

**APPENDIX 3: EVIDENCE DOCUMENT FOR ARTICLE 4 DIRECTION**

# **Reading Borough Council**

## **Evidence for Proposed Article 4 Direction**

**relating to permitted development rights for new residential dwellings**

## **September 2021**

## Executive Summary

### Introduction

- i. This report has been prepared to support the proposal for an Article 4 direction in Reading Borough to remove a number of permitted development rights (PDR) that would result in residential development without the need to apply for planning permission. This report considers whether there are adverse impacts justifying a direction, and if so, which PDR should be covered by any Article 4 direction, and to which specific areas or sites it should apply.
- ii. The Town and Country Planning (General Permitted Development) Order 2015 (as amended) (known as the GPDO) grants planning permission to a number of specified forms of development, known as permitted development rights (PDR). Increasingly, since 2013, PDR have been used to cover a number of forms of development that would result in new dwellings. Between 2013 and 2021, in Reading, 1,116 new dwellings had been completed through PDR, and around 56,500 sq m of commercial floorspace had been lost.
- iii. Under Article 4 of the GPDO, a direction can be made that removes specified PDR and requires that a planning application be made. This is known as an ‘Article 4 direction’. The process for making such a direction is set out in Schedule 3 of the GPDO. The National Planning Policy Framework (NPPF), as well as Planning Practice Guidance (PPG), sets out expectations for when these directions can be used, and of particular note are recent changes to the NPPF that require that any Article 4 direction that restricts changes of use to residential be limited to situations where an Article 4 direction is necessary to avoid “*wholly unacceptable adverse impacts*”.
- iv. This report sets out the evidence and justification required by the GPDO, NPPF and PPG, and goes through a number of stages to identify what forms of PDR the direction should cover and what its geographical extent should be.

### Type of permitted development right considered

- v. This report covers the following forms of PDR that would create additional residential dwellings and describes them in section 2:
  - Change of use of commercial, business and service use (use class E) to residential (Part 3, class MA);
  - Change of use of hot food takeaway, betting office, payday loan shop or launderette to residential (Part 3, class M);
  - Change of use of casino or amusement arcade to residential (Part 3, class N);
  - Demolition of single, purpose built, detached block of flats or a single, detached office, light industrial or research and development building and its replacement with a detached block of flats or detached house (Part 20, class ZA);
  - Up to two additional residential storeys on a detached, purpose built block of flats (Part 20, class A);

- Up to two additional residential storeys on a detached commercial or mixed-use building (in use for retail, financial and professional, restaurant and café, office, research and development, light industrial, betting shop, payday loan shop, launderette) (Part 20, class AA);
- Up to two additional residential storeys on a two or more storey terraced commercial or mixed-use building (see class AA for uses) or one additional storey on a one storey building (Part 20, class AB);
- Construction of new residential above a terraced house, two storeys in the case of houses of two or more storeys or one additional storey in the case of a one storey house (Part 20, class AC);
- Construction of new residential above a detached house, two storeys in the case of houses of two or more storeys or one additional storey in the case of a one storey house (Part 20, class AD).

### Type of area considered

- vi. Section 3 of this report divides Reading into the following areas for purposes of analysis and deciding on the broad scope:
- Town centre core;
  - Town centre fringe;
  - District and local centres;
  - Main arterial routes;
  - Employment areas;
  - Other commercial areas; and
  - Residential areas.

### Extent of benefits of PDR

- vii. The extent of the claimed benefits of PDR in terms of boosting housing supply are assessed in section 4. There has been substantial take-up of PDR in Reading since 2013, with 1,116 dwellings being delivered by that route, representing 22% of completed dwellings between 2013 and 2021.
- viii. However, there remain doubts about the degree to which PDR has represented a genuine boost to housing supply in Reading. In particular, changes from office to residential were already happening in Reading through the planning permission route prior to the introduction of that form of PDR in 2013. The annual average housing completed in the ten years before office to residential PDR was introduced (2003-2013) was 665, higher than the average annual completions in the seven years since its introduction (2013-2021), which casts considerable doubt on the arguments around boosting housing supply in Reading.
- ix. In addition, the degree to which the housing provided through PDR responds to local needs is also in doubt. The small size of homes provided through PDR fail to provide important family housing, whilst the greatest local need for affordable housing is also not addressed. Considerable numbers of dwellings provided through

PDR appear to be in use as serviced apartments, whilst PDR has also been used to provide student accommodation rather than addressing local needs.

### **The harm caused by PDR**

- x. A number of forms of harm of PDR are considered, and evidence of the harm provided, set out in section 5. Each are identified as being a wholly unacceptable adverse impact.

### ***Size and type of dwellings***

- xi. The report demonstrates in section 5.1 that the supply of PDR dwellings is dominated by studio and 1-bedroom dwellings, which make up 83% of dwellings completed through PDR since 2013. This in no way matches the needs identified, where more than 50% of homes should be family housing of 3 bedrooms or more. The identified needs for 1-bedroom accommodation for the whole plan period of 2013 to 2036 have almost already been met, and further PDR developments dominated by small dwellings fails to provide the forms of housing most needed.

### ***Dwelling standards***

- xii. The issue of the poor quality of new homes provided through PDR has been explored in a number of published reports so far. Dwellings are often very small. This has been recently addressed by the application of national space standards. There is also now a requirement for adequate natural light for habitable rooms. However, a number of issues regarding the standards applied to new dwellings are explored in section 5.2. This includes the lack of outdoor amenity space, with over 80% of dwellings completed in Reading so far through PDR having no access to private or communal outdoor space, and over 90% having no access to private or communal green space. Dwellings without windows remains a concern, with natural light potentially only being provided by rooflight. Local Plan standards around accessibility and adaptability and sustainable design, with the latter an essential element of responding to the climate emergency, cannot be required through PDR, undermining the aims of those policies.

### ***Noise, disturbance and other environmental nuisance***

- xiii. Section 5.3 of this report looks at the issues of noise, disturbance and other environmental nuisance. An analysis of environmental nuisance complaints received from PDR developments that have been completed so far demonstrates that these issues arise with the greatest frequency in the core of the town centre, related to a range of issues including existing commercial activities and outdoor events. This analysis does not highlight the potential issues with PDR developments in employment or other commercial locations because none of these have so far been completed, but detailed analysis of some outstanding prior approvals is carried out to demonstrate that these are highly likely to cause issues of noise and disturbance.



### *Air quality*

- xiv. Air quality is an issue of great significance in Reading, a heavily built-up area with considerable congestion on some roads at peak times. Section 5.4 highlights that nitrogen dioxide (NO<sub>2</sub>) is of greatest concern due to the fact that Reading sees exceedances of the national objectives in some locations. Air quality is not a matter that can be considered in the prior approval process, and PDR offers no opportunity to secure mitigation measures through design or planning conditions, and it is not considered acceptable to expose new residents to this level of air quality without such measures.

### *Loss of employment space*

- xv. Section 5.5 considers the issue of loss of employment space. Development completed through PDR has already resulted in the loss of around 54,000 sq m of office floorspace in Reading since 2013. However, the Local Plan identifies a positive need for additional employment floorspace, for offices and industrial and warehousing, and further PDR developments will make it substantially more difficult to achieve these needs within both the office and light industrial categories, and therefore achieve the aims of national policy. None of the buildings that have been converted to residential so far have been entirely vacant, and, because residential values can often outstrip office values, these conversions are likely to continue to be attractive. This has resulted in low levels of availability of Grade B space, important for small and growing businesses. PDR therefore reduces the space available for businesses and can put economic growth at risk.

### *Impacts on existing businesses*

- xvi. The introduction of residents into areas where they were not previously present, in particular in parts of the town centre core, employment areas and other primarily commercial locations, can impact on existing businesses in those areas, which are likely to cause noise and disturbance and other issues for those new residents, often at unsociable hours, and this is explored in section 5.6. Such businesses in close proximity to existing or approved PDR developments include pubs, clubs, outdoor events, waste management, recycling, industrial or HGV servicing uses. Adjacent residential development could prevent those existing businesses from continuing, expanding or intensifying their operation on site. Intensifying employment uses within the core employment areas in particular is essential to the Local Plan strategy for meeting identified employment needs.

### *Impacts on the high street*

- xvii. With most forms of ground floor high street uses now being potentially able to be converted to residential, there is potential for considerable impacts on both the town centre of Reading, and the smaller centres distributed across the Borough. This is explored in section 5.7. It is estimated that 86% of ground floor commercial units in centres could potentially change to residential without controls being applied. The loss of a small number of key units could lead to a domino effect

threatening the whole centre. The argument that loss of a retail use can be outweighed by the gain of footfall from new residential does not hold water - according to estimates in this document, only around 3-8% of the spend lost to a centre by the loss of a retail unit is recouped through increased footfall from new dwellings. In addition, it is often argued that PDR brings residents back into centres, but evidence shows that this was happening in any case long before the introduction of PDR. Development that has an adverse impact on the health of any of the defined centres in Reading would be an unacceptable impact that undermines the whole strategy for the town.

### *Affordable housing*

- xviii. The need for affordable housing in Reading is very significant, with a need for 406 homes per year up to 2036 equating to almost 60% of Reading's total housing need, and securing affordable housing to meet as much of this need as possible is a matter of great importance for the Council. However, homes provided through PDR make no contribution to this need, with no associated Section 106 agreement. It is estimated that, as a result of completed or outstanding prior approvals, Reading has lost out on 511 affordable dwellings (more than a year's worth of need) and £1.857 million in financial contributions towards affordable housing (which could have delivered a further 19 homes).

### *Contribution to local infrastructure*

- xix. Due to the fact that a PDR development cannot be dependent on completion of a Section 106 agreement, it is not possible to mitigate the impacts of a development on local infrastructure through the application process, relying instead on CIL contributions which, in the case of changes of use to residential, are almost never actually payable. Section 5.9 of this report shows that there has already been a potential loss of £1.27 million of contributions towards open spaces and leisure and £0.26 million towards education from PDR developments that have completed so far. The ongoing impacts are particularly related to the inability to address site-specific open space and leisure issues, particularly where there is no on-site private amenity space, and impacts on employment and skills.

### *Scope of Article 4 direction required*

- xx. Discussion of the various forms of harm in the previous section leads to a conclusion about what the overall scope of the Article 4 direction should be.
- xxi. The conclusion, as set out in section 6, is that the following forms of PDR should be covered by the direction:
- Change of use of commercial, business and service use (use class E) to residential (Part 3, class MA);
  - Change of use of hot food takeaway, betting office, payday loan shop or launderette to residential (Part 3, class M);
  - Change of use of casino or amusement arcade to residential (Part 3, class N);

- Demolition of single, purpose built, detached block of flats or a single, detached office, light industrial or research and development building and its replacement with a detached block of flats or detached house (Part 20, class ZA);
  - Up to two additional residential storeys on a detached commercial or mixed use building (in use for retail, financial and professional, restaurant and café, office, research and development, light industrial, betting shop, payday loan shop, launderette) (Part 20, class AA); and
  - Up to two additional residential storeys on a two or more storey terraced commercial or mixed use building (see class AA for uses) or one additional storey on a one storey building (Part 20, class AB).
- xxii. The forms of PDR that result in new residential storeys on top of existing residential are proposed to be excluded from the direction.
- xxiii. The conclusion is that the broad geographical coverage should be as follows, covering 692 hectares, or 17% of the Borough's area:
- The whole town centre as defined in the Local Plan;
  - The district and local centres as defined in the Local Plan;
  - Core employment areas as defined in the Local Plan;
  - Other entirely commercial areas; and
  - A 50m buffer of the areas of poorest air quality.

### Refining the geographical extent

- xxiv. According to the NPPF, an Article 4 area should cover the smallest geographical area possible, and therefore a variety of possibilities are considered in section 7 for how the area could be reduced whilst still ensuring that the wholly unacceptable adverse impacts are addressed. The conclusions are that the area can be reduced by:
- Removing areas of significant open space within the centre;
  - Removing scheduled monuments; and
  - Removing the area covered by the Detailed Emergency Planning Zone for AWE Burghfield, which constitutes a safety hazard zone.
- xxv. Once these refinements are taken into account, the area is reduced in size from 692 ha to 482 ha, covering 12% of the total area of Reading. This is the area proposed to be taken forward for a non-immediate Article 4 direction.

## Contents

Executive Summary .....	2
1. Introduction.....	11
1.1 Permitted development rights .....	11
1.2 Permitted development rights in Reading.....	12
1.3 Article 4 directions .....	13
1.4 Structure of this report .....	15
2. Type of permitted development right considered .....	16
2.1 Commercial to residential .....	16
2.2 Hot food takeaway, betting office, payday loan shop or launderette to residential.....	17
2.3 Casino or amusement arcade to residential.....	18
2.4 Demolition and rebuild for residential.....	18
2.5 Upward extension of a block of flats.....	20
2.6 Upward extension of a detached commercial or mixed use building.....	21
2.7 Upward extension of a terraced commercial or mixed use building.....	22
2.8 Upward extension of a terraced house .....	22
2.9 Upward extension of a detached house .....	23
3. Type of area considered .....	24
3.1 Town centre core .....	24
3.2 Town centre fringe .....	24
3.3 District and local centres .....	25
3.4 Main arterial routes.....	25
3.5 Core employment areas.....	25
3.6 Other commercial areas .....	26
3.7 Residential areas.....	26
3.8 Broad location of the areas considered.....	26
4. Extent of benefits of PDR.....	28
4.1 Number of homes .....	28
4.2 Relationship to local need .....	31
4.3 Conclusion .....	33
5. The harm caused by PDR.....	34
5.1 Size and type of dwellings.....	34
<i>Wholly unacceptable adverse impacts.....</i>	36
<i>Relevance to types of PDR.....</i>	37
<i>Relevance to types of area.....</i>	37
5.2 Dwelling standards.....	38
<i>Dwelling dimensions.....</i>	38
<i>Outdoor amenity space .....</i>	39
<i>Windows and natural light .....</i>	41
<i>Accessibility and adaptability .....</i>	41
<i>Sustainable design and construction.....</i>	42

<i>Other matters</i> .....	43
<i>Wholly unacceptable adverse impacts</i> .....	44
<i>Relevance to types of PDR</i> .....	45
<i>Relevance to types of area</i> .....	45
5.3 Noise, disturbance and other environmental nuisance .....	45
<i>Evidence from completed developments</i> .....	46
<i>Committed developments in employment and commercial locations</i> .....	49
<i>Wholly unacceptable adverse impacts</i> .....	53
<i>Relevance to types of PDR</i> .....	54
<i>Relevance to types of area</i> .....	54
5.4. Air quality .....	55
<i>Wholly unacceptable adverse impacts</i> .....	58
<i>Relevance to types of PDR</i> .....	58
<i>Relevance to types of area</i> .....	59
5.5. Loss of employment space.....	59
<i>Wholly unacceptable adverse impacts</i> .....	63
<i>Relevance to types of PDR</i> .....	64
<i>Relevance to types of area</i> .....	64
5.6. Impacts on existing businesses .....	65
<i>Wholly unacceptable adverse impacts</i> .....	68
<i>Relevance to types of PDR</i> .....	68
<i>Relevance to types of area</i> .....	69
5.7 Impacts on the high street.....	69
<i>Quantifying the impact of loss of ground floor retail to residential</i> .....	71
<i>Reintroducing residential to the high street</i> .....	73
<i>Summary</i> .....	75
<i>Wholly unacceptable adverse impacts</i> .....	75
<i>Relevance to types of PDR</i> .....	76
<i>Relevance to types of area</i> .....	77
5.8 Affordable housing .....	77
<i>Affordable housing supply</i> .....	78
<i>Potential affordable housing delivery of PDR schemes</i> .....	79
<i>Wholly unacceptable adverse impacts</i> .....	81
<i>Relevance to types of PDR</i> .....	82
<i>Relevance to types of area</i> .....	82
5.9 Contribution to local infrastructure .....	82
<i>Education</i> .....	83
<i>Leisure and open space</i> .....	84
<i>Transport</i> .....	85
<i>Skills and training</i> .....	85
<i>Summary</i> .....	86
<i>Wholly unacceptable adverse impacts</i> .....	86

<i>Relevance to types of PDR</i> .....	87
<i>Relevance to types of area</i> .....	87
6. Scope of Article 4 direction required .....	88
6.1 Types of permitted development to be covered .....	88
6.2 Types of area to be covered.....	90
<i>Town centre core</i> .....	91
<i>Town centre fringe</i> .....	92
<i>District and local centres</i> .....	93
<i>Important employment areas</i> .....	95
<i>Other primarily commercial areas</i> .....	97
<i>Areas of poorest air quality</i> .....	99
<i>Summary</i> .....	100
6.3 Summary of overall scope .....	101
7. Refining the geographical extent.....	103
7.1 Open spaces .....	103
7.2 Scheduled monuments .....	104
7.3 Listed buildings.....	105
7.4 Conservation areas .....	106
7.5 Safety hazard zones .....	106
7.6 Industrial and warehouse locations .....	107
7.7 Secondary frontages.....	108
7.8 Areas not in relevant uses .....	109
7.9 Summary .....	110
8. References .....	111

## 1. Introduction

- 1.0.1 This report has been prepared to support the proposal for an Article 4 direction in Reading Borough to remove a number of permitted development rights (PDR) that would result in residential development without the need to apply for planning permission. This report considers whether there are adverse impacts justifying a direction, and if so, which PDR should be covered by any Article 4 direction, and to which specific areas or sites it should apply.

### 1.1 Permitted development rights

- 1.1.1 The Town and Country Planning (General Permitted Development) Order 2015 (as amended) (known as the GPDO) grants planning permission to a number of specified forms of development. The forms of development for which permission is granted are set out in Schedule 2 of the GPDO. These are known as permitted development rights (referred to here as PDR).
- 1.1.2 The forms of development that benefit from these PDR are extensive and wide-ranging. They encompass various minor alterations to dwellinghouses, minor operations, temporary uses and specified infrastructure development, as well as many other forms.
- 1.1.3 PDR has long been an important part of how the planning system functions, and allow for minor development which would be unlikely to detrimentally affect the amenity of an area or for otherwise essential development to take place. However, over recent years there has been a clear expansion of the application of PDR.
- 1.1.4 In particular, the introduction of PDR for changes of use from office to residential (Part 3, Class O) in 2013 represented a major change in how PDR were used<sup>1</sup>. This was initially introduced as a temporary measure, for three years, to bring forward more housing supply and make better use of buildings that are no longer needed or are unsuitable for their original purpose. However, this PDR was made permanent in 2016.
- 1.1.5 Since office to residential PDR were introduced, further widening of PDR that would result in new dwellings have taken place. Changes from retail (A1) or financial and professional services (A2) to residential were enabled from April 2014, whilst temporary rights to change use from storage and distribution (B8) to residential came into force in April 2015, although prior approval needs to have been granted by June 2019. Further PDR for changes from light industrial (B1c) to residential followed in 2017 and the rights to convert retail to residential were expanded to include takeaways (A5) in 2019.
- 1.1.6 The introduction of the new use class E in 2020 meant the need to amend and consolidate many of these PDR. Use class E covers many of the uses outlined above,

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<sup>1</sup> PDR allowing for changes from agricultural buildings to residential were also introduced in 2013, but were not used in Reading due to its urban nature, and are not covered in this report for the same reason.

including offices, light industrial, retail and financial and professional, as well as a number of other uses such as restaurants and cafes, medical facilities and indoor sport and recreation, not previously covered by PDR. A single PDR for changes of use from use class E to residential came into effect on 1<sup>st</sup> August 2021.

- 1.1.7 In 2020, in addition to the various changes of use, new PDR were introduced that allowed new dwellings to be created through new development. These dwellings could be delivered by upward extension of existing blocks of flats, dwellinghouses or commercial or mixed use buildings, or by demolition and rebuild of vacant blocks of flats or office, research and development or light industrial buildings.
- 1.1.8 Each PDR is accompanied by a list of forms of development that are not permitted, which can mean the application of, for instance, size limits. In addition, a prior approval process is required which means that an applicant needs to apply to the local planning authority as to whether prior approval is required. The local planning authority may only consider this application against a set of specific conditions set out in the relevant part of Schedule 2 of the GPDO, which mean that only specific matters can be considered. Prior approval is more of an exercise of assessing technical compliance as opposed to considering the overall planning balance, as would be the case for a planning application.
- 1.1.9 PDR has also been expanded over recent years in other ways that would not result in residential development. For instance, changes of use of a number of different uses to form a school have been in place since 2013, whilst new expanded permitted development rights for public service infrastructure (schools, colleges, universities, hospitals and prisons) came into effect in 2021. These forms of PDR are not detailed further here as they do not form the focus of this report.

