
**EXAMINATION OF READING BOROUGH LOCAL PLAN PARTIAL UPDATE – STAGE 2 HEARINGS
HEARING STATEMENT ON BEHALF OF SEGRO PLC**

MATTER 10 – SITE-SPECIFIC POLICIES – SOUTH READING

1. Stantec is instructed by SEGRO PLC to prepare and submit a Hearing Statement to the Local Plan Partial Update (LPPU) in relation to SEGRO's land interests at Island Road, Reading (the 'Site') – please see Site Location Plan enclosed at Appendix 1. The Site forms part of the strategic employment allocation at Policy SR1 (Island Road Major Opportunity Area) and in particular Policy SR1a (Former Landfill, Island Road) of the Draft Local Plan. This is an update to Policy SR1 (Island Road Major Opportunity Area) in the adopted Reading Local Plan.
2. SEGRO is aiming to submit an Outline Planning Application for approximately 102,500 m² of Class B8 floorspace, and 7,500 m² of Class B2 floorspace on Land at Island Road (Site Allocation SR1a) in early 2026 and is currently engaging in extensive pre-application discussions with Reading Council.
3. Overall, SEGRO broadly supports the updates within the LPPU, and welcomes the decision to save the 'SR1a, Former Landfill, Island Road' employment allocation from the current Local Plan. However, we raise a few site-specific concerns which should be addressed. This would help to ensure the Plan is sound and will maximise delivery of a sustainable employment site over the plan period.
4. This Hearing Statement relates to Matter 10 – Issue 2 (South Reading) only. Overall and in the context of any additional Matters, Issues and Questions (MIQs), it is understood that all the representations made during the Regulation 19 consultation will be considered as part of the examination. In accordance with the Inspectors guidance, SEGRO is therefore relying on these previous responses and do not wish to repeat points already made.

Issue 2: Are the policies for South Reading justified, deliverable and consistent with national policy?

10.19 Is the strategy for South Reading justified?

5. Yes. SEGRO agrees that the strategy for South Reading is justified and support the overarching Vision for South Reading which notes that the "*Island Road area will be a major new location for industrial and warehouse development, providing jobs in one of the areas of greatest need*". This is based on proportionate evidence within the Council's evidence base.

10.20 Is Policy SR1 justified and effective?

6. Yes, subject to a main modification. Policy SR1 is a strategic policy relating to Island Road Major Opportunity Area. In terms of updates to the Site Allocation at Policy SR1, amendments have been made to show where parts of the allocation have been completed, and update indicative capacity for new development. Consideration has also been given for the extension to the Detailed Emergency Planning Zone (DEPZ) at AWE Burghfield.
7. SEGRO supports the continued allocation of the Site and its recognition as a major opportunity area which will contribute towards Reading Borough's employment needs and the provision of a significant number of jobs. The draft allocation is justified through the identified evidence base comprising among other things, a Commercial Needs Assessment (February 2025) and Employment Area Analysis (April 2025). In particular, the CAN concluded that the industrial market in Reading continues to demonstrate a strong performance and supply remains constrained, particularly for mid box and big box units, due to a shortage of available land. Availability of extra-large units (>250,000 sq. ft) is effectively nil, indicating shortage of very large warehouse space. This highlights the importance of continuing to allocate the Site for employment and optimising the employment floorspace.
8. Notwithstanding, our support for Policy SR1, SEGRO wishes to comment on the change to the Detailed Emergency Planning Zone (DEPZ) around the AWE Burghfield which is reflected in the LPPU given their land interests at Island Road now fall within this. The Council recognise¹ that the site allocation SR1a predates the 2020 changes to the DEPZ and the allocation would have therefore been considered when the extension was made. As such, SEGRO is willing to work closely with the Council, West Berkshire Emergency Planning and relevant Stakeholders in respect of the necessary DEPZ requirements, including design, office space sheltering and emergency plans to ensure future development can be delivered safely.

