



Reading Borough Council Local Plan Partial Update

Matter 2 Hearing Statement

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MATTER 2: HOUSING NEED AND REQUIREMENT

Issue 1: Is the LPPU positively prepared, justified, effective and consistent with national policy and guidance with regard to housing need and the housing requirement?

2.1 - What is the minimum number of new homes needed over the LPPU's plan period as calculated using the standard method and including the cities and 5 urban centres uplift based on the latest available figures at the point the LPPU was submitted? Are the calculations accurate and do they reflect the PPG's methodology and advice?

1.1.1 At the time Reading BC consulted on its Regulation 19 Local Plan, the minimum housing requirement for Reading Borough, using the standard method (SM) and including the urban uplift, was 878 dpa.

1.1.2 The LPPU was ultimately submitted in May 2025. In March 2025, revised/updated median work-place based affordability ratios were published, as documented in EV013. When these most recent affordability ratios are applied to Reading BC's SM calculation, the resulting need figure in EV013 is stated to be 822 dpa.

2.2 Having had regard to the PPG, are there any exceptional circumstances in Reading which justify an alternative approach to following the standard method in its entirety, including the cities and urban centres uplift? If so, what are they, are they supported by robust evidence, and what should the housing requirement for Reading be?

1.1.3 The Council's justification for an exceptional circumstance summarised in EV012 and is stated as being twofold:

- a. Demographical issues relating to unattributed population change; and
- b. The circumstances of Reading in relation to other urban uplift authorities, in terms of population, geographical area and the extent of the urban area outside of the authority.

1.1.4 With regards to the demographical issues, EV012 explains how the unattributable population results in the standard method underestimating the borough's housing needs, due to an underestimation of migration rates between 2008-2014. EV012

details that when using the SM this results in a need of 650dpa, in contrast to the Council's housing need figure of 735 dpa when the above issue is rectified. This could provide grounds for departing from the standard method on this measure.

- 1.1.5 Following this, the Council consider the grounds for applying an urban uplift in Reading's circumstances, and that there is justification for omitting this from the authority's housing need calculation.
- 1.1.6 In doing so, the Council outlines how the Reading BC authority area is the smallest of urban areas outside of London to which the urban uplift applies, in relation to both population and urban area, with a proportionally high urban area compared with the authority boundary, which makes it difficult to meet the urban uplift within its own boundaries.
- 1.1.7 While the lower than expected housing need (SM vs. mid-year population estimates) could be seen as an exceptional circumstance, the grounds for omitting the urban uplift element of the Council's housing need calculation should be appropriately reviewed.
- 1.1.8 In this regard, we note that there is no allowance to differentiate between urban area size when applying the urban uplift, and therefore question whether it was envisaged that there would be grounds to argue exceptional circumstances on this basis. Whilst Reading may be the smallest local authority area to which the urban uplift applies, it was included within the list and considered suitable to have an urban uplift. At the same time, we query whether the Council should first approach its housing need figure on the basis of applying the urban cities uplift, then actually assess whether it can accommodate this or not.
- 1.1.9 Taken in the round, we believe it would have been/is appropriate for the Council to update its assessed housing need to take account of the aforementioned demographical issues, but to then also apply the urban cities uplift to this revised demographic position. Doing so would result in a starting point housing need figure of 922 dpa.

- 1.1.10 In this context, and as noted above, another assessment of Reading's housing needs is provided in EV013, and identifies that the borough's housing needs, incorporating an urban uplift, would be 822 dpa. However, this would be informed by a demographic starting point that fails to account for the issue of unattributable population change that is described in EV012.

2.3 The PPG refers to the expectation that the increase in the number of homes to be delivered in cities and urban centres is delivered in those areas, rather than the surrounding areas, unless it would conflict with national policy and legal obligations. Would there be any conflict with national policy and legal obligations if the cities and urban centres uplift was applied?