## **1.2 Permitted development rights in Reading**

- 1.2.1 This report focuses on those forms of PDR that result in new residential dwellings. There has been considerable take-up of some of these PDR in Reading, in particular conversions of office to residential. Up to 31<sup>st</sup> March 2021, 1,087 new dwellings had been completed by this PDR, and around 55,000 sq m of office accommodation had been lost. A further 560 dwellings had prior approval at 31<sup>st</sup> March 2021, which would result in the loss of a further 31,000 sq m of office floorspace.
- 1.2.2 There has also been some take-up of the other permitted development rights for conversion to residential from retail and related uses and storage and distribution, but this has been much lower due to the low size limits that applied until recently, as well as other more restrictive conditions. Only 29 dwellings have been delivered through these routes up to 31<sup>st</sup> March 2021, with around 1,500 sq m of floorspace lost, most of which has involved conversion from shops.
- 1.2.3 There had been no approvals for the other forms of permitted development, for demolition and rebuild and upward extension by the end of March 2021. These are relatively new PDR, only put in place in 2020, and the likely scale of the uptake in Reading is therefore not yet clear.



### 1.3 Article 4 directions

- 1.3.1 Under Article 4 of the GPDO, a planning authority or the Secretary of State can remove specified PDR (other than specified PDR set out in article 4 (2)), and require that a planning application be made. This is known as an ‘Article 4 direction’. Schedule 3 of the GPDO provides more detailed legislation on the process to be followed in making such directions.
- 1.3.2 An Article 4 direction does not mean that development cannot take place. Its purpose is to ensure that a planning application is required. The planning application then needs to be determined with reference to the development plan and other material considerations.
- 1.3.3 There are two types of Article 4 direction: immediate and non-immediate. The process for an immediate Article 4 direction is covered in paragraph 2 of Schedule 3 of the GPDO, whilst the process for a non-immediate direction is dealt with in paragraph 1 of Schedule 3.
- 1.3.4 An immediate Article 4 direction, once served on an area, removes the specified PDR with immediate effect, albeit that it still requires confirmation within six months of coming into force. Not all forms of PDR can be subject to an immediate direction, and paragraph 2(1)(a) and (b) sets out those forms that can potentially be covered. Paragraph 2(1)(a) of Schedule 3 also requires that, to be covered by an immediate direction, the local planning authority should consider that “*the development to which the direction relates would be prejudicial to the proper planning of their area or constitute a threat to the amenities of their area*”, other than in conservation areas where different tests under paragraph 2(1)(b) apply.
- 1.3.5 A non-immediate Article 4 direction does not come into effect immediately, and instead specifies a later date when it takes effect, which is at least 28 days and at most 2 years after the last notice is served. In practice, this is usually at least 12 months after the last notice of making the direction is served to avoid liability for compensation, in line with Sections 107 and 108 of the Town and Country Planning Act 1990. The direction requires confirmation, taking into account any consultation responses, at least 28 days after the last notice was served.
- 1.3.6 The most recent version of the National Planning Policy Framework (NPPF), July 2021, sets out the circumstances in which an Article 4 direction can or should be considered in paragraph 53.

*“The use of Article 4 directions to remove national permitted development rights should:*

- *where they relate to change from non-residential use to residential use, be limited to situations where an Article 4 direction is necessary to avoid wholly unacceptable adverse impacts (this could include the loss of the essential core of a primary shopping area which would seriously*

*undermine its vitality and viability, but would be very unlikely to extend to the whole of a town centre)*

- *in other cases, be limited to situations where an Article 4 direction is necessary to protect local amenity or the well-being of the area (this could include the use of Article 4 directions to require planning permission for the demolition of local facilities)*
- *in all cases, be based on robust evidence, and apply to the smallest geographical area possible.”*

1.3.7 It is therefore clear that an Article 4 direction needs to be accompanied by evidence which clearly shows why it is necessary, and which justifies the extent of the area. This report provides that evidence. The phrase “wholly unacceptable adverse impacts” presents a high bar for controlling changes of use to residential.

1.3.8 Planning Practice Guidance (PPG) provides further guidance on the operation and scope of Article 4 directions. It states that:

*“Provided that there is justification for both its purpose and extent, an article 4 direction can:*

- *cover an area of any geographic size, from a specific site to a local authority-wide area*
- *remove specified permitted development rights related to operational development or change of use*
- *remove permitted development rights with temporary or permanent effect.”*

1.3.9 PPG further comments on the use of directions as follows:

*“The use of article 4 directions to remove national permitted development rights should be limited to situations where this is necessary to protect local amenity or the wellbeing of the area. The potential harm that the direction is intended to address will need to be clearly identified, and there will need to be a particularly strong justification for the withdrawal of permitted development rights relating to:*

- *a wide area (eg those covering the entire area of a local planning authority, National Park or Area of Outstanding National Beauty)*

*...*

- *cases where prior approval powers are available to control permitted development*

*...”*

- 1.3.10 In summary, therefore, there needs to be robust evidence to support an Article 4 direction that clearly identifies the potential harm and why it is necessary to protect local amenity or the wellbeing of the area, and, in the case of changes of use to residential, what the wholly unacceptable adverse impacts would be.

## **1.4 Structure of this report**

- 1.4.1 After this introductory section, the report goes on to set out, in section 2, which forms of permitted development will be covered in this report. It outlines what they entail, which elements can be considered during a prior approval process, and which cannot.
- 1.4.2 Section 3 contains a brief overview of the different types of area which can be found in Reading. This is to enable a high-level analysis of which broad types of area any Article 4 direction should cover, before more detailed consideration of the boundaries.
- 1.4.3 Section 4 deals with the claimed benefits of permitted development in Reading, looking in particular at the delivery of dwellings through PDR over recent years and the extent to which this has resulted in any boost to housing supply.
- 1.4.4 The types of harm caused by PDR are outlined in section 5, supported by relevant evidence. This section contains the main bulk of the evidence on why an Article 4 direction is required and helps to assess which forms of PDR and which areas should be covered. In each case, it presents conclusions on whether the harm represents a wholly unacceptable adverse impact, as required by the NPPF.
- 1.4.5 Section 6 presents overall conclusions from the preceding sections in terms of what the overall scope of an Article 4 direction should be, in terms of the forms of PDR that should be covered and the broad geographical extent.
- 1.4.6 Finally, section 7 looks in more detail at the geographical extent of the proposed Article 4 direction area, and asks in particular whether there is scope to reduce the extent to the smallest area possible that still fulfils the purpose of the direction.

## **2. Type of permitted development right considered**

- 2.0.1 This report considers whether an Article 4 direction should be applied to any of the forms of PDR that would result in new dwellings. These have been grouped together because it is considered likely that there would be common issues across many of these forms of development. The report will consider which of these, if any, should be covered by a proposed Article 4 direction.
- 2.0.2 The forms of PDR considered are set out in the following sections. Where the description of each PDR is set out, this is a summary only, and reference should be made to the GPDO for the full extent of each PDR.
- 2.0.3 It is worth noting that, alongside the conditions set out in each individual PDR, all dwellings resulting from PDR are, as of 2021, required to comply with the nationally-described space standard.

### **2.1 Commercial to residential**

- 2.1.1 Part 3, Class MA of Schedule 3 of the GPDO grants planning permission to change use from commercial, business and service use (use class E) to residential. Use class E covers a wide variety of uses including most retail uses, cafes and restaurants, financial and professional services, indoor sport and recreation, medical and health services, creche/nursery or day centre, offices, research and development and light industrial.
- 2.1.2 This PDR was introduced in 2021 and replaced a number of previous forms of PDR. This includes changes from office, retail and financial and professional to residential.
- 2.1.3 Development not permitted by this PDR includes where the building has not been vacant for at least three months prior to the application, buildings exceeding 1,500 sq m of floorspace, where the building is listed and where the building is in a variety of defined locations such as scheduled monuments or safety hazard areas, but not including conservation areas.
- 2.1.4 The matters that can be considered under prior approval are as follows:
- Transport and highways impacts;
  - Contamination;
  - Flooding;
  - Impacts from noise from commercial premises on occupiers;
  - For the change of use of a ground floor in a conservation area, the impact on the character or sustainability of the conservation area;
  - Natural light in all habitable rooms;
  - Impact on occupiers from introduction into an area important for industry, waste management and/or storage and distribution;
  - For the change of use of a nursery or health centre, the impact on the local provision of services; and

- Fire safety impacts on the occupants of the building.

2.1.5 The matters that cannot be considered under prior approval include the following:

- Air quality;
- Noise impacts from sources other than commercial premises;
- Impacts on the health of a centre or the local provision of services for any uses other than a nursery or health centre;
- Loss of floorspace required to support the local economy;
- Impacts on existing businesses of residential use in the area;
- Standards of residential accommodation provided in terms of matters such as accessibility and sustainability;
- Size of proposed dwellings in terms of number of bedrooms;
- Impacts on infrastructure other than transport and highways; and
- Provision of affordable housing.

## **2.2 Hot food takeaway, betting office, payday loan shop or launderette to residential**

2.2.1 Part 3, Class M of Schedule 3 of the GDPO grants planning permission to change the use of various 'sui generis' uses to residential, namely a hot food takeaway, betting office, payday loan shop or launderette.

2.2.2 Amendments to this PDR were made in August 2021 following a technical consultation undertaken in May and June 2021, which changed some of the associated exclusions and permissions.

2.2.3 Development not permitted by this PDR includes where the cumulative floor space changing use would exceed 150 sq m, where the external dimensions would be extended, where there would be any demolition, where the building is listed and where the building is in a variety of defined locations such as conservation areas, scheduled monuments or safety hazard areas.

2.2.4 The matters that can be considered under prior approval are as follows:

- Transport and highways impacts;
- Contamination;
- Flooding;
- For a launderette, the adequate provision of services, where there is a reasonable prospect of the building being used for this;
- Design and external appearance of the building; and
- Natural light in all habitable rooms.

2.2.5 The matters that cannot be considered under prior approval include the following:

- Air quality;
- Noise impacts;
- The adequate provision of services for uses other than a launderette;

- Impacts on existing businesses of residential use in the area;
- Impact on the sustainability of the shopping area in which it is located;
- Standards of residential accommodation provided in terms of matters such as accessibility and sustainability;
- Size of proposed dwellings in terms of number of bedrooms;
- Impacts on infrastructure other than transport and highways; and
- Provision of affordable housing.

## **2.3 Casino or amusement arcade to residential**

2.3.1 Part 3, Class N of Schedule 3 of the GDPO grants planning permission to change the use of a casino or amusement arcade to residential.

2.3.2 Development not permitted by this PDR includes where the cumulative floor space changing use would exceed 150 sq m, where there would be building operations other than those specified including installation of doors, windows, roofs or walls, where the building is listed and where the building is in a variety of defined locations such as conservation areas, scheduled monuments or safety hazard areas.

2.3.3 The matters that can be considered under prior approval are as follows:

- Transport and highways impacts;
- Contamination;
- Flooding;
- Design and external appearance of the building; and
- Natural light in all habitable rooms.

2.3.4 The matters that cannot be considered under prior approval include the following:

- Air quality;
- Noise impacts;
- Impact on the sustainability of the shopping area in which it is located;
- Impacts on existing businesses of residential use in the area;
- Standards of residential accommodation provided in terms of matters such as accessibility and sustainability;
- Size of proposed dwellings in terms of number of bedrooms;
- Impacts on infrastructure other than transport and highways; and
- Provision of affordable housing.

## **2.4 Demolition and rebuild for residential**

2.4.1 Part 20, Class ZA of Schedule 3 of the GDPO grants planning permission to demolish a purpose-built block of flats or single, detached office, research and development and/or light industrial building and replace it with a purpose-built block of flats or dwellinghouse.

2.4.2 The operations covered in this PDR are detailed in Schedule 2, but include demolition and construction works, removal and installation of access, plant and

utility connections, construction of ancillary facilities for the new building, and provision of scaffolding or temporary structures to support the operations.

2.4.3 Development not permitted by this PDR includes where the building is listed or within a listed building's curtilage and where the building is in a variety of defined locations such as conservation areas, scheduled monuments or safety hazard areas. The building to be demolished must have been constructed before the end of 1989, be less than 1,000 sq m in footprint and up to 18 metres in height (excluding plant and equipment), and must have been vacant for six months prior to the prior approval application, and not rendered unsafe or uninhabitable by action or inaction of anyone with interest in the land. There are also size parameters for the new building, which must be within the footprint of the old building, cannot exceed the lower of 7 metres above the height of the old building or 18 metres total, cannot exceed two storeys above the height of the old building and some additional matters.

2.4.4 The matters that can be considered under prior approval are as follows:

- Transport and highways impacts;
- Contamination;
- Flooding;
- Design;
- External appearance;
- Natural light in all habitable rooms;
- Impact on amenity of occupants of new or neighbouring buildings including overlooking, privacy or light;
- Impacts from noise from commercial premises on occupiers;
- Impacts on businesses and new residents of residential use in the area;
- Impact on heritage and archaeology;
- Method of demolition;
- Plans for landscaping; and
- Where airspace not occupied by the old building is to be occupied, impacts on air traffic and defence assets or on protected vistas.

2.4.5 The matters that cannot be considered under prior approval include the following:

- Air quality;
- Noise impacts from sources other than commercial premises;
- Loss of floorspace required to support the local economy;
- Standards of residential accommodation provided in terms of matters such as accessibility and sustainability;
- Size of proposed dwellings in terms of number of bedrooms;
- Impacts on infrastructure other than transport and highways; and
- Provision of affordable housing.

## 2.5 Upward extension of a block of flats

- 2.5.1 Part 20, Class A of Schedule 3 of the GDPO grants planning permission to add up to two new storeys providing dwellinghouses onto an existing purpose built, detached block of flats.
- 2.5.2 This also covers operations necessary to construct these storeys, including engineering operations, replacement or installation of plant, construction of access and ancillary facilities.
- 2.5.3 Development not permitted by this PDR includes where use for flats has been as a result of changes under PDR, there are fewer than 3 above ground storeys or the building was constructed before 1<sup>st</sup> July 1948 or after 5<sup>th</sup> March 2018. Additional storeys must be placed on the principal part of the building. There are height limits to the additional storeys, and the total height cannot exceed the height of the existing building by more than 7 metres, whilst the overall height must not exceed 30 metres (excluding plant). Visible exterior support structures are not permitted, and neither are engineering operations for strengthening or utility provision outside the curtilage of the existing building. Development is not permitted within various protected locations, including conservation areas, scheduled monuments and safety hazard areas, or affecting a listed building or its curtilage.
- 2.5.4 The matters that can be considered under prior approval are as follows:
- Transport and highways impacts;
  - Impacts on air traffic and defence assets;
  - Contamination;
  - Flooding;
  - External appearance;
  - Natural light in all habitable rooms;
  - Impact on amenity of occupants of existing or neighbouring buildings including overlooking, privacy or light;
  - Impacts on protected vistas; and
  - Fire safety of the external wall construction (where over 18m in height) and fire safety impacts on the occupants of the building.
- 2.5.5 The matters that cannot be considered under prior approval include the following:
- Air quality;
  - Noise;
  - Impacts on amenity of occupants of the additional storeys;
  - Size of proposed dwellings in terms of number of bedrooms;
  - Standards of residential accommodation provided in terms of matters such as accessibility and sustainability;
  - Impacts on infrastructure other than transport and highways; and
  - Provision of affordable housing.



## **2.6 Upward extension of a detached commercial or mixed use building**

- 2.6.1 Part 20, Class AA of Schedule 3 of the GDPO grants planning permission to add up to two new storeys providing dwellinghouses onto a detached building in commercial use or in a mixed use containing commercial and dwellinghouses. Commercial use in this case means retail, food and drink, financial and professional, office, betting shop, payday loan shop or launderette.
- 2.6.2 This also covers operations necessary to construct these storeys, including engineering operations, replacement or installation of plant, construction of access and ancillary facilities.
- 2.6.3 Development not permitted by this PDR includes where there are fewer than 3 above ground storeys or the building was constructed before 1<sup>st</sup> July 1948 or after 5<sup>th</sup> March 2018. Additional storeys must be placed on the principal part of the building. There are height limits to the additional storeys, and the total height cannot exceed the height of the existing building by more than 7 metres, whilst the overall height must not exceed 30 metres (excluding plant). Visible exterior support structures are not permitted, and neither are engineering operations for strengthening or utility provision outside the curtilage of the existing building. Development is not permitted within various protected locations, including conservation areas, scheduled monuments and safety hazard areas, or affecting a listed building or its curtilage.
- 2.6.4 The matters that can be considered under prior approval are as follows:
- Transport and highways impacts;
  - Impacts on air traffic and defence assets;
  - Contamination;
  - Flooding;
  - External appearance, including of the principal elevation or any elevation fronting a highway;
  - Natural light in all habitable rooms;
  - Impact on amenity of occupants of existing or neighbouring buildings including overlooking, privacy or light;
  - Impacts from noise from commercial premises on occupiers;
  - Impacts on businesses and new residents of residential use in the area;
  - Impacts on protected vistas; and
  - Fire safety of the external wall construction (where over 18m in height) and fire safety impacts on the occupants of the building.
- 2.6.5 The matters that cannot be considered under prior approval include the following:
- Air quality;
  - Noise impacts from sources other than commercial premises;
  - Impacts on amenity of occupants of the additional storeys;
  - Size of proposed dwellings in terms of number of bedrooms;

- Standards of residential accommodation provided in terms of matters such as accessibility and sustainability;
- Impacts on infrastructure other than transport and highways; and
- Provision of affordable housing.

## **2.7 Upward extension of a terraced commercial or mixed use building**

- 2.7.1 Part 20, Class AB of Schedule 3 of the GDPO grants planning permission to add up to two new storeys providing dwellinghouses onto a terraced building in commercial use or in a mixed use containing commercial and dwellinghouses. Commercial use in this case means retail, food and drink, financial and professional, office, betting shop, payday loan shop or launderette.
- 2.7.2 This class is very similar to Class AA. The main differences include that, for existing buildings of one storey, only one additional storey can be added. In addition, the height cannot be higher than 3.5m above the height of every other building in the terrace (excluding plant). In addition, for existing buildings of one storey, the height cannot exceed 3.5m above the existing building height.

## **2.8 Upward extension of a terraced house**

- 2.8.1 Part 20, Class AC of Schedule 3 of the GDPO grants planning permission to add up to two new storeys providing dwellinghouses onto a terraced house of two or more storeys and one new storey onto a terraced house of one storey.
- 2.8.2 This also covers operations necessary to construct these storeys, including engineering operations, construction of access and ancillary facilities.
- 2.8.3 Development not permitted by this PDR includes where the building was constructed before 1st July 1948 or after 5th March 2018. Additional storeys must be placed on the principal part of the building. In terms of height limits, the overall height cannot exceed 18 metres, whilst the maximum height above the existing dwelling is 3.5 metres (for one storey dwellings) or 7 metres (for two storey dwellings), and the overall height cannot exceed every other building in the terrace by more than 3.5 metres. Visible exterior support structures are not permitted, and neither are engineering operations for strengthening or utility provision outside the curtilage of the existing building. Development is not permitted within various protected locations, including conservation areas, scheduled monuments and safety hazard areas, or affecting a listed building or its curtilage.
- 2.8.4 The matters that can be considered under prior approval are as follows:
- Transport and highways impacts;
  - Impacts on air traffic and defence assets;
  - Contamination;
  - Flooding;

- External appearance, including the principal elevation or any elevation fronting a highway;
- Natural light in all habitable rooms;
- Impact on amenity of occupants of neighbouring premises including overlooking, privacy or light; and
- Impacts on protected vistas.

2.8.5 There are also requirements that materials be of a similar appearance to the existing house, and that roof pitch matches the existing house, and that there be no window in any side elevation.

2.8.6 The matters that cannot be considered under prior approval include the following:

- Air quality;
- Noise impacts;
- Impacts on amenity of occupants of the existing dwelling to be extended and of the additional storey(s);
- Size of proposed dwellings in terms of number of bedrooms;
- Standards of residential accommodation provided in terms of matters such as accessibility and sustainability;
- Impacts on infrastructure other than transport and highways; and
- Provision of affordable housing.

## **2.9 Upward extension of a detached house**

2.9.1 Part 20, Class AD of Schedule 3 of the GDPO grants planning permission to add up to two new storeys providing dwellinghouses onto a detached house of two or more storeys and one new storey onto a terraced house of one storey.

2.9.2 This class is very similar to Class AC, with the main difference being that there is no requirement relating to the height of other dwellinghouses in a terrace.

### **3. Type of area considered**

- 3.0.1 In line with Planning Practice Guidance, the extent of an Article 4 direction requires justification. It makes sense to look at this in broad terms first, to understand whether the PDR covered in this report cause particular forms of harm in different types of area. This section therefore sets out the broad types of area to be examined.
- 3.0.2 Complying with requirements on justifying the extent of any Article 4 area will mean that a finer-grained analysis is required that looks at the specific boundary. This is carried out later in the report in sections 6 and 7 once it has been established what the broad coverage will be.

#### **3.1 Town centre core**

- 3.1.1 The town centre core is the area with the greatest concentration of commercial activity in the centre of Reading. This commercial activity includes, in particular, retail, restaurants and cafes, drinking establishments and nightclubs, leisure uses and offices. Whilst other uses, including residential, are present, often at high density, it is this concentration of commercial activities that defines the area.
- 3.1.2 The town centre core is centred around streets such as Broad Street, Friar Street, Station Road, Queen Victoria Street and the areas around Reading Station and the Oracle and Broad Street Mall shopping centres. This is generally an area of high-density development (although densities are somewhat lower in areas of particular historic significance), and is the location for a number of tall buildings.