Proposed Changes

¹ *RBC Consultation on Scope and Content (November 2023)*

- To ensure an 'effective' policy in accordance with NPPF paragraph 36 (c), the following change is requested. SEGRO requests that additional wording and clarity is included within the supporting text of the to acknowledge that planning applications on the allocation that are in accordance with the necessary requirements of the DEPZ should be approved without delay.

10.21 Is Policy SR2 justified and effective?

9. SEGRO has no specific comments on this question.

10.22 What rationale is there for deleting site allocations SR1b and SR4f?

10. SEGRO has no specific comments on this question but agree with the removal of SR1b as the development has been completed.

10.23 Is Policy SR5 justified and effective?

11. SEGRO has no specific comments on this question.

Taking each of the following proposed site allocations SR1a, SR1c, SR2, SR3, SR4a – SR4e and SR4g – SR4l individually, respond to the following questions for each site as relevant:

12. SEGRO will respond to the below questions in the context of their land interests at Island Road, Reading. The Site forms part of the strategic employment allocation at Policy SR1 (Island Road Major Opportunity Area) and in particular Policy SR1a of the Submission Draft Plan.

10.24 What is the background to the site allocation? How was it identified and which options were considered?

13. This is not a new allocation – it is a continuation of an existing allocation adopted in 2019. The site forms part of the existing Island Road Major Opportunity Area which is identified as a major new location for industrial and warehouse development, providing jobs in one of the areas of greatest need.

14. It is considered that the delivery of the Site and its ability to meet substantial employment need is a significant factor weighing in favour of its redevelopment. This is particularly relevant when

noting the urban nature of Reading and the limited space available within the Borough to deliver a strategic employment development which can significantly contribute towards the local economy.

10.25 What is the basis for the scale, type, and use proposed? Is it justified?

15. In relation to the proposed **scale**, within the LPPU, SEGRO notes that the indicative floorspace requirements for sub-area SR1a have been updated. Policy SR1a is now required to provide an indicative floorspace of 90,000 sqm – 133,000 sqm (this was previously 95,000 sqm – 116,000 sqm) of industrial / warehouse / Research and Development uses. SEGRO supports the increased indicative potential of the floorspace for the Site to optimise the employment floorspace.
16. The allocation provides the opportunity to help meet the delivery of the Borough's development requirements and a significant proportion in employment and industrial needs. This is based on proportionate evidence with the latest Reading Employment Area Analysis (April 2025) noting that the increasing cost of warehousing space in the London area is prompting occupiers to consider alternatives along the M4 corridor. Consequently, demand for industrial and warehouse space remains exceptionally strong across the region, which is recognised as one of the UK's prime industrial locations. The overall supply of space in Greater Reading has in recent years not met demand. This highlights the need for the Local Plan to promote employment development at a significant scale to meet demand, particularly for mid-box and big-box units, due to a shortage of available land.
17. In relation to **type and use** proposed, the LPPU has expanded the policy allocation to include research and development uses, as well as the warehouse/industrial use. SEGRO requests that the policy avoids requiring all the uses identified (industrial, warehouse and research and development) to be present as part of an application on the SR1a allocation. It is considered that a mix of uses or a single use is proposed for the Site which responds to market needs and demand within the area.
18. For the Policy to be considered to be 'justified' and "effective" and so that takes into account relevant market signals in-line in accordance with NPPF Paragraphs 35(b) and (c) and 32), the policy should ensure that an appropriate mix of uses can come forward on the Council's largest employment allocation. It is noted that the Council recognise this in their Statement of Consultation (May 2025) where they note that the policy does not intend to require that all the uses listed are present on site. It is considered that this is reflected in planning policy. Given the

identified employment need, it is important that development optimises employment floorspace and job density.

19. In addition, Paragraph 32 of the NPPF, notes that policies should be underpinned by relevant and up-to-date evidence, and consider relevant market signals. Since the adoption of the Reading Local Plan, the market has changed in terms of the type of units sought by occupiers. The recent Employment Area Analysis (April 2025) which forms part of the evidence base highlights the demand for high-quality modern units which is outstripping supply. Industrial and warehouse occupiers are increasingly seeking modern spaces and facilities often with larger footprints and taller buildings than existing stock. This should be reflected in the supporting text particularly given this is the largest employment allocation in the Borough.

