

Examination of the Reading Borough Local Plan Partial Update

Our ref 67717/02/DL/HBe
Date 13 October 2025
From Lichfields obo USS Investment Management Ltd

Subject Matter 1: Legal Requirements and Procedural Matters

This Hearing Statement has been submitted by USS Investment Management Ltd ('USS'); promoting land at Aquis House (policy CR14t) and 33 Blagrave Street (policy CR14u) which is allocated in the emerging Reading Borough Local Plan Partial Update.

The Reading Local Plan Partial Update (LPPU) is being examined against the version of the National Planning Policy Framework (NPPF) published in December 2023, in line with the transitional arrangements set out in Annex 1 of the December 2024 version of the NPPF. It is therefore also being examined against the version of Planning Practice Guidance (PPG) that underpinned the 2023 NPPF. References within this statement to 'NPPF' and 'PPG' should be taken as those associated with the December 2023 Framework, unless otherwise stated.

This Matter Statement should be read alongside the submissions made by Lichfields on behalf of USS at Regulation 19 Stage, which can be found at [LPP07](#) (5 of 6).

1.0 Issue 1 – Duty to Co-operate

Q1.1) The Council's Duty to Co-operate Statement (May 2025) [EV001] states at paragraph 2.3.1 that although the LPPU bases its level of housing need on the findings of the Reading Local Housing Needs Assessment (July 2024) [EV011], which can be fully met within Reading's boundaries, it was nonetheless considered necessary to make a request to neighbouring authorities under the duty to co-operate to understand the position if the LPPU were to be based on the outcome of the standard methodology. What did this process entail? Can the Council point to evidence of constructive, active and ongoing joint working with neighbouring authorities on a) general housing need and b) provision for Gypsies, Travellers and Travelling Showpeople?

- 1.1 We note the contents of the SOCG between Reading Borough Council (RBC) and South Oxfordshire District Council (SODC) and Vale of White Horse (VoWH, December 2024), Wokingham Borough Council (WBC, May 2025), West Berkshire District Council (WBDC, May 2025) and Bracknell Forest District Council (BFC, May 2025), which are summarised within RBC's Duty to Co-Operate (DtC) Statement (May 2025).

- 1.2 RBC wrote (on 23rd August 2024¹) to all local planning authorities within 10 km of the RBC boundaries to understand whether there would be scope to accommodate any unmet needs that would arise should the Partial Update be based on the standard methodology. RBC's DtC statement contends that *"in general, no responses identified any scope to meet any unmet needs that would arise from Reading"* (para 2.3.3).
- 1.3 It is important to recognise that RBC's letter (23rd August 2024) did not identify (or specifically quantify) any unmet housing needs, stating *"Reading's position is that its Partial Update will meet its housing needs in full, and that it does not intend that there will be unmet needs that neighbouring authorities need to accommodate"*. This was predicated on the LPPU planning for provision of 825 homes, compared to a contended housing need of 735 homes².
- 1.4 The absence of any identification of a specific quantity, location or type of unmet need undermined any imperative (or ability) for neighbouring authorities to fully assess their potential to accommodate unmet need. On this basis, responding LPA's effectively did not consider it necessary or justified to make provision for potential unmet need (which had not been identified). This is clearly different from neighbouring authorities being unable to accommodate any unmet need as RBC contend. This is demonstrated through the responses from BFC (1) and SODC (2) as follows:
- 1 *"It is noted that using the current standard methodology would result in a figure of 878 dwellings per year. Over the plan period (2023-2041) this would result in an outstanding need of 954 dwellings (53 dpa). However, this position has not yet been imposed upon you and it is considered premature to be agreeing need matters on this basis"*. (RBC DtC statement, page 27))
 - 2 *"Our position on meeting any unmet need is that we will not make provision in our emerging Joint Local Plan to meet unmet needs until that need is fully justified, and it is considered necessary within South and Vale, which should be explored through a joint exploration of alternatives. As you will be aware, we have not engaged with you previously on unmet housing needs specifically. The Reading emerging plan has not advocated meeting unmet need in South and Vale, and we have therefore not taken any steps in the production or evidence gathering of our emerging Joint Local Plan"* (RBC DtC statement, page 31)
- 1.5 We note that the correspondence between RBC and neighbouring authorities has been predicated on the assumption that RBC seeks to meet its full housing need within its boundary, and that no unmet need is generated by neighbouring authorities.