#### **3.2 Town centre fringe**

- 3.2.1 The town centre fringe includes those areas immediately surrounding the town centre core. Whilst this includes secondary commercial locations along the main routes in and out of central Reading, such as Oxford Road, Caversham Road, Kings Road and London Street, much of the areas in between those routes has a more residential focus. There are also a number of large format commercial sites such as retail warehouses and older industrial or business premises.
- 3.2.2 The density of much of the town centre fringe tends to be medium to high. The residential areas include Victorian terraced housing alongside more modern development, including some tall buildings, and the area is currently seeing significant change with large developments underway at Kenavon Drive, Weldale Street, Cardiff Road and Napier Road. There remain some significant areas of underused land which the Local Plan allocates for further development. The town centre fringe has been the focus for many of the office to residential developments that have already taken place under prior approval, with Kings Road, Queens Road and London Street being particularly significant in this regard.

### **3.3 District and local centres**

- 3.3.1 There are a number of small centres which provide essential shops and services to their surrounding residential areas. There are 18 such centres defined in the Reading Borough Local Plan, ranging from large clusters of activity such as Caversham centre or Oxford Road West to small shopping parades such as Wensley Road.
- 3.3.2 These centres tend to have a diversity of uses, including some or all of convenience shops, public houses, hairdressers, cafes, takeaways, medical facilities, places of worship and community centres. Often they include, or are close to, other community facilities such as primary schools. They also often include residential uses, within the centre and also above shop units.

### **3.4 Main arterial routes**

- 3.4.1 This area comprises the main roads in and out of Reading, and the sites that are immediately adjacent to them, where they are not already covered by other categories such as district and local centres and core employment areas. Some of these routes, such as London Road, Oxford Road and Bath Road tend to have a mix of uses along them, including some commercial premises and residential, whilst others, such as Upper Woodcote Road and Peppard Road are mainly residential in character. However, these roads see significant volumes of vehicular traffic which could negatively affect new residents of any residential development that results from PDR.

### **3.5 Employment areas**

- 3.5.1 The main employment areas are the areas identified in the Reading Borough Local Plan as being the most important for supporting the economy of Reading and which need to be retained in employment use (referred to in the Local Plan as Core Employment Areas). Evidence to inform the Local Plan looked at a variety of factors to identify which employment areas should be retained, and which could be brought forward for other uses, and the core employment areas were those that were important to retain.
- 3.5.2 A number of these areas include a wide mix of employment uses, incorporating industrial, warehouses and offices, as well as other commercial activities, and also include older premises alongside more modern developments. In particular, the areas around Basingstoke Road, Portman Road and Cardiff Road offer this type of mixed space, and this includes dedicated small business space. This designation also covers modern out of centre business parks, specifically Green Park and Reading International Business Park, although many of Reading's other business parks are actually outside the Borough boundaries, within Wokingham and West Berkshire. There are also some smaller, older industrial areas which are often in areas where provide jobs to residents within nearby areas of deprivation.

### 3.6 Other commercial areas

- 3.6.1 The other commercial areas are those areas which are not covered in any of the previous categories but which nonetheless provide primarily commercial activity and from which residential is generally absent. These include out of centre retail warehouse parks, employment areas not covered by the Core Employment Area designation, concentrations of vehicle dealerships, out of centre leisure destinations and railway depots.

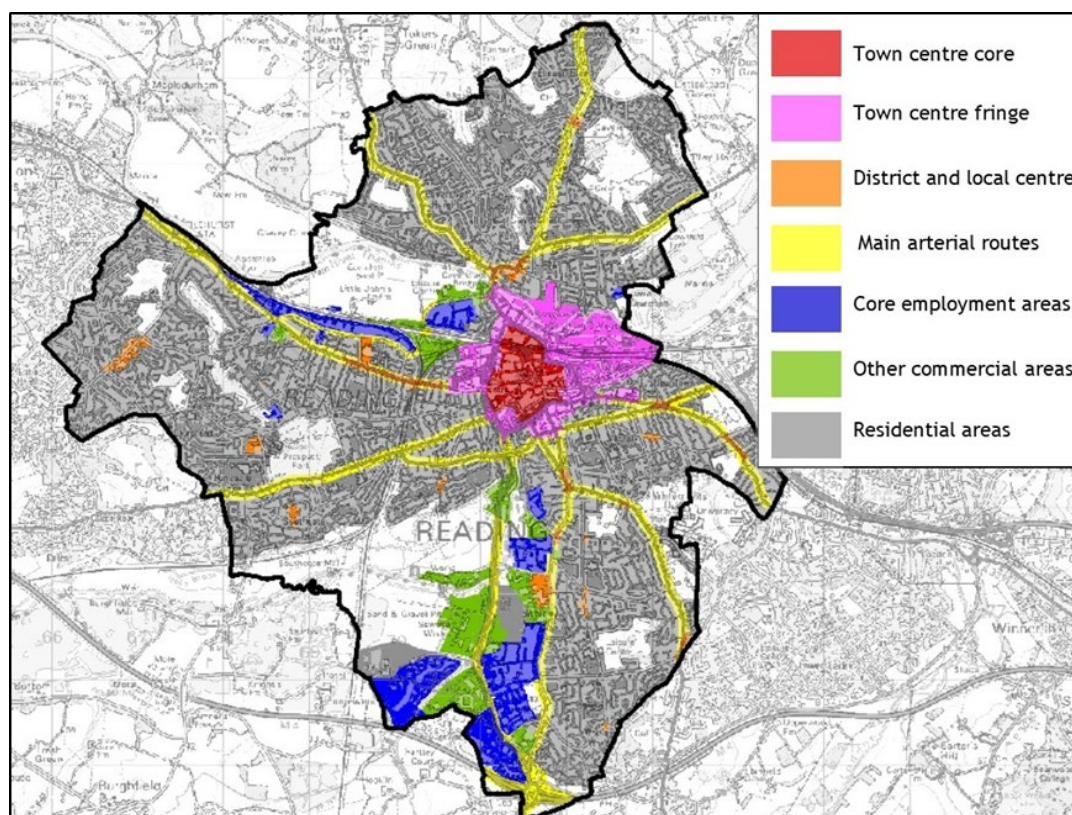
### 3.7 Residential areas

- 3.7.1 Residential areas cover most of Reading Borough. These include higher-density residential closer to the centre, with more suburban development further out. These areas also include non-residential uses, in particular most of Reading's schools, and other institutions such as the University of Reading and Royal Berkshire Hospital.

### 3.8 Broad location of the areas considered

- 3.8.1 Figure 3.1 shows, in broad terms, which areas of Reading fall within each of the headings above. As previously stated, exact boundaries will need to be considered later on in this report, so figure 3.1 is indicative only.

*Figure 3.1: Broad locations for consideration in Reading*



- 3.8.2 The areas not covered by the previous categories are mainly undeveloped land, usually either parks and playing fields, or land in primarily agricultural use. In the



case of agricultural land, it is worth noting that PDR also exist to turn some agricultural buildings into residential. However, these PDR are not dealt with in this report largely because agricultural buildings are almost non-existent in Reading, so the scope to make use of PDR in the Borough is highly limited.

## 4. Extent of benefits of PDR

- 4.0.1 The main point cited in favour of PDR that result in new dwellings is that they boost housing delivery and therefore help to meet housing need. With a policy target of 689 homes per annum in policy H1 of the Reading Borough Local Plan, the delivery of new homes is clearly of great importance to the Council. This section considers the evidence relating to delivery of new homes through PDR and whether it should outweigh the harm demonstrated elsewhere.

### 4.1 Number of homes

- 4.1.1 The number of homes delivered through each of the PDR routes over the last ten years is shown in table 4.1.

**Table 4.1: Homes delivered through PDR in Reading 2011-2021**

Year	Office to residential	Light industrial to residential	Storage and distribution to residential	Retail to residential
2011-12	0	0	0	0
2012-13	0	0	0	0
2013-14	11	0	0	0
2014-15	103	0	0	0
2015-16	254	0	0	0
2016-17	273	0	0	2
2017-18	109	0	3	5
2018-19	188	0	0	5
2019-20	102	1	0	2
2020-21	47	0	0	11
<b>Total 2011-21</b>	<b>1,087</b>	<b>1</b>	<b>3</b>	<b>25</b>
<b>Under construction 31 March 2021</b>	<b>169</b>	<b>6</b>	<b>0</b>	<b>3</b>
<b>Not started 31 March 2021</b>	<b>391</b>	<b>0</b>	<b>0</b>	<b>14</b>

- 4.1.2 After an initial rush of office to residential schemes in 2015-16 and 2016-17, the amount of dwellings delivered through PDR has reduced somewhat, although it remains a steady source of supply.

**Table 4.2: Homes delivered through PDR as a proportion of all homes delivered**

Year	Net homes completed total	Net homes completed by PDR	% of homes that are delivered by PDR
2011-12	312	0	0.0
2012-13	474	0	0.0
2013-14	361	11	3.0
2014-15	635	103	16.2
2015-16	751	254	33.8
2016-17	717	275	38.4
2017-18	700	117	16.7
2018-19	910	193	21.2



Year	Net homes completed total	Net homes completed by PDR	% of homes that are delivered by PDR
2019-20	524	105	20.0
2020-21	408	58	14.2
<b>Total 2011-21</b>	<b>5,792</b>	<b>1,116</b>	<b>19.3</b>
<b>Under construction 31 March 2021</b>	<b>1,976</b>	<b>169</b>	<b>9.0</b>
<b>Not started 31 March 2021</b>	<b>3,104</b>	<b>391</b>	<b>13.0</b>

- 4.1.3 Table 4.2 sets this in the context of all homes delivered. It can be seen that in most years since office to residential PDR was introduced (allowing time for schemes to be brought forward), it has represented 15-20% of all completions, with the exception of the years 2015-16 and 2016-17 when the first tranche of schemes under the new PDR were delivered, and more than a third of all completions were through PDR. However, 2020-21 saw the lowest proportion of all schemes delivered through PDR since 2014, and it seems likely that this will continue to reduce somewhat, with less than 10% of dwellings under construction through PDR.
- 4.1.4 Therefore, on the face of it, PDR represents a strong source of housing supply in Reading, albeit one which is becoming slightly less important as a proportion of overall supply.
- 4.1.5 However, if we look at long term trends in housing delivery, it is not clear that PDR has actually served to boost housing supply. Table 4.3 sets out overall housing delivery for a ten-year period before PDR was introduced in 2013, and for the eight years since. There is considerable variation from year to year, so it makes sense to compare longer term averages to see if there has been any uplift in housing delivery. If PDR were to have the effect of boosting housing delivery overall we would expect to see this reflected in the average completions in an authority such as Reading where there has been considerable take-up.

**Table 4.3: Total housing delivery in Reading 2003-2021 showing averages before and after introduction of office to residential PDR**

Year	Completed dwellings
2003-04	761
2004-05	1177
2005-06	656
2006-07	637
2007-08	837
2008-09	782
2009-10	693
2010-11	321
2011-12	312
2012-13	474
<b>Annual average 2003-2013</b>	<b>665</b>
2013-14	361
2014-15	635

Year	Completed dwellings
2015-16	751
2016-17	717
2017-18	700
2018-19	910
2019-20	524
2020-21	408
<b>Annual average 2013-2021</b>	<b>626</b>

- 4.1.6 Table 4.3 shows that, in actual fact, the average annual completions have declined since 2013, not increased. The average for the ten years prior to the introduction of office to residential PDR is 665 dwellings, whilst for the eight years since it is 626. Whilst it is not possible to know what housing delivery would have looked like without PDR, there is no clear overall boosting effect to housing delivery in Reading.
- 4.1.7 This may be because the relationship between PDR and overall housing delivery is not as straightforward as might be thought at first glance. Conversions or redevelopment of redundant offices or other commercial space to dwellings had been taking place in Reading for many years prior to the introduction of PDR, so there can be no certainty that many of these offices may not have come forward for residential in any case through the planning application route. Equally, developers may have been focused on relatively easy wins through office conversions with no requirement for developer contributions rather than bringing forward other sites, particularly given that the temporary nature of the office to residential PDR when originally introduced may have incentivised this.
- 4.1.8 Records show that existing offices have been a source of new housing delivery in Reading for many years, either through conversion or redevelopment. Table 4.4 shows the number of dwellings that were delivered from this source in each of the 15 years before the introduction of office to residential PDR.

**Table 4.4: Dwellings completed as a result of loss of offices before the introduction of PDR**

Year	Completed dwellings resulting from conversion or redevelopment of office
1998-1999	64
1999-2000	29
2000-2001	11
2001-2002	108
2002-2003	11
2003-2004	70
2004-2005	33
2005-2006	205
2006-2007	9
2007-2008	201
2008-2009	73
2009-2010	141

Year	Completed dwellings resulting from conversion or redevelopment of office
2010-2011	43
2011-2012	10
2012-2013	29
<b>Total 1998-2013</b>	<b>1,037</b>
<b>Annual average 1998-2013</b>	<b>69</b>

- 4.1.9 As can be seen from table 4.4, changes from office to residential have long been an important element of housing supply. Over 1,000 dwellings have been delivered from this source over 15 years, an average of 69 each year, and the need to seek planning permission has not prevented many developments coming forward, whilst still ensuring that developments are of an acceptable quality, type, in a suitable location, and that, where appropriate, contributions to affordable housing and infrastructure are made. It is also worth noting that, although the figures above have been collected for offices, conversions or redevelopment from other non-residential uses including retail and storage and distribution have also been a regular occurrence.
- 4.1.10 It is also worth noting that conversions of the type that PDR sets out to allow do not appear to have been prevented from coming forward in Reading due to the need to seek planning permission even after PDR. Between the introduction of office to residential PDR in 2013 and 2021, 165 dwellings have been delivered through changes of use from office through the planning application route. In some cases these involved permissions that pre-dated office to residential PDR, but some others are conversions within buildings that do not benefit from PDR, usually because they are listed. This, in combination with the information set out in paragraph 4.1.9 about changes from office to residential that pre-dated PDR shows that the need to seek planning permission does not prevent appropriate changes of use occurring.

## 4.2 Relationship to local need

- 4.2.1 In addition to doubts about the degree to which PDR has actually boosted the number of homes delivered, there are also reasons to doubt the degree to which those homes that have been delivered respond to the most pressing local needs.
- 4.2.2 This issue arises in relation to several matters. Firstly, PDR does not result in provision of affordable housing, as the provision of affordable housing is not a matter that the PDR process allows consideration of. Affordable housing is by far the most pressing element of local housing need, and PDR does not make any contribution to meeting it. This issue is explored in more depth in section 5.8 when discussing harm.
- 4.2.3 Secondly, there is no ability to influence the mix of housing provided in terms of number of bedrooms to ensure that the greatest needs are met. PDR developments are dominated by small dwellings, usually of 1-bedroom, and do not provide

significant levels of much-needed family housing. This issue is explored in detail in section 5.1.

- 4.2.4 Thirdly, there is evidence that PDR developments are often being used to provide serviced accommodation on short-term lets rather than provide for those households needing permanent residential accommodation. Serviced accommodation does nothing to meet local housing need, being marketed instead at those in Reading for the short-term, often for business reasons, and being priced at a level that would not be sustainable for most households as long-term accommodation.
- 4.2.5 An assessment of the listings on websites specialising in serviced lets undertaken in May 2021 revealed that, of the 78 residential buildings that had been provided by office to residential permitted development rights up to 31<sup>st</sup> March 2021, at least 12 of those buildings (15%) contained dwellings being let for serviced accommodation. Information was not available on how many dwellings within each of those blocks were used as serviced accommodation, as often one listing relates to an unspecified number of flats, and some flats appear on multiple listings, but in the case of some of the smaller PDR blocks of less than 15 dwellings, it appeared to relate to the whole building.
- 4.2.6 This is not an issue that is restricted to PDR developments, but PDR developments would appear to have particular potential to be used for serviced apartments, in particular because those staying for a temporary period are less likely to require private or communal outdoor amenity space, are less likely to be concerned about matters such as noise and disturbance, and are also likely to only require one-bedroom accommodation, which dominates PDR developments. Whilst it could be argued that use as serviced apartments would represent a breach of planning control as it would represent an unauthorised change of use, this would be difficult to satisfactorily prove, as well as the scale of the issue making enforcement action difficult.
- 4.2.7 Similarly, it is known that some PDR developments are being used to provide student accommodation. The proliferation of private purpose-built student accommodation (PBSA) in Reading in recent years has been a matter of considerable concern for the Council because it competes for a limited pool of sites with general housing to meet the more pressing local needs. This led to the adoption of a sequentially-based policy on student accommodation in the Reading Borough Local Plan (policy H12) which directed new accommodation towards existing further or higher education sites or existing student accommodation sites in the first instance. This matter was subject to considerable discussion at examination, and the approach adopted, albeit with main modifications.
- 4.2.8 Three blocks completed through PDR in particular are known to currently provide student accommodation:
- Building 1, New Century Place, East Street - 72 units
  - Building 2, New Century Place, East Street - 63 units

- St Giles Court (now known as Saxon Court), Church Street - 89 units

4.2.9 This means that, of the 1,116 dwellings delivered through PDR since 2013, 224 of these dwellings, representing 20% of the total, are in use as student accommodation rather than general housing, and are not therefore addressing general local housing needs.

4.2.10 The Council has sought to take enforcement action relating to these uses, and this resulted in an appeal decision against a failure to determine a certificate of lawful use for the use of the New Century Place buildings. The appeal was allowed<sup>2</sup>, and this illustrated the difficulty of taking action to address the issue, as the Inspector considered that the use did not constitute dedicated student accommodation under sui generis, despite the rental periods being linked to academic terms.

4.2.11 As for serviced accommodation, whilst this issue may not be unique to dwellings provided by PDR, that type of development has clear potential to be geared towards students, who may seek 1-bed or studio accommodation and are less likely to require private or communal outdoor amenity space.

### 4.3 Conclusion

4.3.1 Therefore, there is good reason to be cautious about the mooted benefits of PDR in terms of providing dwellings to meet local need, firstly because it is not clear that the delivery of homes has been significantly boosted by PDR in terms of overall numbers, and secondly because it appears that many of the dwellings provided do not respond to the most pressing local housing needs.

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<sup>2</sup> APP/E0345/X/20/3262741

## 5. The harm caused by PDR

5.0.1 This section examines the different forms of harm caused by PDR, and sets out evidence for how this harm arises, or could arise, in Reading. It therefore contains the bulk of the evidence justifying use of an Article 4 direction. It takes each form of harm in turn, examines its severity and whether it would constitute “*wholly unacceptable adverse impacts*” as required by the NPPF for a direction controlling changes of use to residential, and considers the degree to which it arises for each form of PDR set out in section 2 and within each geographical area set out in section 3.

### 5.1 Size and type of dwellings

- 5.1.1 This section considers whether the size of dwellings resulting from permitted development is likely to match the need for new dwellings in Reading. In this section, size relates to number of bedrooms, not internal space. Internal space is addressed in the following section 5.2.
- 5.1.2 The need for different sizes of dwellings in Reading has been assessed to inform the production of the Reading Borough Local Plan. The Berkshire (including South Bucks) Strategic Housing Market Assessment (SHMA)<sup>3</sup>, February 2016, was the main piece of housing evidence that was used to underpin the Local Plan. As well as assessing the overall need for dwellings and other forms of residential accommodation, the SHMA looked at the split of housing required by size of dwelling. The methodology is set out in section 8 of the SHMA, with the specific figures for Reading shown in tables 107 and 108. The results for Reading across the whole plan period (2013 to 2036) are shown in table 5.1 below.

**Table 5.1: Size of dwellings required in Reading, 2013-2036 (from SHMA)**

Size of dwelling	Market homes needed	Affordable homes needed	Total homes needed	% of total homes needed
1-bedroom	1,066	1,490	2,556	18.6%
2-bedroom	3,053	1,129	4,182	30.5%
3-bedroom	4,277	741	5,018	36.5%
4-bedroom or more	1,903	72	1,975	14.3%
<b>Total</b>	<b>10,299</b>	<b>3,433<sup>4</sup></b>	<b>13,732</b>	<b>100.0%</b>

5.1.3 The overall mix required in Reading according to the SHMA is spread across all sizes of dwellings, with 3-bedroom dwellings representing the greatest need followed by 2-bedroom dwellings. Over 50% of need is for family-sized accommodation, i.e. of 3-bedroom or more. The need for 1-bedroom dwellings represents less than a fifth of overall need.

<sup>3</sup> [Berkshire Strategic Housing Market Assessment Feb 2016.pdf \(reading.gov.uk\)](#)

<sup>4</sup> In the part of the SHMA focussing on size of accommodation, the split between market and affordable homes does not reflect the assessed need for affordable housing in the same document, but instead assumes that 25% of overall delivery will be affordable for the purposes of reflecting more likely delivery.