- 1.1.11 If the Council's housing need assessment is based on either its standard method calculation at the time of the authority's Regulation 19 consultation (878 dpa), or a housing need figure applying the urban cities uplift to the Council's revised demographic starting point (922 dpa), there would be insufficient capacity to meet these needs within needs within Reading BC's administrative area, based on the authority's assessment of capacity.
- 1.1.12 If the housing need figure was based on 822 dpa, this would appear to fall within the Council's proposed housing requirement of 825 dpa. However, as outlined above, this would be based on an incorrect demographic baseline, as highlighted by the authority. It would also assume that the Council has identified a robust supply of housing sites to sufficiently accommodate its suggested housing target; as detailed within our Regulation 19 representations, we query whether this is the case.
- 1.1.13 In the event that there are unmet needs arising from Reading, the Council should be looking to neighbouring authorities to meet these needs. As described in our Matter 1 hearing statement, the northern edge of Reading immediately adjoins/aligns with the interface of Reading BC and South Oxfordshire administrative areas, whilst it is also the case that other parts of the town already overlap with Wokingham and West Berkshire. In this respect, we believe there are logical locations that could accommodate additional housing to meet the authority's and town's requirements.

2.4 Do paragraph 11 of the Framework and the policies within footnote 7 of the Framework provide a strong reason for restricting the overall scale, type or distribution of development in the LPPU's area?

1.1.14 We do not believe that paragraph 11 of the Framework, and the policies within footnote 7 provide a strong reason for restricting the overall scale, type or distribution of development in this instance. In the case of Reading, the principal driver/cited constraint to accommodating development appears to be the capacity and availability of potential development sites within the authority's boundary.

1.1.15 In this context, first and foremost we submit that the Council should be looking to meet its correctly assessed housing needs in full, then determine whether it has the capacity to do so within its own administrative area. Where it can't, it should be actively looking to neighbouring authorities to meet any unmet needs arising from the borough, in the event that there isn't sufficient capacity to accommodate Reading BC's housing needs or requirements in full within its own jurisdiction.

1.1.16 We submit that there are areas outside of Reading in neighbouring authorities that could accommodate additional development, which are also not restricted by footnote 7 policies.

2.5 Are there any reasonable alternative spatial strategies for Reading which could result in a material difference with regard to any unmet housing need under the standard method which remains to be positively accounted for?

1.1.17 As discussed under the Duty to Cooperate/Matter 1, we are concerned that Reading have not thoroughly considered the opportunities to meet any unmet needs outside of the authority's boundaries. Gladman are currently in the process of promoting land on the north-eastern edge of the Reading urban area located within South Oxfordshire, which would be readily placed to accommodate additional development to meet the borough's needs. We submit that this should have been considered as a suitable alternative.

2.6 - Is the housing requirement figure of 14,850 homes by 2041 (approximately 825 per annum) in Policy H1 justified?

1.1.18 As presently proposed, we are concerned that the housing requirement of 14,850 is not justified. Whilst the Council have highlighted grounds for departing from the use

of 2014-based household projections as a starting point for the authority's need assessment, we question whether it has provided sufficient justification for the removal of the 35% urban uplift.

- 1.1.19 The Council undertook at Housing Needs Assessment, July 2024 (EV011). This outlined a jobs-based growth scenario that resulted in an overall need of 735dpa. The Council then applied an uplift based upon the capacity to deliver houses. The capacity assessment undertaken within the HELAA identified a potential capacity of 14,849 for the period 2023-2041.
- 1.1.20 Whilst the Council has identified what it believes what the potential capacity is, Gladman's Regulation 19 representation concerns were raised at the robustness of this evidence, a number of the sites classes as 'deliverable', 'developable' and 'potentially developable' currently have active businesses trading from the sites with no clear evidence to if they would be moving.
- 1.1.21 The evidence isn't available to robustly scrutinise the capacity, however, on the basis of the Council's capacity-led housing requirement, the ability for all identified sites to come forward to deliver this proposed requirement is also potentially questionable.
- 1.1.22 Gladman consider that the housing requirement is too low, and there is not the capacity within Reading to meet the housing needs of the Borough.
- 1.1.23 In this context, it should also be noted that the revised standard method figure based upon the NPPF 2024 is 997 dpa. While it is noted that this plan is being examined based upon the NPPF 2023 it should be noted that the housing need is significantly higher than what is being planned for in this plan.
- 1.1.24 It is noted that while the transitional arrangements are currently met, they are only marginally met, and an early review should be considered to ensure that the housing needs are being met for the Borough.