Q1.2) What is the position of neighbouring authorities in terms of the planned level of a) housing and b) provision for Gypsies, Travellers, and Travelling Showpeople in Reading? Does the overall provision planned for in the LPPU

¹ As per appendix 3 of the Reading Borough Local Plan Partial Update Duty to Co-Operate Statement May 2025

² As outlined by Reading Borough Local Plan Partial Update Housing Provision Background Paper (November 2024)

have any implications for other authorities? If so, what are they and how are these being addressed?

- 1.6 Our response in relation to Q1.2 a) is that the overall provision planned in the LPPU effectively makes no provision for accommodating unmet housing need for neighbouring authorities, before the needs of all neighbouring authorities have been determined, as expanded on in response to Q1.5. We make no comment on Q1.2 b).

CQ1.3) Has the Council been approached by other strategic policy-making authorities to accommodate any unmet needs in the LPPU?

- 1.7 No comments.

Q1.4) With regard to question 1.3, what were the outcomes of these discussions with other strategic policy-making authorities with unmet needs?

- 1.8 No comments.

Q1.5) How has the Council considered the likely possible impacts of accommodating unmet housing needs from elsewhere as part of the LPPU's preparation?

- 1.9 The Joint Local Plan between SODC and VOWH is currently undergoing examination. Stage 1 hearings³ concluded in June 2025, and the Inspectors wrote to the JLP authorities on 26th September with a substantial update. In summary the Inspectors recommended the JLP be withdrawn (or a report be issued with findings) on the basis the JLP had failed DtC requirements in respect of potential unmet housing need for Oxford City beyond 2031/36 and how the JLP accommodates previously agreed unmet need. Lichfields submitted representations to the JLP that in summary identify:
- 1 The JLP does not provide sufficient housing to support the amount of jobs being planned for, which will lead to unsustainable increases in in-commuting;
 - 2 The amount of jobs being planned for is a significant under-estimate of true economic needs and potential and therefore the shortfall in housing is greater still; and
 - 3 The JLP fails to address Oxford's unmet needs beyond the timeframe of the existing agreement.
- 1.10 On this basis Lichfields estimates that the 'actual' level of housing need for the JLP area, which reflects national policy and guidance, is likely to be in the region of 2,000-2,500 homes per year (before unmet need) – nearly double what the JLP is currently planning for.
- 1.11 The SOCG (2024) between RBC and the JLP authorities states *"There is no expectation of unmet need needing to be planned for by neighbouring local authorities"* (SOCG, para 4.14). This agreement is predicated on the JLP's intention to meet a level of housing need which Lichfields contend is significantly below that required for the plan to be found sound. Lichfields contention is supported by the JLP Inspector's letter 26th September 2025.

³ Dealing with Legal and procedural compliance (Matter 1) DtC (Matter 2) Housing target/ Requirements (Matter 3) and Employment Land requirements (Matter 4)

- 1.12 The JLP authorities need to address if they consider that the issues raised in the Inspector's letter (26th September 2025) would give rise to housing need that could not be met within the JLP boundary. This eventuality has not been addressed between South and Vale and RBC in the SOCG.

Q1.6) With regard to question 1.5, what does this show and how have the results been shared and/or discussed with duty to co-operate bodies?

- 1.13 No comments.

Q1.7) In determining the need for different types of employment land over the LPPU's plan period, how have inter-relationships with other local authorities in terms of economic growth, travel to work, and employment land provision been taken into account? Does the overall provision planned for in the LPPU have any implications for other authorities? If so, what are they and how are these being addressed?

- 1.14 No comments

Q1.8) What progress has been made in respect of a Statement of Common Ground between the Council and National Highways with regard to junction 11 of the M4 motorway? When can this Statement of Common Ground be expected? How does this meet the requirement to engage constructively, actively and on an ongoing basis with relevant authorities to consider strategic matters through the preparation of a development plan document?