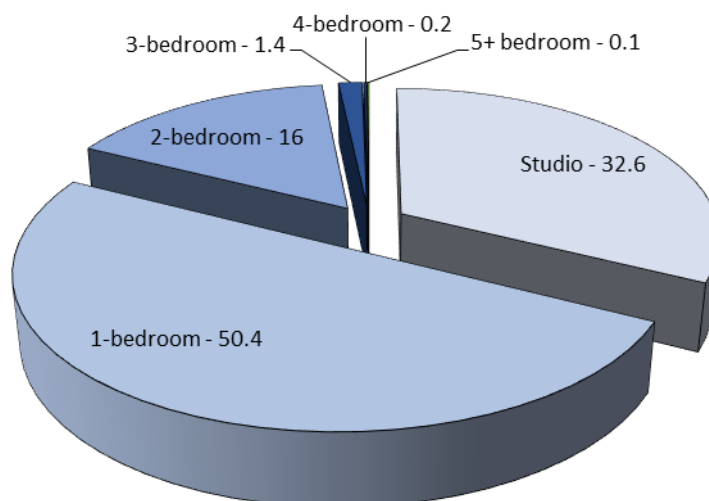
- 5.1.4 However, delivery of new dwellings since the start of the plan period has not reflected the mix needed. Table 5.2 shows the number of dwellings that have been completed of each size since 2013 (the start date of the plan and therefore the date from which needs have been calculated). The focus has clearly been heavily on smaller accommodation, with 82% of new dwellings of less than three bedrooms. The amount of studio and one-bedroom dwellings (2,215) is already approaching the entire assessed need for this size of dwelling for the entire plan period (2,556, from [table 5.1](#)), and has already easily exceeded the identified market need for these sizes by more than double.

**Table 5.2: Size of dwellings delivered 2013-2021**

Size of dwelling	Total completed 2013-21	% of all completions 2013-21	Completed through PDR 2013-21	% of PDR completions 2013-21
Studio	481	9.6	364	32.6
1-bedroom	1,734	34.7	563	50.4
2-bedroom	1,866	37.3	179	16.0
3-bedroom	623	12.5	7	1.4
4-bedroom	325	6.5	2	0.2
5-bedroom or more	-26	-0.5	1	0.1
<b>Total</b>	<b>5,003</b>	<b>100.0</b>	<b>1,116</b>	<b>100.0</b>

- 5.1.5 Against this background, the Council needs to use the tools available to try to secure family-sized accommodation, particularly of three bedrooms or more. Policy H2 of the Local Plan requires that over half of new-build dwellings outside town centres are three-bedroom or more, whilst policy CR6 sets more specific housing mix expectations for the centre of Reading, but as can be seen from the figures above, this has so far had a limited effect on overall delivery.
- 5.1.6 PDR have overwhelmingly delivered small dwellings. Of all dwellings delivered through PDR in Reading between 2013 and 2021, 83% have been either studio or 1-bedroom, with almost all of the remainder 2-bedroom. The number of 3-bedroom dwellings or more delivered through the PDR route has been negligible. Figure 5.1 underlines this dominance of small dwellings, and shows the percentage of completions through PDR that are of each size category.

**Figure 5.1: Percentage of completed dwellings through PDR 2013-21 by size**



- 5.1.7 The proportion of studio flats created is particularly noticeable. PDR is responsible for over 75% of all studio flats that have been provided in Reading over the plan period. This is a form of accommodation that is rarely sought through the planning application process, with many of the remaining studios resulting from regularisation of existing development.
- 5.1.8 There is no reason to believe that this dominance by smaller dwellings is likely to change. Maximising the number of units within a development will often help to maximise the return to a developer, so, without any controls through a full planning permission process, there are few incentives to deliver larger units that could potentially house families. This is exacerbated by other aspects of PDR, for instance the lack of provision of outdoor amenity space which makes PDR developments particularly unsuitable for families.
- 5.1.9 Therefore, in summary, the dominance of small dwellings amongst PDR makes it more difficult to meet the significant needs for family-sized accommodation in Reading, and therefore actively works against meeting the requirements of the Local Plan.

#### ***Wholly unacceptable adverse impacts***

- 5.1.10 Reading clearly needs more family housing, as demonstrated in the evidence base prepared for the Local Plan, and the housing that is being provided so far is not delivering family housing in sufficient numbers. This is significantly exacerbated by PDR developments that are absolutely dominated by studio and one-bedroom dwellings and are subject to no controls over housing mix. The NPPF is clear that *“the size, type and tenure of housing needed for different groups in the community should be assessed and reflected in planning policies”* (paragraph 62), and this is undermined by the continued significant supply of PDR dwellings. A failure to address the need for family housing will impact on the whole community, as it will mean that households will need to move out of Reading as their space needs change, which will have significant additional implications for the mix and



balance of our communities and for economic growth through difficulties in attracting and retaining workers with families.

### *Relevance to types of PDR*

- 5.1.11 There is no ability to control size in terms of number of bedrooms through any of the permitted development rights that would result in new dwellings. Therefore, this issue is equally relevant to all forms of PDR.

**Table 5.3: Matrix showing applicability of size and type of dwellings to different forms of PDR**

Permitted development right	Relevant to issue?
Part 3 Class MA - use class E to residential	✓
Part 3 Class M - takeaway, betting office, payday loan shop or launderette to residential	✓
Part 3 Class N - casino or amusement arcade to residential	✓
Part 20 Class ZA - demolition and rebuild for residential	✓
Part 20 Class A - upward extension of purpose-built flats for residential	✓
Part 20 Class AA - upward extension of detached commercial or mixed use building for residential	✓
Part 20 Class AB - upward extension of terraced commercial or mixed use building for residential	✓
Part 20 Class AC - upward extension of terraced house for residential	✓
Part 20 Class AD - upward extension of detached house for residential	✓

### *Relevance to types of area*

- 5.1.12 The issue of developments resulting from PDR being dominated by smaller residential dwellings is equally applicable in all locations.

**Table 5.4: Matrix showing applicability of size and type of dwellings to different areas**

Type of area	Relevant to issue?
Town centre core	✓
Town centre fringe	✓
District and local centres	✓
Main arterial routes	✓
Employment areas	✓
Other commercial areas	✓
Residential areas	✓

## 5.2 Dwelling standards

5.2.1 There are a significant number of concerns around the quality of dwellings that result from PDR. In amending PDR requirements to ensure that natural light is provided to habitable rooms and that developments comply with the nationally described space standards, the government has recognised that some of these concerns are justified. However, many concerns around quality are unresolved. Some dwellings provided through PDR may of course be very high quality where this is what a developer wishes to provide, but far too many PDR dwellings are of an unacceptable level of quality and the local planning authority does not have the levers to control this quality without an Article 4 direction.

5.2.2 Some of the main concerns around quality and standards of new dwellings are set out in the following sections.

### *Dwelling dimensions*

5.2.3 The small size of dwellings provided through PDR in terms of internal dimensions has been well documented across the country. The lack of any controls over the size of dwellings provided has resulted in office blocks being converted into large numbers of extremely small residential units, which do not give anywhere near sufficient space to provide an adequate quality of life.

5.2.4 In 2018, Reading was one of five English case study authorities for a report on the office to residential PDR by RICS, prepared by a team from University College London<sup>5</sup>. The authors looked at a selection of case study conversions that had already taken place at that point, and one of the issues that was considered was internal dimensions. Of the dwellings where it was possible to tell, none of the 178 units met the nationally described space standards.

5.2.5 Identifying the size of dwellings provided in Reading as a result of PDR so far is not straightforward, as developers are not required to provide floorplans at prior approval stage. However, dwellings of 15-17 sq m are not at all unusual. The smallest dwelling so far provided that could be identified was 13.6 sq m, which is within the development at 34-36 Crown Street (application reference 160090). For comparison, the minimum Gross Internal Area for a one-storey, one-person dwelling in the nationally described space standards is 37 sq m, so much more than double the smallest units provided. There is no prospect that dwellings of the small size seen so far would be permitted in Reading through the planning application route.

5.2.6 Whilst the internal size of dwellings completed or already agreed through PDR is of significant concern to the Council, we are aware that, in order to benefit from PDR, any applications for prior approval submitted from 6<sup>th</sup> April 2021 that would result in new dwellings (including all forms considered in this report) will need to comply with the nationally described space standards. This essentially resolves the

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<sup>5</sup> [assessing-the-impacts-of-extending-permitted-development-rights-to-office-to-residential-change-of-use-in-england-rics.pdf](#)

Council's concern about this aspect of the quality of dwellings, and means that internal dimensions do not form a part of the basis for an Article 4 direction. It also means that this issue is not explored as fully here as it would otherwise have been. Any removal of the requirement to comply with space standards in the future may result in the Council re-assessing this position.

### *Outdoor amenity space*

5.2.7 Access to private or communal outdoor space can make a vital contribution to a high quality of life. In addition to providing opportunities for outdoor living and enjoyment, amenity space serves functional requirements, such as refuse storage and clothes drying. The Covid-19 pandemic and associated restrictions has brought home the importance of having access to outdoor amenity space to our mental and physical well-being, particularly in dense urban environments such as Reading, but this has always been, and will continue to be, of great importance.

5.2.8 The Reading Borough Local Plan emphasises the importance of new dwellings being provided with private or communal outdoor amenity space. Policy H10 requires that:

*“Dwellings will be provided with functional private or communal open space, including green space wherever possible, that allows for suitable sitting-out areas, children’s play areas, home food production, green waste composting, refuse storage, general outdoor storage and drying space. Houses will be provided with private outdoor space whereas flats may be provided with communal outdoor space, balconies and/or roof gardens.”*

5.2.9 However, there is no scope within the prior approval process to require PDR developments to provide outdoor amenity space for their residents, and whether or not such space is provided is left entirely up to the developer. The need for such space is accentuated by the small size and often poor quality of many dwellings in PDR developments, and by the fact that there is no mechanism to secure funding for additional or upgraded public open space to mitigate the impacts of PDR developments.

5.2.10 In the 2018 RICS report, for which Reading was a case study authority, the authors looked in detail at four of the conversions that had taken place and made site visits that included noting whether or not outdoor amenity space was provided. It found that, whilst St Giles’ House (Church Street, 89 dwellings) and 81-83 School Road (6 dwellings) had a communal garden or courtyard, Garrard House (Garrard Street, 83 dwellings) and King’s Reach (Kings Road, 72 dwellings) had no private or communal outdoor space. This meant that only 38% of the units surveyed had any outdoor amenity space.

5.2.11 The 2018 study was a small selection of the developments that had taken place at that point. The Council has now carried out a full assessment of all 103 PDR developments that have been completed in Reading between 2013 and 2021 to

examine whether or not functional private or communal amenity space is provided. In this case, amenity space includes balconies (other than juliet balconies) and roof gardens, but does not include areas used for car parking. This assessment has not involved specific site visits, and instead relies on a combination of plans available and aerial and mapping information.

5.2.12 Table 5.5 sets out the results of the assessment. It can be seen that the proportion of dwellings provided by PDR between 2013 and 2021 that has functional outdoor amenity space is significantly lower than estimated in the 2018 report, at only 19.1%. Even in the minority of cases where it is provided, it is almost always minimal in terms of area.

5.2.13 Policy H10 additionally asks for green space as part of private and communal outdoor space, which can be important for mental health and quality of life. However, even when private or communal outdoor space is provided, this rarely includes green space. Only 7.8% of dwellings provided between 2013 and 2021 included private or communal green outdoor space.

**Table 5.5: Provision of private and communal outdoor space for PDR dwellings in Reading 2013-2021**

Presence of outdoor amenity space	Number of dwellings	Percentage of total PDR dwellings
All dwellings completed through PDR	1,116	N/A
Dwellings completed through PDR with access to private or communal outdoor space	213	19.1%
Dwellings completed through PDR with access to private or communal outdoor space including green space	87	7.8%

5.2.14 As has been seen in section 5.1, there is a particular need for family-sized accommodation within Reading, in particular of three bedrooms or more. Development provided through PDR, as well as rarely being of sufficient size, cannot help to meet these significant needs where it fails to provide outdoor space for children to play, and, without a trigger for seeking infrastructure contributions, there is no mechanism for funding open space and play infrastructure off site that can compensate for this deficiency.

5.2.15 An additional indirect implication of the lack of provision of outdoor amenity space is that PDR developments often result in communal parking areas being located directly adjacent to ground floor habitable rooms of dwellings, without any amenity space as a buffer. This has noise and disturbance implications for residents.

5.2.16 Therefore, it is clear that the lack of private and communal outdoor amenity space associated with PDR developments is clearly prejudicial to the proper planning of the area.

### *Windows and natural light*

- 5.2.17 Another issue in terms of quality of dwellings created by PDR was that, until recently, there was no requirement to provide natural light to habitable rooms. This has meant that there is scope to provide dwellings with no windows or natural light in any form.
- 5.2.18 All forms of PDR considered in this report now require as a condition of the PDR that adequate natural light is provided to all habitable rooms. This is undoubtedly an improvement over previous forms of PDR. However, natural light does not necessarily entail windows that give residents an outlook, and can instead be provided by skylights, or high level and/or obscure glazed windows. An inability to look out of a window can contribute to an overall sense of confinement (in particular in conjunction with limited internal space and lack of outdoor amenity space) and negatively impact on quality of life and mental health. Dwellings without windows that give an outlook remain permissible under all forms of PDR.
- 5.2.19 Although reports of dwellings without windows have been highlighted elsewhere in England, no specific examples have been identified in Reading of PDR developments that have completed so far. However, that is not to say that the windows that have been provided have been necessarily adequate, and this assessment would require more information than is currently available.
- 5.2.20 The Council remains concerned about the possibility of developments being provided that meet natural light requirements only by means of skylights or high level or obscure-glazed windows, and therefore considers that the inadequacy of the natural light requirements contributes to the reasoning for control of PDR by an Article 4 direction.

### *Accessibility and adaptability*

- 5.2.21 Among the optional housing standards which local planning authorities can opt into in their Local Plans are the two different standards for accessibility and adaptability. These are accessible and adaptable dwellings under part M4(2) of the building regulations, and wheelchair accessible and adaptable dwellings under part M4(3).
- 5.2.22 The Reading Borough Local Plan applies these standards within policy H5 (Housing Standards). It requires that all new build dwellings are accessible and adaptable in line with M4(2) and that 5% of dwellings in new build developments of 20 dwellings or more are wheelchair accessible and adaptable in line with M4(3).
- 5.2.23 Whilst M4(2) and M4(3) are set out within the Building Regulations, the mechanism by which they can be applied to a specific development is by planning condition. Without such a planning condition, there is no ability to require compliance with these standards, and a planning condition cannot be applied to a prior approval as accessibility and adaptability are not matters that can be considered in prior approval. Changes of use to residential under Part 3 (Class MA, M and N) would not be required to comply with these standards even if permission were required as

they are not new-build, but the developments under Part 20 would need to comply with these standards if permission were needed.

5.2.24 The evidence that supported applying these standards was set out in the Local Plan Background Paper (2018). This cited information set out in the Berkshire SHMA that forecast a 78.1% increase in people with mobility problems to 2036, to a total of 6,254. It also considered the number of registrations for Personal Independence Payments (PIP) in Reading, which, at 5,163 exceeded all other authorities in the South East except coastal authorities along the south coast and in Kent, and Milton Keynes.

5.2.25 The purpose of M4(2) is to ensure that new dwellings include a relatively simple set of design measures that can enable occupants to make adaptations to their dwellings as their circumstances change and mean that they do not need to move out into more specialist accommodation. Because it is not possible to predict which dwellings will need these adaptations, the Local Plan takes the view that all new-build dwellings should incorporate these measures. New-build dwellings that do not provide these measures increase the likelihood of occupants needing to move out as circumstances change, and potentially result in a need for provision of more specialist housing.

5.2.26 In terms of M4(3), which includes more extensive accessibility and adaptation measures, the need identified in the Local Plan Background Paper using a methodology proposed by Habinteg<sup>6</sup> is for 460 wheelchair accessible and adaptable dwellings between 2013 and 2036, which equates to 2.9% of the identified housing need. Meeting this need does not necessarily rely on the type of developments now covered by PDR, but the larger a proportion of dwellings delivered that comes through PDR, the more onus is placed on other developments in meeting that need.

### *Sustainable design and construction*

5.2.27 Reading Borough Council declared a climate emergency in February 2019, and stated its intention to work towards Reading being a net climate zero town by 2030. A Climate Emergency Strategy was produced in 2020, which included as one of its actions the introduction of high standards of energy efficiency for new development. There is little prospect of being able to achieve net zero if new development does not play its part.

5.2.28 As part of its Local Plan, the Council introduced demanding new expectations for the sustainability of new developments, and these are considered an essential part of the response to the climate emergency. For residential developments, the energy and emissions requirements are summarised below:

- For new-build residential developments of 10 dwellings or more, the expectation in policy H5 is that new homes will be built to zero carbon standards. In this case, that means a 35% improvement over the 2013 Building

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<sup>6</sup> See pages 127 to 129 of the [Local Plan Background Paper](#)

Regulations dwelling emissions rate with the remaining emissions subject to a financial contribution towards carbon offset, secured by Section 106 agreement;

- For new-build residential developments of less than 10 dwellings, policy H5 requires a 19% improvement over the 2013 Building Regulations dwelling emissions rate;
- For major conversions to residential of 10 dwellings or more, policy CC2 requires that it be developed to BREEAM Excellent standards;
- For minor conversions to residential of less than 10 dwellings, policy CC2 seeks development at BREEAM Very Good standards.

5.2.29 Were planning permission to be required for the forms of PDR dealt with in this report, the new build standards in policy H5 would be applied to the types of development covered under Part 20 of the GPDO, whilst the conversion standards in policy CC2 would be applied to the changes of use under Part 3.

5.2.30 However, the Council would not be able to secure these standards for PDR developments. These requirements are generally secured through a planning condition, with a Section 106 agreement covering carbon offset contributions, but none of these can be attached to a prior approval. PDR developments would only need to comply with the current Building Regulations. These are currently wholly inadequate to address the climate emergency, and, whilst a Future Homes Standard is proposed that would significantly increase the energy and emissions performance of new dwellings, this is not expected to be in place until 2025.

5.2.31 In addition, policy H5 of the Local Plan requires that all new-build residential dwellings comply with the optional higher standard for water efficiency in the Building Regulations of 110 litres per person per day. This is because the Thames Water area is classed as a 'water-stressed area' by the Environment Agency, and the Thames River Basin Management Plan stresses the importance of demand management in the area. The mechanism by which this requirement is applied through the Building Regulations is a planning condition, and, where such a condition is not applied, as would be the case in a prior approval, in particular because sustainable design and construction is not listed as a matter that can be considered, this higher standard will not apply.

5.2.32 Therefore, homes delivered under PDR are likely to continue to represent an obstacle to the vital objective of achieving a net zero carbon Reading by 2030.

#### *Other matters*

5.2.33 There are a number of other matters where the quality of dwellings provided under PDR will not necessarily reflect the level of quality of homes that have been provided through the planning permission route.

5.2.34 In terms of **impacts on residential amenity**, such as privacy, overlooking and light, these are issues that are touched upon in some of the conditions of prior approval, but are not consistent across the various PD rights. For demolition and rebuild



(class ZA), impacts on residential amenity for residents of the new and neighbouring buildings are both included, but for the PD rights for upward extension (class AA, AB, AC and AD) only the impacts on the residential amenity of neighbouring dwellings are covered, not the impacts on the amenity of the dwellings to be provided as part of the development. There are instances where upward extension could result in privacy issues for these additional storeys (for instance where there is a change in levels), and this requires consideration through the planning application process.

- 5.2.35 There is no mention at all of residential amenity as a condition of the PDR rights for changes of use to residential. There is a clear opportunity for harm to arise in these circumstances. Office buildings, particularly in a dense town centre environment such as Reading, are unlikely to have been designed with privacy in mind, meaning that windows between offices may well be closer together than would be necessary to maintain privacy, whilst it is often possible to look directly into ground floor or basement offices whilst walking through the town centre. Meanwhile, a number of conversions have involved small commercial buildings such as workshops within otherwise residential areas, which often back onto residential gardens. Placement of windows in a new dwelling within such buildings can have clear implications for privacy and overlooking of both new and existing dwellings.
- 5.2.36 The **internal layout** of residential developments is another matter that cannot be controlled through PDR. Within new-build developments, for instance, planning decisions would generally avoid locating bathrooms and kitchens above or below bedrooms of neighbouring properties. This is also a matter which is considered in conversions to residential and is identified in both policy H8 (Residential Conversions) of the Local Plan and the Residential Conversions SPD, with stacking of similar rooms clearly preferable. Without any control over internal layout, combined with the conversion of buildings that may not lend themselves particularly well to satisfactory residential use, there is significant scope for issues to arise between properties within a single block.