Proposed Changes

- SR1a, Former Landfill, Island Road – SEGRO request that the following amendments are made to the policy wording – *“The former landfill site will be developed for warehouse uses with some potential for an appropriate mix of industrial and/or research and development uses, optimising employment floorspace and job density, where it would not cause detrimental impacts to existing or planned residential”*.
- Supporting Text (Paragraph 6.3.1) – Additional text to be inserted to note “It is recognised that since the adoption of the Reading Local Plan the operational requirements of employment buildings has changed due to evolving market conditions whereby industrial and warehouse occupiers are increasingly seeking modern spaces and facilities often with larger footprints and taller buildings than existing stock.”

10.26 What is the site's status in terms of permissions or completions?

20. Site Allocation SR1a is a restored site having previously operated as a quarry and subsequently a landfill during the 1990's. There is several historical planning applications associated with the Site's former use as a quarry and landfill. However, since then, there have been no major planning applications on the Site.

10.27 What are the infrastructure requirements/costs and are there physical or other constraints to development? How would these be addressed?

21. Site Allocation SR1 is an existing employment allocation which has been carried forward as part of the LPPU, with an increase in indicative capacity for new development. There are no constraints which would prevent development coming forward and any future development will be designed to respond to its surrounding context.
22. The Site now lies in the AWE Burghfield Detailed Emergency Planning Zone (DEPZ). SEGRO is aware that the AWE, Emergency Planners at Reading Borough Council and West Berkshire Council, as well as the Ministry of Defence (MOD) and Office for Nuclear Regulation (ONR) will need to be consulted on any applications within the DEPZ. SEGRO welcomes engagement with these stakeholders is liaising with the Emergency Planners at Reading and West Berkshire as part of the pre-application process to prepare a suitable on-site development specific emergency plan to fully address the requirements of Policies SR1 and OU2.
23. It is recognised that building on a former landfill is an additional cost given the levelling out required to start construction. However, SEGRO is aware of this constraint and are working with their Team of engineers, alongside the Council and other relevant stakeholders to ensure any constraints are mitigated.
24. It is understood that any future planning application on this allocation will give rise to the need for planning contributions where they meet the tests set out in Regulation 122(2) of the Community Infrastructure Levy Regulations 2010. The contents of any future Section 106 Agreement will be the subject of more detailed negotiation and discussion as part of the planning application process.

10.28 Is the site available, realistically viable and deliverable? What is the expected timescale and rate of development and is this realistic?

25. Yes. The Site is available now and has a reasonable prospect of being used for employment purposes within the plan period. Development is expected to be delivered within approximately five years of planning permission being granted for development. SEGRO is currently engaging in detailed pre-application discussions with the Council with the aim of submitting a speculative outline planning application in 2026. SEGRO has received interest from a number of occupiers which highlights the market desirability of the employment allocation

26. In addition, the Council's own assessment within the Housing Economic Land Availability Assessment (November 2024) which forms part of the evidence base for the LPPU concludes that the Site is developable (years 6-10, 11-15).

10.29 Are there any main modifications required to the allocation for soundness?

27. Yes. The suggested main modifications are discussed in response to questions 10.20 and 10.25. A summary of the suggested changes is set out below:

- SEGRO request that additional wording and clarity is included within the supporting text of Draft Policy SR1 to acknowledge that planning applications on the allocation that are in accordance with the necessary requirements of the DEPZ should be approved without delay.
- SR1a, Former Landfill, Island Road – SEGRO request that the following amendments are made to the policy wording – *“The former landfill site will be developed for warehouse uses with some potential for an appropriate mix of industrial and/or research and development uses, optimising employment floorspace and job density, where it would not cause detrimental impacts to existing or planned residential”*.
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Appendix 1 – Site Location Plan