- 1.15 No comments

Q1.9) Are there other genuinely strategic matters as defined by Section 33A(4) of the Planning and Compulsory Purchase Act 2004 (as amended)? How have those matters been addressed through co-operation and what are the resulting outcomes?

- 1.16 No comments

Q1.10) Has the Council engaged with all relevant local planning authorities, county councils and other prescribed bodies in the preparation of the LPPU?

- 1.17 No comments

Q1.11) Has the Duty to Co-operate has been complied with on an ongoing basis, actively and constructively on strategic policies/matters so far as the preparation of the LPPU is concerned? If not, why not?

- 1.18 No comments

2.0 Issue 2 – Has the Council complied with the relevant legal and procedural requirements in preparing the LPPU?

Q1.12) Has the LPPU been prepared and publicised in accordance with the statutory procedures of the Planning and Compulsory Purchase Act 2004 and the consultation requirements in the Regulations?

2.1 No comments

Q1.13) To what extent has the LPPU's production been consistent with the Reading Borough Council Local Development Scheme (June 2024) [PP001]?

2.2 No comments

Q1.14) Was the LPPU been produced in compliance with the Council's Statement of Community Involvement (March 2014) [PP002], allowing for effective engagement of all interested parties and meeting the minimum consultation requirements set out in the Regulations? Does the Statement of Community Involvement remain relevant and up-to-date? Has all relevant and available evidence been made available for consultation at the various stages?

2.3 No comments

Q1.15) How do the two Statements of Community Involvement dated March 2014 [PP002] and January 2025 [PP003] differ? Please provide a copy of the adopted Statement of Community Involvement (June 2025) and explain how that differs from the Statement of Community Involvement (March 2014).

2.4 No comments

Sustainability Appraisal

Q1.16) How has the Sustainability Appraisal of the Local Plan Pre-Submission Draft Partial Update (Regulation 19)(SA)[LP005] informed the LPPU's preparation at each stage of its development? How were options considered? Is it clear how the SA has influenced the LPPU?

2.5 No comments

Q1.17) Does the SA adequately and accurately assess the likely effects of the policies and proposals in the LPPU on the SA's objectives? Does the SA test the LPPU against reasonable alternatives where these exist, such as different options for housing and economic growth? Does the SA test for housing growth consistent with the local housing need including the cities and urban centres uplift? Was the testing of the policies and proposals in the LPPU and of the reasonable alternatives undertaken on a like for like basis? Were reasons given for rejecting the appraised alternatives?

2.6 No.

- 2.7 Firstly – and building on USS’s Reg.19 representations⁴ – USS has several concerns related to the assessment of proposed allocations within the latest SA (LP005). In particular, allocations CR14t (Aquis House) and CR14u (33 Blagrove Street) that USS has an interest in⁵. One policy alternative assessed for the two sites is for a mixed-use development of 10-15 storeys (the ‘tall building’ options: ‘CR14t[i]’ and ‘CR14u[i]’). However, the preferred alternative for both sites is for a development below the ‘tall building’ threshold (9 or fewer storeys in the SA assessment) (the ‘lower rise’ options: ‘CR14t[iii]’ and ‘CR14u[iii]’).
- 2.8 The SA concludes that the ‘lower rise’ options should be preferred owing to them resulting in the ‘most positive sustainable outcomes’. However, this conclusion is in USS’s view flawed. Instead, the ‘tall building’ options should have been preferred to deliver the most sustainable outcomes. To support this view, the below compares assessment of the two options against each other in terms of the SAs (LP005) objectives (p.176 – 181):
- Objective 1 (address climate emergency) & Objective 2 (adapt to climate change): Both options are scored the same (√X) for these objectives. However, the ‘taller building’ options would result in a greater quantum of development built to modern standards that could help both address and adapt to climate change. This is not reflected in either the scoring or the assessment text within the SA;
 - Objective 4 (minimise consumption of undeveloped land): The text justifications do not fully recognise the fact that the taller options would result in more sustainable outcomes against this objective: enabling more people to live and work in a highly sustainable location;
 - Objective 9 (landscape and townscape character): The taller building options for both sites are assessed as having a ‘tendency to a negative impact’ against this objective. The lower rise options are scored as having an impact that cannot be predicted. In both cases, there is a risk of some harm to this objective (noting the fact that townscape change will be inevitable to meet needs), but sensitive design can mitigate against it. This fact is not fully recognised in the taller building options but is in the lower rise within the assessments supporting text.
 - Objective 11 (human health, safety and wellbeing): In the case of Aquis House, the taller building option is assessed as having an unknown impact on this objective while the lower rise option is scored as having both positive and negative effects. However, the justification for each in the assessments supporting text is the same. Therefore, they should be scored the same.
 - Objective 13 (housing), Objective 14 (reduce the need to travel), & Objective 18 (facilitate economic growth): The text justifications do not fully recognise the fact that the taller options would result in more sustainable outcomes against these objectives.
- 2.9 The above demonstrates that the SA’s conclusions underplays the positive sustainability outcomes of implementing a taller development option through the site’s relevant policies (CR14t and CR14u). Instead, it results in policies that risk impeding the delivery of higher