#### ***Wholly unacceptable adverse impacts***

- 5.2.37 The standards that are sought for new residential developments are sought for good reason. Adequate outdoor amenity space and provision of windows are essential to securing an adequate quality of life and ensuring the physical and mental health of inhabitants. Continuing to enable new housing that fails to meet these standards will continue to result in a poor quality stock which fails to provide the basic requirements of a home. Standards around accessibility and adaptability ensure that sufficient housing stock is available for those in need of wheelchair accessible homes, and that adaptations can be made to housing as life circumstances change. Finally, exacting standards on emissions are in place to tackle the climate emergency, one of the greatest issues faced worldwide. All of these standards are entirely reasonable and deliverable, and it is wholly unacceptable that a specific form of development without controls continues to subvert the need to comply with them.



### **Relevance to types of PDR**

- 5.2.38 There is no ability to influence housing standards through any of the PDR that would result in new dwellings. Therefore, this issue is equally relevant to all forms of PDR.

**Table 5.6: Matrix showing applicability of housing standards to different forms of PDR**

Permitted development right	Relevant to issue?
Part 3 Class MA - use class E to residential	✓
Part 3 Class M - takeaway, betting office, payday loan shop or launderette to residential	✓
Part 3 Class N - casino or amusement arcade to residential	✓
Part 20 Class ZA - demolition and rebuild for residential	✓
Part 20 Class A - upward extension of purpose-built flats for residential	✓
Part 20 Class AA - upward extension of detached commercial or mixed use building for residential	✓
Part 20 Class AB - upward extension of terraced commercial or mixed use building for residential	✓
Part 20 Class AC - upward extension of terraced house for residential	✓
Part 20 Class AD - upward extension of detached house for residential	✓

### **Relevance to types of area**

- 5.2.39 The issue of the unacceptable standards of housing resulting from PDR is equally applicable in all locations.

**Table 5.7: Matrix showing applicability of housing standards to different areas**

Type of area	Relevant to issue?
Town centre core	✓
Town centre fringe	✓
District and local centres	✓
Main arterial routes	✓
Employment areas	✓
Other commercial areas	✓
Residential areas	✓

## **5.3 Noise, disturbance and other environmental nuisance**

- 5.3.1 The Council is concerned that use of PDR can lead to residential development being placed in locations where it is subject to environmental impacts that can have a detrimental effect on quality of life. This section explores the degree to which that

has been borne out by developments that have already taken place and the potential for future impacts.

### *Evidence from completed developments*

- 5.3.2 The Council has records of environmental and nuisance complaints that are received. It is therefore possible to examine the developments that have already taken place through PDR and consider the degree to which such complaints have been generated. It is worth bearing in mind that this is an indicator only, as simply receiving a complaint does not necessarily mean that there is a fundamental issue. However, it can give an idea of the scale of possible issues, and where they crop up most frequently.
- 5.3.3 Table 5.8 shows all developments of five or more dwellings in Reading that were delivered through the PDR route more than a year ago (to allow time for the dwellings to be occupied). In all cases, these have been through the office to residential PDR route. The table shows the number of environmental protection and nuisance complaints received by residents of the development in that time. The addresses of the buildings are not shown to reflect the sensitivity of the information. Instead, the table shows the size of each development (whether 5-9 dwellings, 10-19, 20-29, 30-39, 40-49 or more than 50) and the broad type of location, as described in section 3, to allow more general analysis.

***Table 5.8: Environmental protection and nuisance complaints received from existing PDR developments***

Building	Location type	Size range	Number of complaints (period)	Issues
Building 1	Town centre fringe	5-9 dwellings	1 complaint in six years	Noise from construction site
Building 2	Town centre core	10-19 dwellings	3 complaints in six years	Noise from construction site; noise from building alarm; noise from smoke alarm
Building 3	Main arterial road	40-49 dwellings	0 complaints in six years	N/A
Building 4	Town centre fringe	5-9 dwellings	0 complaints in six years	N/A
Building 5	Town centre core	5-9 dwellings	1 complaint in six years	Noise from neighbours
Building 6	Main arterial road	5-9 dwellings	0 complaints in five years	N/A
Building 7	District or local centre	5-9 dwellings	0 complaints in five years	N/A

*READING BOROUGH COUNCIL - EVIDENCE FOR PROPOSED ARTICLE 4 DIRECTION  
RELATING TO PERMITTED DEVELOPMENT RIGHTS FOR NEW RESIDENTIAL DWELLINGS*

<b>Building</b>	<b>Location type</b>	<b>Size range</b>	<b>Number of complaints (period)</b>	<b>Issues</b>
Building 8	Town centre core	20-29 dwellings	3 complaints in five years	Noise from outdoor events; noise from commercial premises; rats
Building 9	Town centre fringe	40-49 dwellings	0 complaints in five years	N/A
Building 10	Town centre core	10-19 dwellings	2 complaints in five years	Noise from pubs and clubs; noise from street
Building 11	Town centre fringe	5-9 dwellings	0 complaints in five years	N/A
Building 12	Town centre fringe	10-19 dwellings	0 complaints in five years	N/A
Building 13	Town centre fringe	50 dwellings or more	2 complaints in five years	Noise from neighbours
Building 14	District or local centre	5-9 dwellings	0 complaints in five years	N/A
Building 15	Town centre core	5-9 dwellings	0 complaints in five years	N/A
Building 16	Town centre core	30-39 dwellings	10 complaints in four years	Noise from roadworks; noise from outdoor activities; noise from air conditioning; noise from bin stores; odour from smoking.
Building 17	Main arterial road	50 dwellings or more	0 complaints in four years	N/A
Building 18	Town centre core	20-29 dwellings	0 complaints in four years	N/A
Building 19	Town centre core	40-49 dwellings	0 complaints in four years	N/A
Building 20	Main arterial road	5-9 dwellings	0 complaints in four years	N/A
Building 21	Town centre fringe	10-19 dwellings	0 complaints in four years	N/A
Building 22	Town centre core	50 dwellings or more	1 complaint in four years	Light from commercial building
Building 23	Town centre core	50 dwellings or more	2 complaints in three years	Noise from commercial premises; noise from construction site.

Building	Location type	Size range	Number of complaints (period)	Issues
Building 24	Town centre fringe	10-19 dwellings	0 complaints in three years	N/A
Building 25	Town centre fringe	10-19 dwellings	0 complaints in two years	N/A
Building 26	Town centre fringe	10-19 dwellings	0 complaints in two years	N/A
Building 27	Town centre fringe	5-9 dwellings	1 complaint in two years	Noise from construction site
Building 28	Town centre fringe	5-9 dwellings	0 complaints in two years	N/A
Building 29	Town centre fringe	50 dwellings or more	0 complaints in two years	N/A
Building 30	Town centre fringe	50 dwellings or more	0 complaints in two years	N/A
Building 31	Main arterial road	50 dwellings or more	0 complaints in one year	N/A
Building 32	Town centre fringe	10-19 dwellings	0 complaints in one year	N/A

- 5.3.4 The results show that, of the locations where developments through PDR have taken place, it is the core of the town centre where the greatest issues exist. All but one of the buildings whose residents have raised two or more environmental protection or nuisance complaints are in the town centre core. No such complaints have been received from developments in district or local centres or on main arterial roads.
- 5.3.5 It is clear that the main issues that have arisen are in relation to noise. Some of the noise complaints that have arisen are typical of the type of issue that come with the mix of uses and activities inherent in a town centre environment. Noise from nearby commercial premises, including pubs and clubs, has arisen, as has noise from the type of outdoor events and activities that make up a key part of the town centre offer. Construction activity and roadworks are frequent in the town centre, and this is again something that has been raised from more than one property.
- 5.3.6 Other types of complaints that have been received involve artificial light from adjoining commercial premises, odour from neighbouring employees smoking and the presence of rats associated with food and drink uses. Again, these are the types of issues that can regularly arise in a town centre environment.
- 5.3.7 That is not to say that the town centre is an inappropriate place for residential development. Whilst planning decisions are likely to seek to avoid new residential properties immediately adjacent to large-scale late-night uses, most of the other issues raised are likely to be capable of being overcome with careful design. There are town centre core developments through the PDR route where no such

complaints have been generated, but the decision about whether these issues should be addressed in design is left entirely up to the developer, and the result is clearly that foreseeable environmental protection and noise issues are arising too frequently in the core of the town centre.

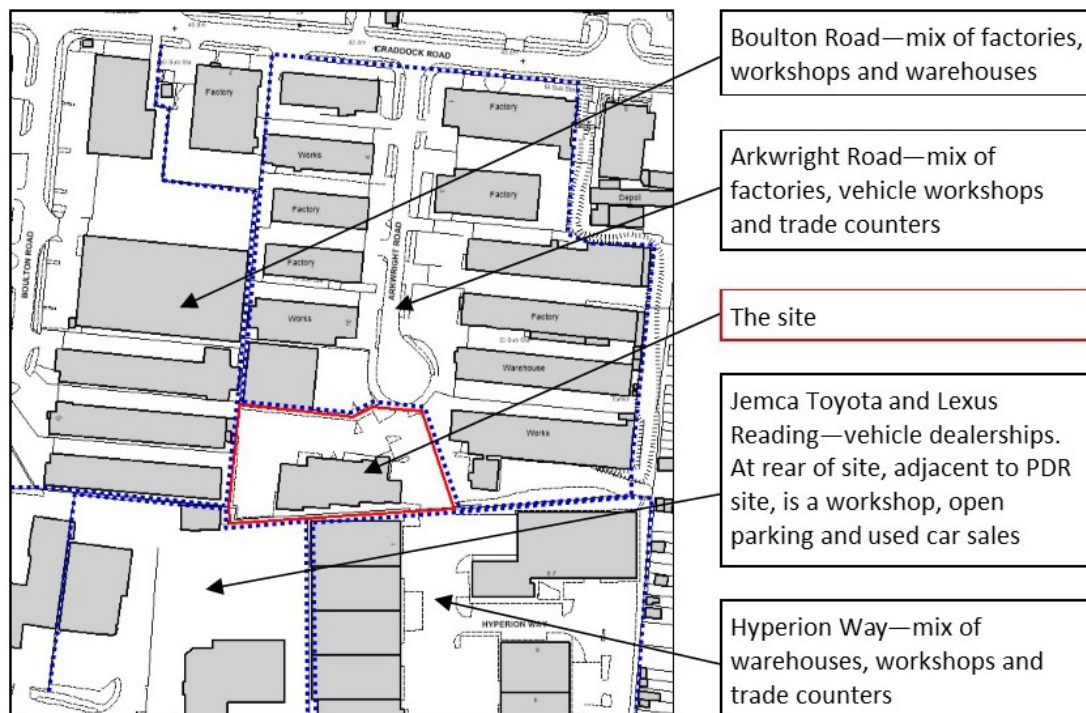
- 5.3.8 As an example, in Building 16, the building whose residents have made by far the largest amount of complaints, one complaint relates to the noise impacts on a single aspect studio apartment looking directly out over a service yard used by adjoining commercial premises. The fact that this leads to noise impacts on the occupant in the evening is an entirely predictable matter, that, had it been dealt with through the planning application route, should have been picked up at that point and designed out, whilst still delivering a residential development that helps meet housing needs. This is a clear example of why a planning permission route is required.

*Committed developments in employment and commercial locations*

- 5.3.9 It is worth noting in relation to [table 5.8](#) that no analysis has been carried out of PDR developments in employment areas and other primarily commercial locations because, although there are outstanding prior approvals in these locations, none have yet been completed. PDR developments spreading to these areas is a relatively recent development and one that causes considerable concern. It could be expected that precisely the same issues in terms of noise from commercial premises, artificial light, odour etc could arise in these locations.
- 5.3.10 Therefore, it makes sense to examine examples of those properties within employment or other commercial locations which have received prior approval but have not yet been implemented, and consider the degree to which noise and other environmental protection complaints would be likely to arise if the approvals were to be implemented.
- 5.3.11 As a first example, prior approval was granted in June 2018 for the change of use of 14 Arkwright Road from office to 37 dwellings (reference 180654). This has not yet been implemented. This building, currently known as The Quad, and formerly the Duran Centre, was constructed in 2000 and forms part of a defined Core Employment Area ('North of Basingstoke Road') under policy EM2 of the Reading Borough Local Plan.
- 5.3.12 Figure 5.2 shows the location of the site. It sits at the end of an entirely commercial cul-de-sac and is surrounded on all sides by commercial uses. These uses comprise the types of uses that one would expect to find in a mixed commercial location such as this - factories, trade counters, vehicle workshops and warehouses. All of these uses will generate some level of noise and disturbance to residents, potentially at unsociable hours, and this may well be an essential part of their operation. Some of these uses are in very close proximity. The rear wall of the PDR building, which contains what would become residential windows, is only 6-7 metres away from the nearest industrial unit in Hyperion Way. Due to level changes, the surface car parking and surfacing uses for Hyperion Way and the

Toyota site to the south are raised and are directly adjacent to first floor windows of the PDR building. The surrounding uses are all likely to generate substantial numbers of vehicle trips, likely including HGVs. All of this makes the site an entirely inappropriate place to live for reasons of noise and disturbance in particular, that would not be considered appropriate for residential through a normal planning application route.

**Figure 5.2: Location of PDR approval at 14 Arkwright Road and surroundings**



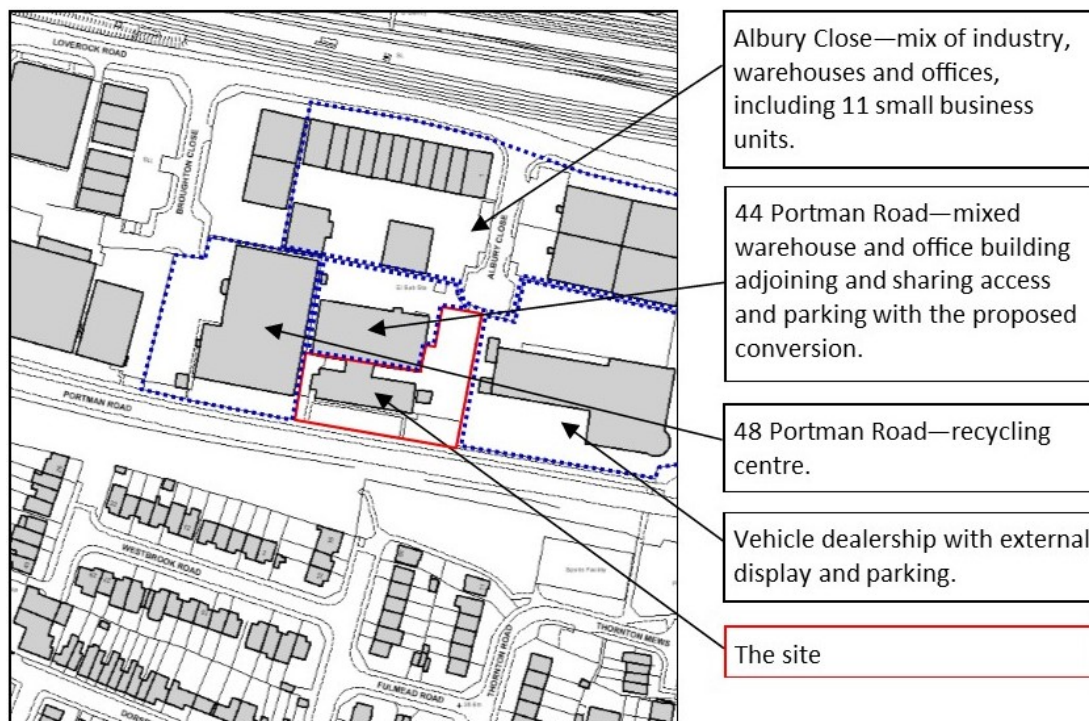
5.3.13 As a further example, prior approval was granted in August 2020 at 42 Portman Road (200693) for the conversion of a two-storey office building to 16 dwellings. The site forms part of the Portman Road Core Employment Area under policy EM2. As yet, this approval is unimplemented.

5.3.14 Figure 5.3 shows the location of the site. The building itself adjoins another two-storey building (44 Portman Road) currently in use as a mix of warehouse and offices, and the access and parking areas are shared by the two buildings. Floorplans show eight of the dwellings would be facing north, directly facing the southern wall of the 44 Portman Road building, and would be only 5 metres away from this wall, giving significant potential for noise impacts. The site to the west, 48 Portman Road, is currently in use as a recycling centre dealing with a range of materials, and the rear wall of this building would be only 6 metres away from the closest part of the residential proposal. Other surrounding uses offer no relief in terms of potential noise and disturbance, with a mix of employment uses around Albury Close, from which the site is accessed, including important small business units, and a vehicle dealership to the east. All of these businesses are likely to cause noise and disturbance to residential occupiers, including from the on-site operations as well as HGV trips. Whilst there are residential areas to the south, on



the other side of Portman Road, they are 50 metres away, and Portman Road has always formed a clear barrier between residential and employment, incorporating a green buffer along its southern side.

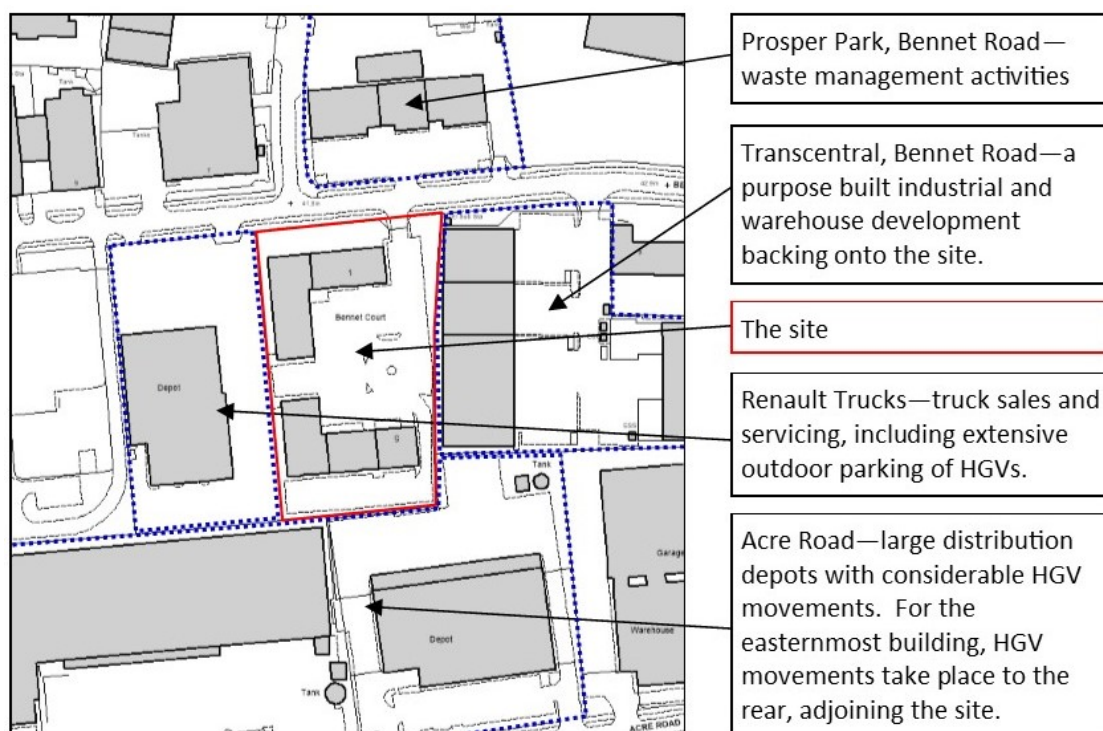
**Figure 5.3: Location of PDR approval at 42 Portman Road and surroundings**



5.3.15 Among the most recent prior approvals are at Bennet Court, Bennet Road, for conversion of two office buildings (blocks 1 and 2) to 27 and 22 dwellings respectively (reference 210320 and 210306). These prior approvals were issued in April 2021, and again are not yet implemented.

5.3.16 Figure 5.4 shows the location of Bennet Court, which is wholly within the Bennet Road Core Employment Area, and is surrounded on all sides by industrial, warehouse or commercial activities that will cause significant noise and disturbance. To the west is an HGV sales and service business, where the main outdoor HGV parking is directly along the eastern boundary, immediately alongside the proposed residential building and within 5 metres of its frontage. According to the floorplans, 14 of the proposed dwellings would directly face onto this frontage only. To the south is the rear of large distribution warehouses along Acre Road which see significant amounts of HGV movements. For one of these warehouses, the HGV movements are to the rear, adjacent to the site and less than 20 metres from the building itself. A further six of the dwellings would face onto this yard. To the east is Transcentral, a group of modern, purpose built industrial and warehouse units, and to the north, on the other side of Bennet Road, is a waste management facility. Again, noise and disturbance in very close proximity to the proposal will be inevitable.

