached to this application which prevent them reaching a clear view on whether the eventual development would deliver the maximum reasonable level of affordable housing. This being the clear criterion by which the application should be judged in respect of this aspect. For clarity we have listed the areas of ambiguity below:

A) The Council's appointed valuers were provided with information regarding the current lease terms of the existing retail park's tenancies including the passing rent, service charge and empty property costs but this has not been confirmed. This makes it unsafe to reach a view of the site's existing use value (EUV). The EUV being the basis against which the proposed development is viability tested.

B) It was noted that the current tenancies have a range of expiry dates between 2023 and 2029. It is not clear in light of this how and when the development will practically come forward. The potential for considerable delay to allow these terms to elapse could render a viability assessment based on current costs and values to be irrelevant for the purposes of determining the development's viability and therefore its scope to meet policy requirements.

C) The phasing of the development in part, will flow from the point vacant possession is determined and is also far from clear. This has considerable implications on the project interest costs.

D) The application seeks considerable flexibility in the form the development with the bulk of the floorspace proposed as either C3 (market sale) or B1 (now Class E office/commercial space). Because specific consent would not be required there is also scope for the C3 element to come forward as build for rent tenure, or any combination of these uses. Each use has its own market demand, costs and values as such there is inevitably a spectrum of possible viability reflecting this flexibility and it is not possible to say where in this spectrum the eventual development's viability would land, especially given the ambiguity around commencement and programme.

E) It would be expected that as a minimum, detailed drafting would be provided within any S106 Agreement which would seek to address some of this ambiguity to ensure that the twin objectives of the Council's Local Plan policies are met. These being to maximise affordable housing delivery and to ensure that this delivery is provided on site.

2.3 The Council's appointed valuers have set out below their view on the form of viability reviews that should be provided for in any S106 Agreement:

1) A pre-implementation review triggered by the submission of Reserved Matters Approval. This point would hopefully provide clarity as to the form of development thereby its costs and values. Furthermore, it would also assist in narrowing the timing considerations. This review should be informed by a relevant benchmark land value assessment, noting we are unable to confirm a definitive figure at this point in time, together with a clear profit target. Any surplus identified by this review should be applied 100% to the delivery of onsite affordable housing. This is consistent with practices undertaken by other LPA's, most notably the GLA.

2) Noting that the development has been identified in substantial phases it may be appropriate to consider a mid-point review when actual costs and values are potentially available from phase 1 but before the reserved matters applications for later phases has been determined. This would allow further scope for assessing scheme viability and would provide a further opportunity for securing onsite affordable delivery. Typically, we would expect a 50/50 division of any surplus identified at this stage.

3) Consistent with the Council's normal practices, the Council's appointed valuer would expect a final outturn review to be undertaken which reviews the costs and largely achieved values generated by the scheme. The trigger for this review would typically

be at a point where the unsold balance of the scheme exceeds the scale of any deferred contribution. There are available mechanisms for a quick review to allow more of the development to be completed and sold before this review is formally undertaken which should also be considered. Division of any surplus under these arrangements would again normally be around a 50/50 split but with any surplus being provided in the form a payment in lieu.

2.4 All three reviews should be undertaken on an open book basis and have been included under refusal reason 12 above.

2.5 It should be noted that without clarity concerning the site's existing use value and relevant profit targets, the operation of these reviews, even if proposed, would be significantly compromised.

3. Natural environment

3.1 Refusal Reason 9 'Landscape, trees and green network' identifies a failure to consolidate, extend and/or enhance the 'Green Network'. Whilst Green Networks are dealt with in Local Plan Policy EN12, the additional need has been identified reference the Council's adopted Biodiversity Action Plan (BAP) within this reason for refusal. The BAP was adopted in February 2021. Therefore, Refusal Reason 9 is updated as above.

4. Corrections and clarifications

4.1 Officers wish to bring members attention to the following additional minor corrections and clarifications which relate to above following refusal reasons.

- *Reference to the National Model Design Code Parts 1 and 2 has been inserted within* ***refusal reasons 1, 4, 7 and 8****;*
- *Policy CR3 has been added to* ***refusal reason 2****;*
- *Reference has been made to The Reading Tall Buildings Strategy Update Note 2018 within* ***refusal reason 2, 3, 5 and 8****;*
- *Policy CC2 has been removed from* ***refusal reason 4****;*
- *The Reading Station Area Framework (2010) has been added to* ***refusal reason 5 and 8****;*
- ***Refusal reason 7*** *has been amended to correctly reference Vastern Road and not Caversham Road. In addition, Policy CR10 has been added to this reason;*
- *Policy EN9 has been added to* ***refusal reason 10****;*
- *Finally, additional infrastructure obligations have been added to* ***refusal reason 12 as referenced within the main agenda report****;*

5. Additional consultations

5.1 RBC Waste Services – Observations over waste collection requirements for a development of this scale.

Case Officer: Brian Conlon