

Examination of Reading Local Plan

Post Hearing Advice – Additional Main Modifications and Related Matters

This letter sets out some advice about steps that should be taken to make the Reading Local Plan (RLP) sound.

I have considered all the representations made about the RLP including verbal contributions at the hearings, and considered the additional information provided by the Council and other participants. My final conclusions regarding soundness and procedural compliance will be given in the report to be produced following consultation on the proposed main modifications. My report will also cover other main soundness and main modification issues that arose during the examination, but which are not dealt with in this letter.

Having regard to the criteria for soundness and to assist for now I shall give brief explanations for my advice. My views are given here without prejudice to the conclusions that will appear in my report.

At this stage I am not inviting comments on the contents of this letter.

Policy H3 Affordable Housing

Policy H3 of the RLP proposes to seek contributions towards affordable housing from sites of between 1 and 9 net new homes. This is contrary to the Written Ministerial Statement November 2014 and the Planning Practice Guidance accompanying the 2012 National Planning Policy Framework.

The constraints and affordable housing need within Reading are noted. However, I am not persuaded that local circumstances fully justify lower thresholds for affordable housing as set out in Policy H3 for sites (below 10 dwellings), particularly having regard to a disproportionate burden being placed on small-scale developers. At this stage, and without prejudice there are two possible options available:

Option 1

For the Council to provide a justification for the policy in respect of the following matters:

- Existing small site permissions broken down into 5-9 and 1-4 dwellings, and for the previous 10 years with site size included (Hectares).
- Rates of small site completions broken down into sites for 5-9 and 1-4 dwellings over the past 10 years with site size included (Hectares) and the numbers of sites (excluding where no net gains were achieved).
- The payments in lieu expected from the two ranges of sites (5-9 and 1-4 dwellings), over the plan period compared to sites of 10 or more (where

this is relevant), and additional clarification over where and through what process, payments in lieu would be allocated.

- The Viability Testing Report (March 2018) para 6.9 Scenario testing refers to scope for in-lieu payment and enhanced profit payment for a single new dwelling. There is no additional explanation provided in the Note from BPS dated 7 November 2018. Could the Council clarify the percentage that represents an enhanced profit payment and why this is acceptable?
- The requirements set out in paragraph 4.4.20 to demonstrate exceptional reasons why on-site provision cannot be achieved would place additional burdens on small-scale developers. A main modification was discussed at the Hearing accordingly and is acknowledged. Further to this, it would be helpful if the Council are able to provide evidence of local examples demonstrating the practicality of delivery of affordable housing units on-site for schemes of 5 to 9 dwellings over the past 10 years, and confirmation of support for this approach from providers of affordable housing.
- Paragraph 4.4.23 also requires developers to provide detailed information on the viability of a scheme, this would present additional administrative costs for small-scale developers. It would be helpful if the Council could consider what alternative approaches there might be for schemes below 10 dwellings in addressing viability concerns and set these out in the response.

Could the Council please explain how they consider this information provides justification for the policy, having regard to the impact on small-scale developers. Additionally, with this option, the Council may wish to propose alternative approaches to the small sites affordable housing requirement.

Option 2

An alternative approach at this stage would be a main modification which would delete the second and third bullet relating to 5-9 dwellings and 1-4 dwellings and associated supporting text.

Additional Main Modifications needed for soundness

Policy H1 Provision of Housing

Policy H1 and the supporting text (including the table on p. 73) would need to reflect the latest position on the number of homes identified in the site allocations, and up to date permissions and completions. This may also need consequential changes to the Housing Trajectory (Appendix 1) and the Housing Implementation Plan.

The supporting text should include a reference to the Housing Trajectory and how housing delivery will be monitored and adjusted through the Housing Implementation Plan. Additional supporting text should clarify how the housing land supply has been calculated.

Indicative potential for site allocations and Policy H2 Density and Mix

The indicative potential should be retained within each site allocation. To ensure that the approach to capacity is consistent throughout the Plan, a modification to Policy H2 (Density and Mix) and accompanying supporting text is required which sets out the approach. Consequential changes to the supporting text may be necessary in each Area section.

Policy H4 Build to Rent Schemes

Criterion 1 relating to a minimum 30-year term for covenants in single ownership is not justified. The Council should consider what alternative time frames might be appropriate (to take account of the structure of this market), based on evidence and propose modifications accordingly.

Policy EM1 Provision of Employment Development

Historically some employment development has previously contributed to affordable housing via s106 agreements (as set out in EC025). It is acknowledged that there is currently a reasonable balance between the planned levels of housing and employment. However, there is no evidence to demonstrate that the requirement for employment development to contribute to affordable housing has been robustly tested through the viability assessment for the RLP and therefore it is not justified in this respect. Accordingly, part (b) of Policy EM1 should be modified to remove the reference to contributions to affordable housing with consequential amendments to the supporting text. Any consequential amendments to Policy CC9 and supporting text should also be addressed.

Policy CA1b Part of Reading Gold Club, Kidmore End Road

Policy CA1b for residential development as drafted would result in the loss of some holes with the re-provision of holes to be on the remainder of the site in South Oxfordshire. For Policy CA1b to be justified and effective the following main modification would be needed.

- The wording relating to the golfing offer should be amended as proposed by the Council in EP045 (Council Comments on submission of Reading Golf Club and Wates) with additional wording specifying what is meant by 'suitable access'. The wording of the policy should make it clear that the phasing of residential development is contingent on an undertaking to deliver alternative golf proposals in a manner that would be consistent with criterion b) of Policy RL6 of the RLP. Supporting text should also be added to Chapter 8 that provides further explanation on the approach to consideration of development proposals on this site.
- In terms of delivering healthcare, which has been identified as needing additional capacity in the north, the policy should be modified to remove the wording 'for instance' and replacing with 'including'.
- The criteria relating to impacts on the highways network should be amended to also refer to Tanners Lane.

- A specific criterion should be included to ensure all parking requirements are within the site to avoid exacerbating parking issues on existing streets.

The allocation in relation to site size and boundary as originally submitted should be retained as the additional changes to these which have been suggested are not necessary for soundness. The site should also be retained as a site to be developed in the long-term, from 2026 onwards.

Process

The Council should now prepare a consolidated schedule of all the potential main modifications, including those referred to above (but subject to any additional changes to Policy H3 that may be required). The Council should also consider the need for any other consequential changes that might be required in connection with any potential main modifications. I will need to agree the final version of the schedule before it is made available for public consultation.

The Council should also satisfy itself that it has met the requirements for sustainability appraisal by producing an addendum to the Sustainability Appraisal of the submitted plan in relation to the potential main modifications, as appropriate. I will need to see a draft of the addendum and may have comments on it. The addendum should be published as part of the public consultation.

If the Council intends to make any *additional minor modifications* these should be set out in a separate document from the main modifications.

Timetable

The Council is requested to confirm that the timetable set out below is the latest position:

Policy Committee on 10th June 2019 seeking approval to consult on main modifications. Consultation in June and July 2019, with a view to receiving the final Inspector's Report in time to adopt the Local Plan at Council on 15th October 2019.

If this is confirmed, the timetable would accommodate any additional work undertaken on Policy H3, and any subsequent modifications required by the Inspector in respect of that matter.

Louise Gibbons
Inspector