**Figure 5.4: Location of PDR approval at Bennet Court and surroundings**

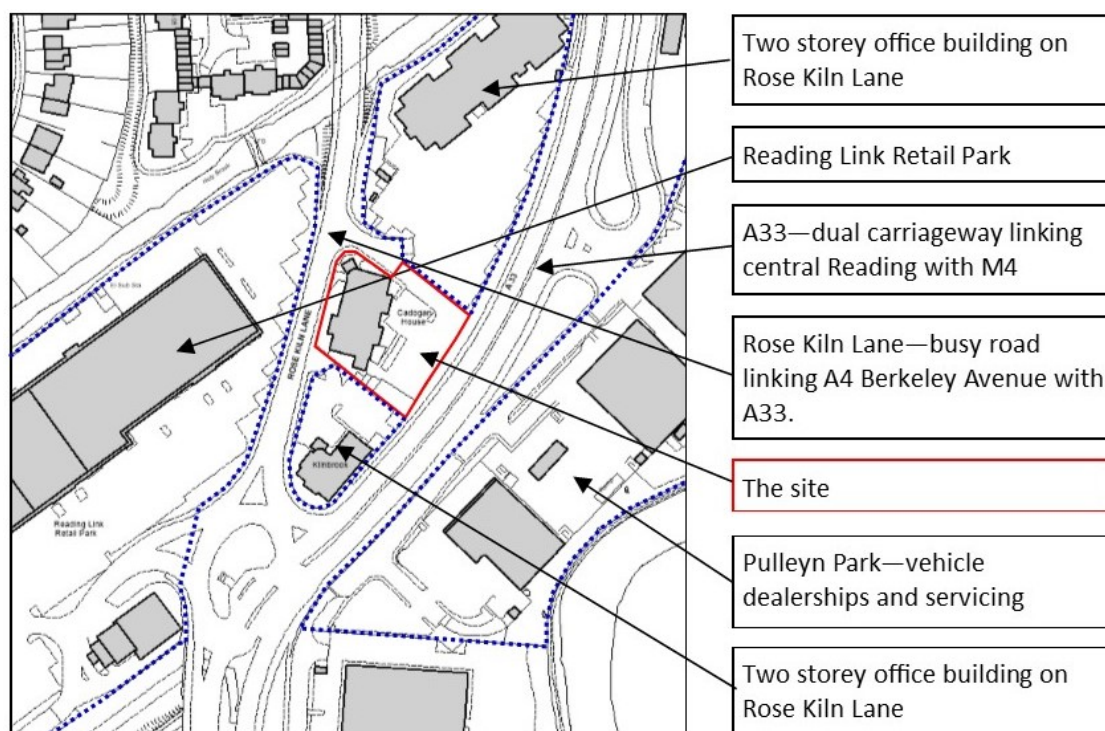


5.3.17 As a final example, various prior approvals have been given for Cadogan House on Rose Kiln Lane, a two-storey office in a mixed commercial area. This include for conversion to 19 (ref 172277), 24 (182166) or 39 (181643) dwellings, none of which have so far been implemented.

5.3.18 Figure 5.5 shows the location of Cadogan House. Unlike for the other examples given, this site does not form protected employment land under policy EM2, and is more of a mixed commercial location, including a retail park on the western side of Rose Kiln Lane and vehicle dealerships and servicing on the eastern side. Although there may be noise issues associated with those issues, the largest issue is likely to be noise from the adjacent roads. The A33 to the east is a dual carriageway and the main link between central Reading and the M4 motorway. Rose Kiln Lane to the west is the link between the A4 passing south of central Reading and the A33. Both roads are very busy and can experience significant congestion at peak times. There is no scope within the various forms of PDR to consider road noise. Whilst it may be possible to mitigate the impacts of fronting onto one such road, being sandwiched between two is likely to result in an unacceptable living environment. In any case, without a planning application being made, there are no means by which to secure necessary mitigation.



**Figure 5.5: Location of PDR approval at Cadogan House and surroundings**



5.3.19 It should also be noted that the potential for reallocation for other uses, in particular for residential, was assessed for each of these sites (as part of a wider 'plot') in the 2018 Employment Area Analysis<sup>7</sup> to support the Local Plan. As part of this, the quality of the wider environment (including noise) was assessed in terms of suitability for alternative uses. In the case of three of the four examples above (14 Arkwright Road, 42 Portman Road and Cadogan House) the assessment was that the plot containing these sites does not have potential for release due to the quality of the wider environment. In the case of Bennet Court, it was considered to have potential for release in terms of this criteria only as part of a larger plot that also included a number of adjacent sites - but it is very likely that the results would have been different had the site been considered on its own.

5.3.20 Therefore, it is considered that the examples demonstrate that location of residential PDR within both designated employment land and other more mixed commercial locations has clear potential for unacceptable noise impacts on residents, and that this goes beyond merely the noise from commercial premises specified in most of the relevant forms of PDR.

### ***Wholly unacceptable adverse impacts***

5.3.21 Use of the PDR in certain parts of Reading will result in the exposure of new residents to high levels of noise and other environmental nuisance. The lack of a planning application will mean that measures to provide mitigation, which would normally be secured by condition, will not be possible. Whilst noise from

<sup>7</sup> [Reading Employment Area Analysis, March 2018](#)

commercial premises may be possible to consider within the conditions of some of the forms of PDR, noise from other sources such as outdoor events or road noise, particularly with high levels of HGV traffic, cannot. The high levels of noise to which residents would be exposed would directly impact their quality of life. The importance of securing and improving quality of life is directly stated in the Local Plan vision and objectives, and such impacts would therefore represent wholly unacceptable adverse impacts.

### *Relevance to types of PDR*

- 5.3.22 The issue of noise and other environmental nuisance is relevant for any form of PDR that brings residents into areas characterised mainly by commercial premises. This includes any conversions of existing commercial businesses, or development above or in place of commercial businesses. It is less likely to apply to those forms of PDR that intensify existing residential premises, as the assumption would be that most such sites would already be in a location where noise levels are likely to be acceptable for residential purposes. This is not to say that noise will never be an issue for those forms of PDR, but it is likely to represent a considerably less significant issue.

**Table 5.9: Matrix showing applicability of noise and other environmental nuisance to different forms of PDR**

Permitted development right	Relevant to issue?
Part 3 Class MA - use class E to residential	✓
Part 3 Class M - takeaway, betting office, payday loan shop or launderette to residential	✓
Part 3 Class N - casino or amusement arcade to residential	✓
Part 20 Class ZA - demolition and rebuild for residential	✓
Part 20 Class A - upward extension of purpose-built flats for residential	X
Part 20 Class AA - upward extension of detached commercial or mixed use building for residential	✓
Part 20 Class AB - upward extension of terraced commercial or mixed use building for residential	✓
Part 20 Class AC - upward extension of terraced house for residential	X
Part 20 Class AD - upward extension of detached house for residential	X

### *Relevance to types of area*

- 5.3.23 The assessment in this section has demonstrated that noise and environmental nuisance has arisen in particular in the town centre core for PDR developments that have taken place so far, and that it is also very likely to arise in employment areas and other commercial areas (where so far no PDR has been implemented). This will include where other commercial areas, such as retail parks, arise within the town centre fringe. Noise can also arise alongside main arterial routes, but this can be quite locally specific and unlikely to justify a direction covering all arterial

routes. Whilst this impact is clearly also possible in other locations, depending on individual sites, it is far less likely as these are locations where residential development is to be expected.

**Table 5.10: Matrix showing applicability of noise and other environmental nuisance to different areas**

Type of area	Relevant to issue?
Town centre core	✓
Town centre fringe	✓ (partial)
District and local centres	X
Main arterial routes	✓ (partial)
Employment areas	✓
Other commercial areas	✓
Residential areas	X

## 5.4. Air quality

- 5.4.1 Poor air quality can have a serious impact on human health and on the natural environment. Whilst there are legal limits, there are no ‘safe’ levels of air pollutants. It is estimated that air pollution reduces the life expectancy of every person in the UK by an average of 7-8 months<sup>8</sup>.
- 5.4.2 Whilst some other environmental impacts, in particular noise and contamination, are matters that can be taken into account in considering prior approval, air quality is not among the stated conditions of any of the PDR considered in this report. The only recent PDR where consideration of air quality was included was Part 3 Class P (change of use from use class B8 to residential), where condition (b)(i) stated that prior approval will be required as to “*impacts of air quality on the intended occupiers of the development*”, but this PDR is no longer in place for new approvals.
- 5.4.3 The importance of addressing air quality in planning decisions is set out in paragraph 174 of the NPPF, which states that:

*“Planning policies and decisions should contribute to and enhance the natural and local environment by:*

*...*

*(e) preventing new and existing development from contributing to, being put at unacceptable risk from, or being adversely affected by, unacceptable levels of soil, air, water or noise pollution or land instability. ...”*

<sup>8</sup> The Air Quality Strategy for England, Scotland, Wales and Northern Ireland, volume 1, 2007

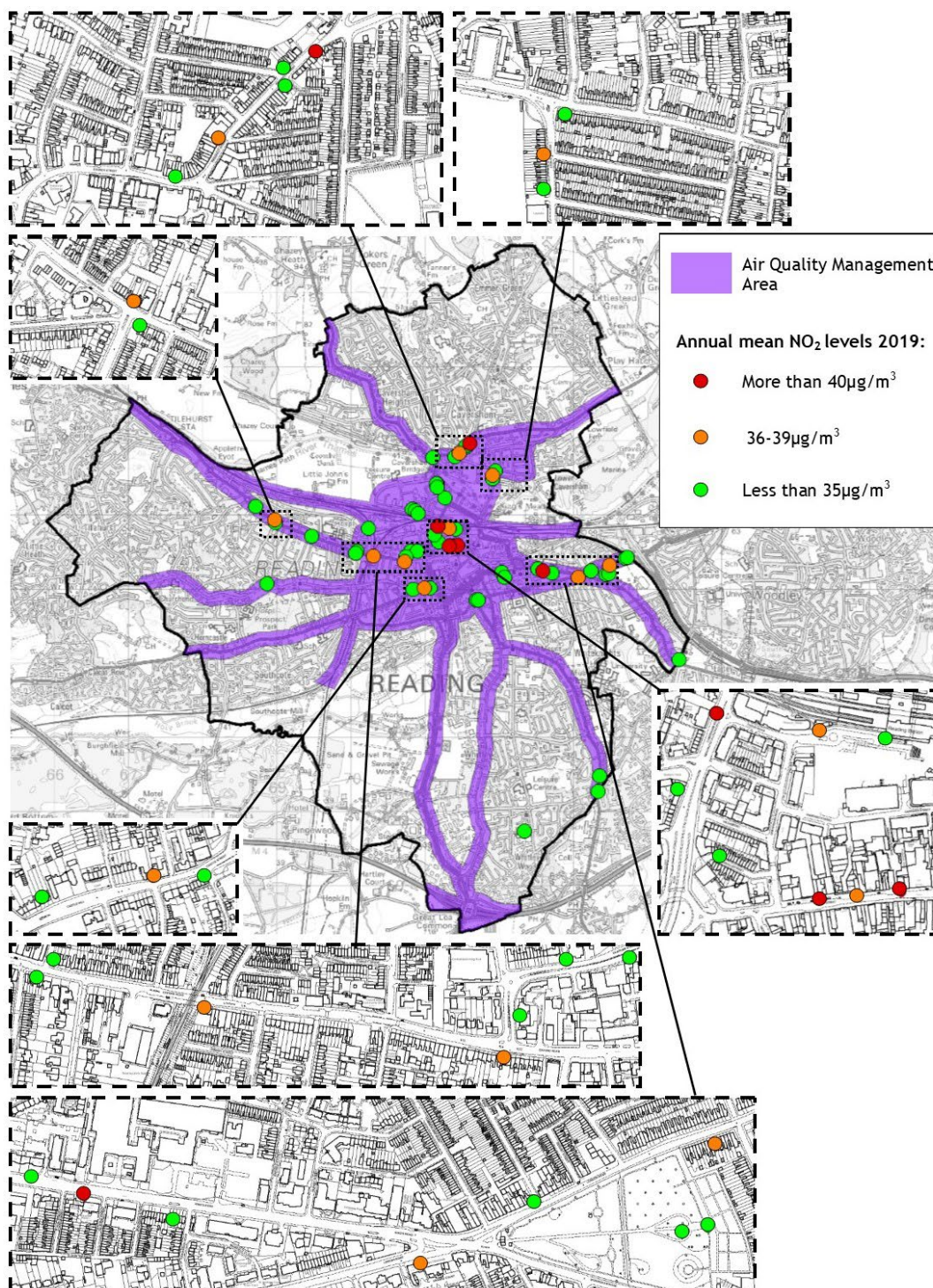
- 5.4.4 Air quality is a particular issue in Reading. The Borough is a heavily built-up area, with some transport corridors which see considerable congestion levels at peak times, and vehicle emissions cause the most significant air quality issues. Whilst PM<sub>10</sub> and PM<sub>2.5</sub> levels are areas of concern due to the fact that there is no safe limit for these pollutants, it is nitrogen dioxide (NO<sub>2</sub>) which is of greatest concern due to the fact that Reading sees exceedances of the national objectives in some locations. Reading Borough Council is one of the authorities required to carry out a targeted feasibility study with the aim of bringing forward NO<sub>2</sub> compliance in the shortest time possible.
- 5.4.5 An Air Quality Management Area (AQMA) exists across a large area of Reading, and is shown on Figure 5.6. This area covers almost all of the central area as well as the main radial transport corridors. Much of the AQMA does not exceed national objective levels, but hotspots within the area do. It is likely that the AQMA will continue to see high levels of development, given that it includes the areas most accessible by all modes of transport, including the town centre, which is why a robust policy, EN15, has been put in place in the Reading Borough Local Plan.
- 5.4.6 Data on air quality levels is published on the Council's website in the 2020 Air Quality Status Report<sup>9</sup>, and helps to understand where the air quality issues are greatest, particularly for NO<sub>2</sub>. In examining this data, it makes sense to use data from before the Covid-19 pandemic, as this significantly altered travel patterns and therefore congestion in a way which is not expected to be replicated in the future. Therefore, data from 2019 is used.
- 5.4.7 Figure 5.6 shows the annual mean NO<sub>2</sub> monitoring results for different locations in Reading for 2019. The national annual mean objective level is 40µg/m<sup>3</sup>, and there are a number of locations shown where the national mean was exceeded for 2019. It is also worth considering 'borderline exceedances' of 36µg/m<sup>3</sup>, to account for the inherent inaccuracy of diffusion tube data.

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<sup>9</sup> [2020 Air Quality Annual Status Report \(ASR\) - Reading Borough Council](#)



**Figure 5.6: Map showing AQMA and annual mean NO<sub>2</sub> levels 2019**



5.4.8 The map shows that the areas of greatest concern for NO<sub>2</sub> are either on main arterial routes or within the core of the town centre, and are all within the AQMA. There are particular issues around Friar Street and Caversham Road in the centre as well as parts of the A4 eastwards, A4155 northwards and A329 westwards. These hotspots are shown in more detail in the inset maps on Figure 5.6, and are broadly as follows:

- Friar Street west of the junction with Station Road;

- Caversham Road between the Weldale Street junction and the railway bridge, and Station Approach;
- Prospect Street in Caversham;
- Northern end of George Street in Caversham;
- Cemetery Junction extending westwards along Kings Road to Eldon Road junction and eastwards along London Road to St Bartholomew's Road junction;
- Castle Hill at junction with Coley Hill;
- Oxford Road between Reading West station and Russell Street; and
- Oxford Road around junction with Grovelands Road.

5.4.9 The areas where there are identified or potential poor levels of air quality are not necessarily unsuitable for residential development. Considerable amounts of residential development continue to occur within the AQMA, which covers the entire town centre and most of the most accessible locations in Reading. However, consideration through the planning application process allows for the impacts to be considered, with reference to a submitted Air Quality Assessment where necessary, and, if required, mitigated. Such mitigation can be incorporated into a development's design from the outset, such as through its layout, for instance set backs from the road, or through ensuring windows to habitable rooms are located away from facades that are in close proximity to the source of poor air quality. Planting can also help to mitigate impacts, as can certain types of paving. Mitigation measures could also include mechanical ventilation systems which enables residents to keep their windows closed and which draw air from away from the areas of poorest air quality. None of these mitigation measures can be secured without a planning application being submitted.

#### *Wholly unacceptable adverse impacts*

5.4.10 Poor air quality impacts directly on human health, and can reduce life expectancy. Paragraph 185 of the NPPF states that *"Planning policies and decisions should also ensure that new development is appropriate for its location taking into account the likely effects (including cumulative effects) of pollution on health, living conditions and the natural environment"*. The Council has its own Air Quality Action Plan aiming to reduce levels of, and exposure to, nitrogen dioxide and particulate matter, and there is a strong policy (EN15) in the Local Plan to achieve this. It is clearly wholly unacceptable that new residents should be placed in a location where there are known to be issues of poor air quality without any ability to secure adequate mitigation, as would be secured through a planning application.

#### *Relevance to types of PDR*

5.4.11 The issue of potential exposure to poor air quality is relevant to all permitted development rights that would result in new dwellings, because air quality is not specified as a condition of prior approval for any of these classes of PDR.

**Table 5.11: Matrix showing applicability of air quality to different forms of PDR**

Permitted development right	Relevant to issue?
Part 3 Class MA - use class E to residential	✓
Part 3 Class M - takeaway, betting office, payday loan shop or launderette to residential	✓
Part 20 Class ZA - demolition and rebuild for residential	✓
Part 20 Class A - upward extension of purpose-built flats for residential	✓
Part 20 Class AA - upward extension of detached commercial or mixed use building for residential	✓
Part 20 Class AB - upward extension of terraced commercial or mixed use building for residential	✓
Part 20 Class AC - upward extension of terraced house for residential	✓
Part 20 Class AD - upward extension of detached house for residential	✓

### **Relevance to types of area**

- 5.4.12 As has been set out in this section, the locations where air quality is poorest, as a result of concentrations of NO<sub>2</sub>, are some areas within the town centre core (Friar Street and Station Approach) and parts of some of the main arterial routes (Caversham Road, Oxford Road, Kings Road, London Road, Castle Hill, Prospect Street (Caversham) and George Street (Caversham)). However, as these hotspots are very specific, this issue is of greatest relevance to only certain parts of those areas.

**Table 5.12: Matrix showing applicability of air quality to different areas**

Type of area	Relevant to issue?
Town centre core	✓ (partial)
Town centre fringe	X
District and local centres	X
Main arterial routes	✓ (partial)
Employment areas	X
Other commercial areas	X
Residential areas	X

## **5.5. Loss of employment space**

- 5.5.1 One of the Council's concerns is that PDR erodes the amount of floorspace available to businesses, prevents the Council meeting its assessed needs for employment space and therefore impedes economic growth. This section examines the evidence around that position.



5.5.2 The Council monitors net change in floorspace in different use classes on an annual basis. Table 5.13 shows annual net change in floorspace in the B1 use class in Reading over a 20-year period, and also shows the net change that directly results from office to residential PDR. B1 floorspace is the only use class shown here, because this has been the only form of PDR which has been taken up in Reading on a significant scale.

**Table 5.13: Net change in B1 overall and through PDR 2001-2021**

Year	All B1 net change (sq m)	B1 net change PDR (sq m)
2001-02	76,110	N/A
2002-03	53,410	N/A
2003-04	-21,080	N/A
2004-05	-9,330	N/A
2005-06	-10,440	N/A
2006-07	-5,760	N/A
2007-08	-14,210	N/A
2008-09	-3,680	N/A
2009-10	53,810	N/A
2010-11	-44,050	N/A
2011-12	-13,960	N/A
2012-13	-11,040	N/A
2013-14	-4,918	-649
2014-15	-55,748	-6,934
2015-16	-23,137	-11,644
2016-17	-18,869	-16,519
2017-18	21,162	-5,837
2018-19	-5,939	-7,327
2019-20	4,020	-3,716
2020-21	-3,942	-2,352
<b>Total 2001-21</b>	<b>-37,591</b>	<b>-54,978</b>

5.5.3 This shows that, overall, there has been a net decline in B1 floorspace. The overall pattern is that in most years there is a net loss of B1 floorspace, but periodically, when there is a major new B1 development taking place, there is a relatively significant net gain. It can be seen that, from 2015 onwards, where there has been a net loss in the year, the majority of it can be accounted for by losses through PDR. PDR in total has accounted for a loss of 54,978 sq m of office floorspace since 2013.

5.5.4 The adopted Local Plan (2019) plans for a net gain in employment floorspace, in line with assessed needs. An Economic Development Needs Assessment (EDNA) for Central Berkshire<sup>10</sup> was carried out in 2016 which identified needs of 52,775 sq m of office space and 148,800 sq m of industrial and warehouse space for Reading between 2013 and 2036. This was reflected in policy EM1, with the need for office

<sup>10</sup> Covering Reading, Wokingham, Bracknell Forest and Windsor and Maidenhead



extended to a range of 53,000 to 112,000 sq m of office to account for committed floorspace.

- 5.5.5 Table 5.14 shows how the levels of need would be affected by the net changes that have taken place in terms of office and industrial and warehouse space since 2013.