⁴ [Representations to Reading Borough Local Plan Partial Update Regulation 19 Consultation/ ref. no. LP007]. See paragraphs 7.9-7.23 and 8.11-8.15.

⁵ See pages 176 to 181

density development on what is a highly accessible brownfield site capping their development capacity. This conclusion has implications for the assessment of different levels of housing growth assessed within the SA and by extension the proposed housing requirement (see also USS' Matter 2 Statement).

- 2.10 Moving on to the subject of alternative housing growth scenarios, the SA tested four different options. The preferred option (H1[i]) set the proposed housing requirement at the assessed capacity for housing (825 dpa), which now forms the basis of Policy H1 in the draft plan (LP001). In the Council's opinion, this requirement is at a level sufficient to meet its own defined housing needs (735 dpa using its alternative assessment of need to the standard method) plus a contribution above 'need' to support the national objective to 'significantly boost the supply of housing'⁶.
- 2.11 The SA also tested an option assessing whether it would be appropriate to plan for the standard method figure as of November 2024: 878 dpa (H1[iv]). It concluded that this option could not be achieved as there was not the development capacity to deliver it while avoiding "*unnecessary over development*"⁷. Since the publication of a SA and at the point of the plan's submission, the relevant standard methodology outputs a lower figure of 822 dpa⁸. Therefore, if one looked at the position now the preferred option (H1[i]) it would set a requirement that is materially the same as its minimum assessed housing need.
- 2.12 Notwithstanding, the key issue with the SA in terms of its assessment of the potential alternative housing growth scenarios are that (a) it should have tested an alternative housing growth scenario seeking to require materially more homes than the standard method (i.e. originally 878 dpa but now above 822 dpa); and (b) the preferred capacity-based option is flawed as housing capacity in the Borough is greater than assessed.
- 2.13 These concerns are of particular importance as the relevant (December 2023) NPPF (para 60) identifies the importance of "*the Government's objective of significantly boosting the supply of homes.*"
- 2.14 We conclude this for the following reasons:
- 1 As per USS; response to Matter 2 Question 2.2, we do not consider there are exceptional circumstances to justify the Council using its alternative approach to assessing its housing needs. Instead, we conclude that the 'standard method' should have been the starting point for assessing its needs. Therefore, option H1(v) – that sought to meet the Council's own assessed need for homes of 735 dpa – should not have been considered a 'reasonable alternative';
 - 2 With option H1(v) being discounted and the standard method – at that time (878 dpa) – being above the Council's own assessed capacity (825 dpa), the Council should have approached the question of whether it could meet its standard method figure against the NPPF Paragraph 11(b) tests. This may have resulted in a different assessment of capacity if it were concluded there were not adverse impacts of meeting said need (or a greater level of need) that significantly and demonstrably outweighed the benefits.