**Table 5.14: Identified need for employment floorspace accounting for completions**

Status of requirement	Office (sq m)	Industrial and warehouse (sq m)
Need identified for 2013-2036 by EDNA	52,775	148,800
Net change 2013-2021	-87,371	19,444
Remaining need 2021-36	140,146	129,356

- 5.5.6 It is therefore clear that Reading is still very much in a position where it needs a considerable amount of additional employment floorspace to meet its assessed needs. The NPPF states that local plans should be positively prepared, in providing a strategy that seeks to meet the area's objectively assessed needs (paragraph 35(a)), and are required to set out criteria or identify strategic sites to meet assessed needs for economic development over the plan period (paragraph 82(b)). This is already difficult to achieve in Reading where land is very limited, and the Housing and Economic Land Availability Assessment (HELAA, November 2017) could only identify sufficient sites to meet 112,302 sq m of office and 112,268 sq m of industrial and warehouse space, which means that additional space would need to be found through intensification of existing employment areas or other windfall developments. Continued uncontrolled loss of employment floorspace through PDR will make it considerably less likely that these targets will be achieved, and this will impact on economic growth.
- 5.5.7 It is recognised that the EDNA and the Local Plan predated the Covid-19 pandemic, and there may be considerable changes to working practices that might affect office requirements in particular. These changes are yet to be understood in full. However, it is worth bearing in mind that, whilst much of the industrial and warehouse space which represents the greatest need and the most difficult to fulfil will be within the B2 and B8 use classes that will not be affected by PDR, some of the industrial floorspace will also likely be within the light industrial category, now within use class E, to which class MA changes of use and class ZA demolition and rebuild will apply. The EDNA did not seek to divide this by use class, so it is not clear how much would have fallen within this category, but it could potentially be a significant proportion. The need for space for industrial activities is less likely to have been reduced by the pandemic.
- 5.5.8 It is worth dealing with one of the points often raised in favour of PDR conversions at this point, which is that it mainly leads to the loss of vacant floorspace. This has not been the case in Reading. An office building that had been at least partly occupied for at least six months within the previous three years would be exempt from the need to pay the Community Infrastructure Levy under the CIL Regulations. However, after assessment against CIL liability, of the 105 office to residential PDR

schemes for which prior approval was granted between 1<sup>st</sup> April 2015 (the introduction date of CIL in Reading) and 31<sup>st</sup> March 2021, every single scheme was found to fulfil this criterion and not a single scheme was therefore required to pay CIL. That means that every single office building was at least partly occupied in the three years before the prior approval was granted. These PDR are therefore clearly affecting occupied premises with a potential continued economic future. The three month vacancy requirement in class MA PDR, or the six month requirement in class ZA, will do little to alleviate these concerns as it is a very limited period that will not prevent existing occupiers being forced out to facilitate a residential proposal.

- 5.5.9 The reason that this affects occupied floorspace is that residential values in Reading can often be greater than office values. Table 5.15 shows some recent achieved sales values from recent residential developments in and around central Reading, including some which have resulted from office to residential conversions.

**Table 5.15: Selection of achieved residential values in and around Central Reading<sup>11</sup>**

Development name and type	Value per sq ft (1-bedroom)	Value per sq ft (2-bedroom)
Verto, Kings Road (new build)	£499 - £584	£448 - £630
Reading Riverside, Berkeley Avenue (new build)	£413 - £581	£436 - £540
Kings Reach, Kings Road (office conversion under PDR)	£398 - £617	£463 - £518
6-14 Weldale Street (new build)	£502 - £661	£420 - £487
300 Kings Road (office conversion under PDR)	£575 - £659	£592

- 5.5.10 It is worth noting that this does not factor in the costs of conversion of residential to office. However, it is also worth noting that, for PDR schemes, there are benefits to be set against these costs including quick delivery of residential units and the lack of affordable housing contributions.
- 5.5.11 Table 5.16 shows a selection of achieved capital values from recent sales of office buildings in and around central Reading, which can be used as a comparison. It can be seen that there is a considerable range of values, depending on whether or not the office is Grade A or B and also depending on whether the building is sold with occupiers. It is clear that, as it stands, for the more modern Grade A floorspace in close proximity to Reading station, such as Thames Tower, residential values are unlikely to be higher than office values. However, for older Grade B stock, and even potentially for some Grade A stock, residential values can be considerably higher even where a building has a tenant (which was the case at 121 Kings Road and Caversham Bridge House for example), which is why the PDR has been taken up to such an extent in Reading.

<sup>11</sup> Sourced from Savills report submitted for planning application 200188 at 55 Vastern Road

**Table 5.16: Selection of achieved office capital values in and around Central Reading**

Building name	Date of sale	Achieved capital value per sq ft
2 New Century Place, East Street (subsequently converted to residential under PDR)	September 2016	£236
Premier House, 60 Caversham Road	May 2018	£298
Abbey Gate, Kings Road	June 2018	£312
The Pinnacle, Tudor Road	July 2017	£322
Caversham Bridge House, Waterman Place	December 2018	£382
121 Kings Road	December 2018	£414
The White Building, 33 Kings Road	June 2018	£535
Forbury Works, Forbury Road	August 2017	£568
Thames Tower, Station Road	August 2018	£664

5.5.12 This has been reflected in the availability of Grade B stock in particular since the office to residential PDR was introduced. Data from CoStar showed that availability of office space with a star rating of 1-3 on CoStar's rating system, equating broadly to Grade B space or lower<sup>12</sup>, was at 16,317 sq m in Reading town centre and 9,525 sq m elsewhere in the Borough for September 2021. These are extremely low figures, and make it difficult for potential occupants to find stock, particularly at affordable rents, with around 70% of the limited amount of available stock being marketed at rents exceeding £20 per sq ft. Grade B space is of particular importance for small and growing businesses in need of cheaper floorspace, and these businesses make a substantial contribution towards economic growth.

5.5.13 Loss of employment within town centres can also impact on the sustainability of other businesses within the town centre. The recent experience of the Covid-19 pandemic has provided a demonstration of what can happen to town centre businesses when office occupancy drops dramatically. At the time of writing, offices are still only back to approximately 30% office occupancy and the loss of income is pushing businesses (particularly small independents such as sandwich shops and pubs) that cannot rely simply on weekend spend out of business. There are also much more direct impacts on high streets, explored in section 5.7.

5.5.14 Therefore, there is clearly a situation where significant quantities of employment floorspace have already been lost to PDR, and there is potential for this to continue to occur, including through the demolition and rebuild of existing light industrial buildings where PDR have previously been limited.

### ***Wholly unacceptable adverse impacts***

5.5.15 Development that would have an adverse impact on economic growth is clearly wholly unacceptable. The NPPF is built around achieving sustainable development, the entire purpose of the planning system. Of the three overarching objectives of sustainable development, the economic objective is to: *"help build a strong,*

<sup>12</sup> [CoStar's building rating system](#)

*responsive and competitive economy, by ensuring that sufficient land of the right types is available in the right places and at the right time to support growth, innovation and improved productivity” (paragraph 8).*

- 5.5.16 The Local Plan equally attributes importance to achieving economic growth, including the vision stating that *“Reading will continue to thrive as an internationally recognised economic centre, and the core of a wider, vibrant urban area and surrounding hinterland within other authorities, that makes a vital contribution to the UK economy”*. In producing the Local Plan, the Council has assessed the needs for employment space, and sought to provide the space to meet these needs to ensure economic growth, which is put at wholly unacceptable risk by PDR which would reduce this space, and potentially result in businesses, including small or growing businesses, closing or potentially leaving Reading.

#### ***Relevance to types of PDR***

- 5.5.17 The loss of employment space is only relevant to those forms of PDR which would actually result in a loss of existing employment. This therefore excludes the upward extension of existing floorspace, where the floorspace would be retained, and would exclude changes of use from non-employment uses such as betting offices or casinos. It would apply to changes of use from use class E (which includes office, research and development and light industrial) and to demolition and rebuild of those same uses to residential.

***Table 5.17: Matrix showing applicability of loss of employment space to different forms of PDR***

Permitted development right	Relevant to issue?
Part 3 Class MA - use class E to residential	✓
Part 3 Class M - takeaway, betting office, payday loan shop or launderette to residential	X
Part 3 Class M - casino or amusement arcade to residential	X
Part 20 Class ZA - demolition and rebuild for residential	✓
Part 20 Class A - upward extension of purpose-built flats for residential	X
Part 20 Class AA - upward extension of detached commercial or mixed use building for residential	X
Part 20 Class AB - upward extension of terraced commercial or mixed use building for residential	X
Part 20 Class AC - upward extension of terraced house for residential	X
Part 20 Class AD - upward extension of detached house for residential	X

#### ***Relevance to types of area***

- 5.5.18 Whilst existing employment uses can be found in a range of locations, in reality the vast majority of such uses are either within the town centre or existing employment areas. The uses found in the town centre include both the core of the

centre (where many of the newest Grade A office buildings can be found, in particular in close proximity to the station) and the town centre fringe. The latter includes secondary office locations such as along Kings Road, Queens Road and Caversham Road where much of the Grade B stock is located, but also includes some areas of high-quality Grade A space in particular around Forbury Road and Forbury Square. Older employment areas tend to include a mix of employment uses, including a substantial amount of light industrial as well as office uses that tend to be substantially cheaper and often geared towards small businesses.

- 5.5.19 Employment space can be found in other locations, such as other primarily commercial locations, district and local centres and main arterial routes. However, other than a criteria-based policy approach, the Local Plan does not offer specific policy protection to these premises, and it would therefore not be consistent with the Local Plan approach to justify an Article 4 direction in those locations on the basis of loss of employment.

**Table 5.18: Matrix showing applicability of loss of employment space to different areas**

Type of area	Relevant to issue?
Town centre core	✓
Town centre fringe	✓
District and local centres	X
Main arterial routes	X
Employment areas	✓
Other commercial areas	X
Residential areas	X

## 5.6. Impacts on existing businesses

- 5.6.1 Impacts on businesses and economic growth are not necessarily limited to those who would occupy the premises that are to be converted to residential use. The impacts are also likely to be felt by businesses on surrounding sites that would suddenly find residents adjoining their existing premises. In locations such as employment areas, other significant commercial areas or in parts of the core of the town centre, this is unlikely to have been anticipated when the businesses began operating, and as such many businesses will likely be causing a considerable amount of noise and disturbance, often at unsociable hours, as a central part of their business. The introduction of residents could result in noise and environmental nuisance complaints - as has been seen in section 5.3 - or could result in objections and planning concerns if those occupiers make planning or licensing applications to expand or intensify their operations.
- 5.6.2 This issue is explored from the perspective of the potential residents in section 5.3. This takes a number of examples and demonstrates the type of operations which

surround some of the locations which have received prior approval for residential use. These operations include:

- Industrial uses;
- Storage and distribution uses;
- Waste and recycling facilities; and
- Vehicle dealerships and servicing, including for HGVs.

Such uses are likely to need to continue to expand and adapt for new occupiers or for the changing needs of existing businesses. In addition, section 5.3 has also demonstrated the issues that can be caused as a result of location of residential adjacent to town centre businesses, which might include drinking establishments and nightclubs, or adjacent to locations used for outdoor events.

5.6.3 In table 5.19, a selection of prior approvals that have been granted so far (and, in some cases, completed) have been listed to understand the types and number of businesses that can often surround these proposals in different areas. These are not necessarily those with the most significant impacts on existing businesses, but merely a selection of those which are in established business locations. Nor are these all necessarily in locations which would be unsuitable for residential (although that is certainly the case for some), but it is a matter which in some cases would have required mitigation secured through a planning application process.

**Table 5.19: Selected existing prior approvals with information on surrounding businesses**

Site	Prior approval reference	Type of location	Number and types of commercial premises within 50 metres of building
59-60 St Mary's Butts	131055	Town centre core	Over 30 - Shops; restaurants; pubs (with beer garden); bar; service yards
45 West Street	131762	Town centre core	15 - Shops; restaurants; takeaways; nursery; amusement arcade.
Sussex House, Market Place	140892	Town centre core	16 - Shops; pub; offices; space for events
37-42 Market Place	141280	Town centre core	Over 30 - Shops; pubs; restaurants; space for events
7-11 Station Road	141529	Town centre core	Over 30 - Shops; pubs; clubs; hotels; takeaways
159 Friar Street	151392	Town centre core	Over 40 - Shops; pubs; bars; nightclub; restaurants; offices
Cadogan House, Rose Kiln Lane	172277, 181643, 182166,	Other commercial area	3 - offices; retail warehouse

Site	Prior approval reference	Type of location	Number and types of commercial premises within 50 metres of building
14 Arkwright Road	180654	Employment area	12 - Industrial; warehouses; trade counters; vehicle dealerships
42 Portman Road	200693	Employment area	5 - Warehouses; offices; recycling centre; vehicle dealership
Bennet Court	210306, 201320	Employment area	8 - Industrial; warehouses; HGV sales and servicing; waste management

- 5.6.4 It can be seen that in the town centre core, there tend to be much larger numbers of existing businesses. Whilst some may well be compatible with residential, many others, such as pubs and clubs, space for outdoor events and service yards, have the potential to cause issues. Even in the case of shops there may be issues where there are small service yards containing bin stores that are accessed at unsociable hours. In the case of employment areas and other commercial areas, there tend to be a smaller number of businesses as the sites are much larger, but the presence of large industrial and warehouse premises as well as waste uses and HGV servicing mean that conflict between residential and commercial uses is highly likely.
- 5.6.5 Some of the forms of PDR (Part 3 class N and Part 20 classes ZA, AA and AB) are subject to prior approval of the impact of development on existing businesses in the area. Part 3 class MA, change of use from commercial to residential, does not include consideration of these impacts, and this is likely to be by far the most frequently used form of PDR. Consideration of this matter is also not possible under Part 3 class M. However, even for those forms of PDR where consideration on existing businesses is possible, it is still not clear that this could include the opportunities for those existing businesses to expand on their sites, which is something that businesses might reasonably expect to be able to do in locations where residential is not otherwise present.
- 5.6.6 It is worth being aware that the Local Plan relies on the potential for intensification of Core Employment Areas to meet its objectively assessed needs for employment development. The Housing and Economic Land Availability Assessment (HELAA, November 2017) identified sufficient specific sites to meet 112,268 sq m of the 148,440 sq m of identified need for industrial and warehouse space, leaving a shortfall of 36,172 sq m. The Employment Area Analysis then assessed the capacity within the Core Employment Areas to accommodate this shortfall and found scope to provide between 27,000-51,000 sq m additional floorspace. Without this scope for intensification, the objectively assessed needs for employment space would be unlikely to be met, impacting on economic growth.



### *Wholly unacceptable adverse impacts*

- 5.6.7 As has been seen in this section, the introduction of a limited number of residential properties could have a direct impact on the operation of a potentially large number of surrounding businesses. The variety of existing businesses in Reading is an essential part of its continued economic success. If businesses are forced to move away from their current site, there is no guarantee that they can be accommodated elsewhere within or close to the town. As set out in the Local Plan (see in particular policies EM1 and RL1) there is not sufficient existing space to accommodate needs, in particular for industrial and warehousing space, so there is little likelihood that businesses could find alternative premises - and if they did, further PDR development could in any case continue in the new location. This could result in the loss of key activities that support the local economy, either through moving away from Reading or closure. This would therefore represent wholly unacceptable adverse impacts.

### *Relevance to types of PDR*

- 5.6.8 The harm in terms of impact on existing businesses is relevant to any form of PDR that is likely to result in residential development in areas characterised mainly by commercial premises. This means developments that would result in the change of use of existing commercial floorspace, or developments that would replace or be located above existing commercial operations. The impact is of greatest relevance for part 3 classes M and MA where this matter cannot be considered through prior approval, but is also relevant to those where impact on existing businesses is listed as a matter that can be considered, but where the opportunities for those businesses to expand or intensify in the future may still be limited. It is not relevant to the forms of PDR that would extend existing residential uses, as it would be assumed that existing residential is located where it is much less likely to impact on existing businesses.

*Table 5.20: Matrix showing applicability of impacts on existing businesses to different forms of PDR*

Permitted development right	Relevant to issue?
Part 3 Class MA - use class E to residential	✓
Part 3 Class M - takeaway, betting office, payday loan shop or launderette to residential	✓
Part 20 Class ZA - demolition and rebuild for residential	✓
Part 20 Class A - upward extension of purpose-built flats for residential	X
Part 20 Class AA - upward extension of detached commercial or mixed use building for residential	✓
Part 20 Class AB - upward extension of terraced commercial or mixed use building for residential	✓
Part 20 Class AC - upward extension of terraced house for residential	X



Permitted development right	Relevant to issue?
Part 20 Class AD - upward extension of detached house for residential	X

### *Relevance to types of area*

- 5.6.9 The impacts on existing businesses are much more likely to occur where there are businesses that cause noise and disturbance and where existing residential development is currently limited. This is most likely to be the case in employment and other commercial areas, where businesses currently operate unconstrained by neighbouring residential (including where those other commercial areas, such as retail parks, are located in the town centre fringe), and in the town centre core, in particular those locations characterised by pubs and clubs or outdoor events.

*Table 5.21: Matrix showing applicability of impacts on existing businesses to different areas*

Type of area	Relevant to issue?
Town centre core	✓
Town centre fringe	✓ (partial)
District and local centres	X
Main arterial routes	X
Employment areas	✓
Other commercial areas	✓
Residential areas	X

## **5.7 Impacts on the high street**

- 5.7.1 Reading's defined centres, and the high streets within them, are essential to providing services and facilities to its residents. A centre containing a range of functions including shops, leisure, community uses and other services in close proximity to where local residents live reduces the need to travel by ensuring that one visit, often by foot or public transport, can fulfil a number of purposes, and ensures that facilities are available to those who have no access to a private vehicle. Such centres form the centrepiece of their communities.
- 5.7.2 The Council has, as required by national policy, identified a network and hierarchy of centres in the Local Plan to ensure that these centres continue to thrive and form the focus for new planned development for retail, leisure and related uses. Central Reading is identified as a regional centre, serving not only the Borough and the wider urban area of Reading but also a significant catchment covering a large number of surrounding towns and countryside, particularly for comparison goods needs and also leisure trips. Below this level are 18 identified district and local centres that focus on more day-to-day needs.

- 5.7.3 The forms of PDR that would result in the loss of shops and services within centres threaten the health and, potentially, continued existence of these centres. These centres are only as strong as the facilities contained within them. In the case of smaller centres, where it is often the diversity of facilities rather than a critical mass of floorspace which underpins the health of the centre, loss of a single facility could have significant implications.
- 5.7.4 In terms of impact on the high street, it is worth drawing a distinction between forms of PDR that result in changes of use or additional storeys at above ground floor level, and changes of use at ground floor level. Changes of use of ground floor commercial uses, in particular retail and leisure and related uses, can represent a serious threat to the health of our high streets, as it is these uses that attract visitors into the centre. Changes of use of upper storeys, whilst they may well result in other forms of harm discussed in this report (for instance loss of employment space or noise or air quality issues) are less likely to directly threaten the health of high streets (albeit that the loss of footfall associated with loss of offices will impact the viability of high street businesses, as referenced in section 5.5), other than where a large town centre shop unit is on multiple levels, as is the case with a number of department stores.
- 5.7.5 There exists relatively little evidence so far of significant loss of ground floor retail uses to residential in Reading through PDR, but this is because the previous forms of PDR contained safeguards that reduced the impacts. A size limit of 150 sq m was applied, for instance, which has now increased tenfold to 1,500 sq m. In addition, the prior approval process allowed consideration of the adequate provision of services and the sustainability of the shopping area, which is no longer the case other than for the adequate provision of launderettes, health centres and nurseries.
- 5.7.6 However, in terms of the potential for loss of ground floor uses within high streets to residential, this is, as of 2021, almost unlimited. Table 5.22 looks at the number units within a relevant commercial use (i.e. use class E or the types of sui generis use covered by Part 3, classes M or N of the GPDO) in each centre, and considers how many of them could be subject to some form of control, either through exemptions from the PDR or through the provision of those services being a matter that can be considered in prior approval. It shows that around 86% of all ground floor commercial units in all defined centres in Reading could be converted without planning permission or without the impact of the loss being considered through prior approval, and that in nine of the smaller centres every unit could potentially be converted.

**Table 5.22: Proportion of ground floor commercial units within defined centres to which controls under PDR would potentially apply**

Centre	Number of E class units (estimated)	Number of units potentially subject to controls under class MA, M or N <sup>13</sup>	Percentage potentially subject to controls
Reading centre	758	160	21%
Basingstoke Road North	16	0	0%
Caversham	120	10	8%
Cemetery Junction	46	0	0%
Christchurch Road	14	0	0%
Coronation Square	12	1	8%
Dee Park	3	0	0%
Emmer Green	10	0	0%
Erleigh Road	15	2	13%
Meadway	26	2	7%
Northumberland Avenue North	8	0	0%
Oxford Road West	155	9	8%
Shinfield Road	29	0	0%
Tilehurst Triangle	69	1	1%
Wensley Road	4	0	0%
Whitley	30	6	20%
Whitley Street	38	3	7%
Whitley Wood	5	0	0%
Wokingham Road	50	1	2%
<b>TOTAL</b>	<b>1,417</b>	<b>198</b>	<b>14%</b>

5.7.7 Therefore, the potential for loss of the uses that form the basis for the health of the centre is immense. The vacancy clause within the Part 3, class MA PDR is likely to be of little protection, as three months is a very short period of time and unlikely to be much of a disincentive for an owner to allow an occupied premises to become vacant with a view to a future conversion.