⁶ As stated at Para 4.14.7 (EV002)

⁷ Page 77 (LP005)

⁸ As detailed in EV013

For example, there are allocations, including USS' allocations, that could deliver a greater quantum of housing development. However, such allocations have been capped in terms of their capacity owing to draft policies limiting development heights in what are highly sustainable central locations. If taller developments were supported, it would result a greater level of housing provision that in turn would increase the capacity for development. The implications of this are considered further in USS' response to Matter 2;

- 3 Not only should the output of the standard method have been the starting point, but there should also have been an option testing whether a greater level of homes could be met. This is noting there were clear indications actual housing need is higher than the output of the standard method⁹; and

2.15 In summary, the SA (LP005) does not undertake a like for like assessment of site allocations CR14t (Aquis House) and CR14u (33 Blagrove Street) with regards to the reasonable alternatives for both allocations. Both could deliver taller buildings in what are highly sustainable central locations: resulting in more sustainable outcomes. The SA (LP005) also does not test what are reasonable alternatives in terms of the levels of housing growth. The capacity-based figure tested underestimates their capacity (noting our first conclusion), the Council's own assessment of its need is not justified by exceptional circumstances¹⁰, and the Council should have tested a figure above the standard method (noting clear indications true housing needs are higher).

Q1.18) Has the SA's methodology been appropriate? What concerns have been raised and how would the Council respond to these concerns?

2.16 Please see response to Q1.17.

Q1.19) In overall terms does the LPPU meet the legal requirements of Section 19(5) of the Planning and Compulsory Purchase Act 2004, and the relevant Regulations, and accord with paragraph 32 of the Framework and the Planning Practice Guidance (PPG) with regard to sustainability appraisal?

2.17 No comments.

Q1.20) Were consultation requirements complied with in respect of sustainability appraisal?

2.18 No comments.

Habitats Regulations Assessment

Q1.21) How was the Habitats Regulations Assessment carried out and was the methodology appropriate? Does it meet the requirements of the Conservation of Habitats and Species Regulations 2017 and reflect relevant case law?

2.19 No comments.

⁹ See response to Matter 2, Q2.2

¹⁰ See response to Matter 2, Q2.2

Q1.22) What relevant designated sites were considered? What potential impacts of the LPPU were factored in? What were the overall conclusions of the Habitats Regulations Assessment and how have these informed the LPPU's preparation?

2.20 No comments.

Q1.23) Have any concerns been raised regarding the Habitats Regulations Assessment and what are they? How would the Council respond to these concerns?

2.21 No comments.

Q1.24) How and when has Natural England been involved in the Habitats Regulations Assessment process?

2.22 No comments.

Other Matters

Q1.25) Is the LPPU sufficiently clear on which policies would be superseded and which would remain extant on adoption?

2.23 No comments.

Q1.26) Does the LPPU include all relevant strategic policies to address the Council's priorities and adequately set out an overall strategy for development as required by paragraphs 20 - 22 of the Framework?

2.24 No comments.

Q1.27) Will the LPPU's strategic policies have a minimum time period of 15 years at adoption, consistent with paragraph 22 of the Framework?

2.25 No comments.

Q1.28) Is the LPPU's relationship to any existing or emerging Neighbourhood Plans justified and reasonable, including the clear identification of strategic policies within the LPPU which Neighbourhood Plans would be required to be in general conformity with?

2.26 No comments.

Q1.29) How does the LPPU meet paragraph 11 a) of the Framework?

2.27 No comments.

Q1.30) Is it clear how the LPPU secures development that contributes to the mitigation of, and adaptation to, climate change in accordance with Section 19(1A) of the Planning and Compulsory Purchase Act 2004?

2.28 No comments.

Q1.31) How have issues of equality been addressed in the LPPU? In particular, in what way does the LPPU seek to ensure due regard is had to the need to achieve the three aims defined in Section 149 of the Equality Act 2010 in relation to those who have a relevant protected characteristic?

2.29 No comments.

Q1.32) Is the geographical illustration of all relevant policies shown on the Policies Map?

2.30 No comments.