5.7.8 The impact on existing centres of the loss of shops and services is not merely in terms of the visitors that those facilities bring (which the following section seeks to quantify), but also in terms of the dilution of continuous frontages of shops and services. Centres rely on a large number and range of facilities being present within a compact geographical area, and allowing residential uses to intrude on these continuous frontages can have a domino effect that can undermine the vitality and viability of the entire centre.

#### ***Quantifying the impact of loss of ground floor retail to residential***

5.7.9 The argument in favour of conversion of ground floor units within centres to residential is that it brings additional footfall into centres. Whilst this is the case where the unit would otherwise be vacant, a unit vacant for three months will by

<sup>13</sup> Due to the size of the unit exceeding 1,500 sq m, being within a listed building or scheduled monument, or due to the ability to consider the provision of adequate services for launderettes, health centres or nurseries

no means necessarily be a long term vacancy. It is possible to use information that is already available to broadly estimate the loss to the economy of a centre from the conversion of a shop that would otherwise be occupied compared to the gain of a residential use. The most recent retail assessment published for Reading, the Western Berkshire Retail and Commercial Leisure Assessment 2017 contains information specific to Reading which can be used for these calculations.

5.7.10 The first stage is to estimate how many dwellings would be provided from the loss of a certain amount of floorspace through PDR. Up to 31<sup>st</sup> March 2021, there was a loss of 56,500 sq m of commercial floorspace (mainly offices) to facilitate a gain of 1,116 dwellings through PDR. This means that on average one dwelling results in the loss of 50.6 sq m of commercial floorspace. Whilst the dwellings themselves are generally significantly smaller than this, this also includes internal corridors, staircases and other communal spaces. Therefore, a shop unit of 500 sq m could be expected to convert into around 10 dwellings.

5.7.11 In terms of the gains as a result of new residential in a centre, whilst there is no information on footfall, there are estimations of the expenditure available per capita in different areas. For the purposes of the 2017 study, the Reading urban area was divided into two zones. Zone 1 covered the eastern part of the Reading urban area, with Zone 2 covering the western part. Expenditure forecasts per capita for 2021 were provided for both convenience goods and comparison goods, minus special forms of trading (usually internet sales). The estimates are set out in Table 5.23.

**Table 5.23: Expenditure forecasts per capita for 2021 on comparison and convenience goods (source: Western Berkshire Retail and Leisure Study 2017)**

Type of retail	Zone 1	Zone 2	Average for Reading
Convenience goods <sup>14</sup>	£2,051	£1,917	£1,984
Comparison goods <sup>15</sup>	£3,753	£3,494	£3,624

5.7.12 Therefore, if it is assumed that there are two people in each dwelling (which is likely to be a significant overestimation given that PDR developments are dominated by one-bed and studio flats), this would mean that each new dwelling would result in £3,968 of convenience goods spend and £7,248 of comparison goods spend. Therefore, each new dwelling resulting from a PDR development could bring around **£11,216** of retail spend per annum into a centre. This is a maximum, as it is highly unlikely that all convenience and comparison spend from a resident would be retained within a single centre.

5.7.13 In terms of estimating the amount of spend lost to a centre through PDR, the 2017 study includes a variety of calculations for sales density. For 2021, it estimates the spend per square metre (net) of comparison goods retail of Reading town centre at £9,762<sup>16</sup>. It also estimates that for 2021 the spend per square metre (net) of

<sup>14</sup> See Table 2 of Appendix II of the Western Berkshire Retail and Leisure Study 2017

<sup>15</sup> See Table 2 of Appendix I of the Western Berkshire Retail and Leisure Study 2017

<sup>16</sup> See Table 8a of Appendix I of the Western Berkshire Retail and Leisure Study 2017

convenience goods retail in Reading Borough is £11,325<sup>17</sup>. However, in the case of the latter, the range is extremely wide, and is skewed heavily by the large superstores. The company average sales density quoted for Lidl, for instance, is £3,487 per sq m (net)<sup>18</sup>, and this is likely to be much more in line with the trading performance of the type of convenience store likely to change use through PDR (bearing in mind the 1,500 sq m limit that applies). Therefore, an estimated spend of £3,500 per sq m (net) is assumed.

5.7.14 The 2017 Study uses a net to gross ratio of 80%<sup>19</sup>. This means that, of the average 50.6 sq m floorspace per dwelling to be lost through PDR, 40.5 sq m would be used for retail sales. Therefore, for each dwelling provided through PDR at the ground floor, it can be estimated that the following retail sales are lost to a centre:

- Convenience - **£141,750**
- Comparison - **£395,361**.

5.7.15 It can therefore be estimated that, in Reading, for every dwelling provided in a centre that results in a loss of retail floorspace, only around 8% (for a convenience goods store) or 3% (for a comparison goods store) is recouped through increased spending in the centre from that dwelling. The effect on smaller centres in particular could be catastrophic for their survival when multiplied across even a relatively small number of PDR schemes. A single theoretical development up to the limit of 1,500 sq m could result in the loss to a centre's turnover of £14.19m (comparison goods) or £5.25m (convenience goods) and would only bring around £0.34m of retail spend into the centre as a result of the new dwellings, meaning a net loss to the centre of £13.85m or £4.91m respectively. This is clearly unacceptable.

### *Reintroducing residential to the high street*

5.7.16 One of the arguments advanced in favour of the new PDR, in particular the PDR to change use class E to residential, is that it can bring people back to live in town centres and therefore contribute to securing their future. The Written Ministerial Statement of 1<sup>st</sup> July 2021 places great emphasis on the importance of residential within high streets, and clearly sees this as one of the key roles of this PDR:

*“Councils should recognise the value to housing supply and increasing resident town centre footfall from supporting ‘flats above shops’”*

5.7.17 Reading Borough Council recognises the crucial role that residential can play in town centres in terms of bringing activity after usual trading hours, creating surveillance of streets and bringing additional footfall that supports businesses. These are aims that are entirely in line with policy RL3 of the Reading Borough Local Plan, which states that residential uses of upper floors in smaller centres will

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<sup>17</sup> See Table 8a of Appendix II of the Western Berkshire Retail and Leisure Study 2017

<sup>18</sup> See Table 6 of Appendix II of the Western Berkshire Retail and Leisure Study 2017

<sup>19</sup> See paragraph 8.14 of the Western Berkshire Retail and Leisure Study 2017

be acceptable, whilst the spatial strategy for central Reading states that residential within the centre will continue to be promoted.

5.7.18 Since its introduction in 2013, PDR has made up a significant proportion of the residential development that has taken place in high streets. For these purposes, we define 'high streets' as being the defined Primary Shopping Area<sup>20</sup> of central Reading (the main location for retail within the town centre) and the defined district and local centres<sup>21</sup>, which are too small to have any differentiation between high streets and other parts of the centre. Table 5.24 shows the proportion of new homes delivered since 1<sup>st</sup> April 2013 that result from PDR development within these high streets. It shows that, overall, 43.8% of new homes within centres over this period have come from the PDR route.

**Table 5.24: Homes delivered in high streets through PDR as a proportion of all homes delivered 2013-2021**

Location	Net homes completed total	Net homes completed by PDR	% of homes that are delivered by PDR
Primary Shopping Area of central Reading	504	233	46.2
District and local centres	176	65	36.9
<b>High streets total</b>	<b>680</b>	<b>298</b>	<b>43.8</b>

5.7.19 Therefore, on the face of it, the introduction of PDR could be argued to have significantly boosted residential development within high streets. However, as has been seen in section 4 when considering whether or not PDR has boosted overall housing supply, it is not as straightforward as that. Table 5.25 examines whether or not housing completions within centres have actually changed significantly overall after the PDR introduction in 2013.

**Table 5.25: Total housing delivery in high streets in Reading 2003-2021 showing averages before and after introduction of office to residential PDR**

Year	Completed dwellings in Primary Shopping Area of central Reading	Completed dwellings in district and local centres	Completed dwellings in high streets total
2003-04	46	12	58
2004-05	19	14	33
2005-06	72	11	83
2006-07	119	7	126
2007-08	99	5	104
2008-09	138	76	214
2009-10	94	24	118
2010-11	2	10	12
2011-12	0	8	8
2012-13	2	52	54
<b>Annual average 2003-2013</b>	<b>59</b>	<b>22</b>	<b>81</b>

<sup>20</sup> Defined in policy CR1 of the Local Plan

<sup>21</sup> Listed in policy RL1 of the Local Plan

Year	Completed dwellings in Primary Shopping Area of central Reading	Completed dwellings in district and local centres	Completed dwellings in high streets total
2013-14	10	14	24
2014-15	30	22	52
2015-16	245	58	303
2016-17	86	22	108
2017-18	105	21	126
2018-19	0	4	4
2019-20	28	22	50
2020-21	0	13	13
<b>Annual average 2013-2021</b>	<b>63</b>	<b>22</b>	<b>85</b>

5.7.20 It can clearly be seen from table 5.25 that bringing residents back into high streets had been happening in Reading long before the introduction of PDR. On average, over the ten-year period between 2003 and 2013, 81 new homes per year were provided in high street locations. Many more were provided within the wider definition of central Reading. This clearly demonstrates that the normal planning application route is capable of delivering substantial growth in high streets, and has been doing so in Reading for some time.

5.7.21 Table 5.25 also does not necessarily support the notion that PDR has substantially boosted residential in high streets. The average annual completion for the ten years prior to 2013 in district and local centres is identical to the eight years since 2013 (22 per year in both cases). A similar story appears for the Primary Shopping Area, where the average only slightly increases from 59 to 63 per year. There is no evidence of any significant boost as a result of PDR. As explained in section 4, it may well have been that many of these developments would have come forward in any case through the planning application process.

### *Summary*

5.7.22 In summary, Reading's existing centres are of great significance in providing services and facilities close to where people live and where they reduce the need to travel, resulting in a hub for their local communities. Conversion of ground floor uses to residential could potentially affect the vast majority of commercial units within centres, and result in the health of those centres being undermined. The loss of a ground floor retail use is in no way outweighed by the additional footfall as a result of new residential, and in any case the need to apply for planning permission has not previously served to prevent residential uses being brought into centres, without the need for loss of existing facilities.

### *Wholly unacceptable adverse impacts*

5.7.23 Development that undermines the health of any of the defined centres in Reading would be a wholly unacceptable adverse impact. The importance of these centres is underlined by their definition in the Local Plan, in accordance with national



policy. The NPPF states that *“Planning policies and decisions should support the role that town centres play at the heart of local communities”* (paragraph 86), and it is clear that unconstrained use of PDR at ground floor level would undermine this. These centres are vital, not only because they provide shops and services close to where people live and reduce the need to travel, but also because the whole spatial strategy for Reading hinges on the network of centres, particularly central Reading, forming a focus for new development to meet the recognised needs of Reading. The NPPF recognises in paragraph 53 that wholly unacceptable adverse impacts *“could include the loss of the essential core of a primary shopping area which would seriously undermine its vitality and viability”*, albeit that this is unlikely to extend to a whole town centre (this latter element is dealt with further in section 7).

### *Relevance to types of PDR*

- 5.7.24 The types of PDR to which impacts on the high street are most relevant are changes of use from commercial (Part 3 class MA) or various sui generis uses (Part 3 class M and N) to residential. These are the only forms of PDR that would result in the loss of those uses that are specific to high streets. Other forms of PDR either result in new development above existing uses, or, in the case of class ZA, would not apply to retail or related uses.
- 5.7.25 It should be noted in this context that, whilst the Council has policies that prevent an overconcentration of uses such as takeaways, betting shops and payday lenders in centres, it still recognises that they can form an important part of a wider offer of the centre. In any case, a loss to residential is certainly not what the Local Plan envisages, as this would have significantly more detrimental impacts on the centre as a whole compared to a loss of these sui generis uses to an alternative town centre use.
- 5.7.26 Within class M and MA, it is possible to consider the impact of loss of certain uses on the provision of such services, specifically launderettes (in the case of class M) and nurseries and health centres (in the case of class MA). However, this only covers a small part of the implications for high streets from use of these PDR, and are not in any way sufficient to address the identified harm.

**Table 5.26: Matrix showing applicability of impacts on high streets to different forms of PDR**

Permitted development right	Relevant to issue?
Part 3 Class MA - use class E to residential	✓
Part 3 Class M - takeaway, betting office, payday loan shop or launderette to residential	✓
Part 3 Class N - casino or amusement arcade to residential	✓
Part 20 Class ZA - demolition and rebuild for residential	X
Part 20 Class A - upward extension of purpose-built flats for residential	X

Permitted development right	Relevant to issue?
Part 20 Class AA - upward extension of detached commercial or mixed use building for residential	X
Part 20 Class AB - upward extension of terraced commercial or mixed use building for residential	X
Part 20 Class AC - upward extension of terraced house for residential	X
Part 20 Class AD - upward extension of detached house for residential	X

### *Relevance to types of area*

5.7.27 This harm is only relevant to those areas containing high streets that have been recognised as being of importance. This therefore means the town centre core, likely in this case to equate to the Primary Shopping Area, and to the district and local centres, all of which are designated in the Local Plan. The town centre fringe has some ground floor retail uses along some secondary frontages, but the Local Plan does not consider these important enough to specifically protect within its policy on active frontages. Other commercial areas, such as retail parks, also have significant amounts of retail or related uses, but, again, as these are in out of centre locations they do not benefit from any policy protection.

*Table 5.27: Matrix showing applicability of impacts on high streets to different areas*

Type of area	Relevant to issue?
Town centre core	✓
Town centre fringe	X
District and local centres	✓
Main arterial routes	X
Employment areas	X
Other commercial areas	X
Residential areas	X

## **5.8 Affordable housing**

- 5.8.1 One of the most significant concerns with the introduction of PDR that results in new dwellings is that there is no mechanism to secure much-needed affordable housing. Affordable housing contributions are secured through a Section 106 agreement, which cannot be a requirement of the prior approval process.
- 5.8.2 There is a very high level of need for affordable housing in Reading. At May 2020, there were 3,417 households on the Housing Register. During 2019-2020, 1,066 households approached the Council at risk of homelessness.
- 5.8.3 The need for affordable housing in Reading was assessed in the Berkshire SHMA (2016), and a need for 406 affordable homes per year was identified. This

compares to an overall housing need of 699 homes per year, and means that almost 60% of new homes would need to be affordable to meet this need.

- 5.8.4 In order to fulfil even a meaningful proportion of this need, affordable housing needs to be sought from all sources, both from private developments and from development by registered providers. The Council has its own Local Authority New Build (LANB) programme which is already delivering new affordable homes, but this must be accompanied by contributions from private development to make a dent in the overall need. In any case, the LANB programme is also partly reliant on contributions from private development, because off-site financial contributions towards affordable housing are mainly used to fund LANB, alongside right to buy receipts.

### *Affordable housing supply*

- 5.8.5 Table 5.28 shows the delivery of new affordable homes after the last ten years and how this relates to overall housing delivery figures.

**Table 5.28: Affordable housing delivery 2011-2021**

Year	Overall dwellings completed (net)	Affordable dwellings completed (net)	Proportion of completions that are affordable
2011-12	312	148	47.4
2012-13	474	197	41.6
2013-14	361	109	30.2
2014-15	635	145	22.8
2015-16	751	54	7.2
2016-17	717	60	8.4
2017-18	700	66	9.4
2018-19	910	158	17.4
2019-20	524	80	15.3
2020-21	408	54	13.2

- 5.8.6 It is clear that the delivery of affordable housing has declined over that ten year period, both in overall terms and in terms of the proportion of all housing completions. There has been an increase again since 2018, assisted by the start of delivery of the LANB programme, but has not returned to pre-2015 levels. The most significant decline took place between 2012-13 and 2015-16. This is the same period in which completions from PDR began to come on stream, as shown in [table 4.2](#).
- 5.8.7 The extent of the impact of PDR on overall affordable housing delivery is not possible to conclusively demonstrate, and it is likely that other factors may well have played a role such as changing viability conditions and national policy on viability assessments. However, it is a fact that PDR significantly affected the proportion of residential developments that were able to make an affordable housing contribution. In the seven years before office to residential PDR were introduced (2006-2013), 8.6% of dwellings completed in Reading were from an

application route where a legal agreement cannot be applied (usually certificates of lawfulness). In the seven years afterwards (2013-2020), 24.7% of dwellings completed were from a source where a legal agreement cannot be applied. It is therefore clear that the introduction of PDR has at the very least contributed to a decline in affordable housing delivery.

### *Potential affordable housing delivery of PDR schemes*

- 5.8.8 It is possible to estimate the contribution that PDR schemes would have made to affordable housing had the development been approved by the full planning application route. Whilst it cannot be certain that this level of affordable housing delivery would have been seen had PDR not been introduced, it is nevertheless a worthwhile exercise to help to understand the impact of PDR on affordable housing supply.
- 5.8.9 The starting point for this assessment is to assume that developments would have delivered a policy compliant level of affordable housing, which is the clear expectation of local policy in both the current Local Plan and its predecessor documents. Clearly, in practice, policy compliance is not always achieved, but, as this is subject to individual negotiations on each site, it is not possible to know how the overall figures would have been affected.
- 5.8.10 The applicable affordable housing policy has changed over the period since office to residential PDR was introduced in 2013:
- For sites of 15 dwellings or more, an on-site contribution has always been required. Up to January 2015, the contribution required was 50%. However, an alteration to the Core Strategy was adopted in January 2015 which reduced this to 30%, and the 30% figure was carried forward into the Local Plan adopted in November 2019.
  - For sites of 10-14 dwellings, the relevant affordable housing policy has required an on-site contribution of 30% across the whole period considered.
  - For sites of 10 dwellings or less, the policy in place has required contributions of 20% for sites of 5-9 dwellings and 10% for sites of 1-4 dwellings across the period considered. However, the way these policies have been applied have been affected by changes to national policy. A Written Ministerial Statement in November 2014 sought to ensure that developments of this size should not be required to make a contribution to affordable housing. However, Reading Borough Council (along with West Berkshire District Council) challenged this Statement in the High Court, and in the meantime continued to apply its local policy. Ultimately, this process led to a judgement in the Court of Appeal which confirmed the national policy approach, but specifically noted that national policy cannot override adopted local policies where that approach is justified. The Council took the decision in July 2016 that it would cease applying the affordable housing requirement to sites which involved changes of use from existing buildings to residential for less than ten dwellings, and this would have applied to many of the PDR developments had a planning

application been required. This changed again with the adoption of the new Local Plan in November 2019, with changes of use of all sizes being required once again to contribute.

- Additionally, for sites of 5-9 dwellings, up until the adoption of the Local Plan in 2019, the 20% contribution was expected to be on-site. This was changed in the Local Plan to require a financial contribution.

5.8.11 For the purposes of this assessment, therefore, the contribution that would have been made is based on the local policy and approach in place at the time prior approval was granted as described above.

5.8.12 Where an on-site contribution would have been required, this is generally a straightforward calculation, and for the purposes of this assessment the number of dwellings that would have been provided is rounded to the nearest whole number.

5.8.13 For off-site financial contributions, the calculation is more complicated, because the contribution is based on the Gross Development Value (GDV) of the specific scheme, and therefore varies greatly from development to development. However, evidence<sup>22</sup> that was prepared to inform the Local Plan examination in reference to affordable housing from small sites calculated the average financial contribution per dwelling that was agreed for both sites of 1-4 dwellings and 5-9 dwellings at the time. For sites of 1-4 dwellings, on average £12,423 per dwelling had been secured, whilst for sites of 5-9 dwellings, on average £10,478 per dwelling had been secured. These figures are therefore applied to the PDR developments to assess the financial contributions that have been missed.

**Table 5.29: Affordable housing contributions that could have been expected had PDR developments 2013-21 been full planning applications**

Type of affordable housing contribution	PDR developments completed 2013-21	PDR developments under construction at 31/03/21	PDR developments not started at 31/03/21	Total
Policy compliant on-site contribution in units	356	51	104	511
Policy compliant off-site financial contribution (estimate)	£1,244,998	£95,494	£516,245	£1,856,737

5.8.14 Table 5.29 shows the contributions that might have been expected. For those developments that have been completed, we would have generally expected the contributions to already have been made, as on-site units would have been passed to a registered provider whilst financial contributions are generally due prior to occupation. For developments under construction and not started, these contributions would have been pending. It can be seen that 356 on-site dwellings would have already been provided, with a further 155 still to be provided. In terms

<sup>22</sup> [Additional Justification on Policy H3 on Small Site Affordable Housing, May 2019 - see p8, footnote 1](#)

of financial contributions, an estimated £1.245 million would already have been received, with a further £0.612m to be provided.

- 5.8.15 It is therefore estimated that, as a result of completed or outstanding prior approvals, Reading has lost out on **511 affordable dwellings** and **£1.857 million in financial contributions towards affordable housing**.
- 5.8.16 The dwellings that would have been provided on-site would have fulfilled more than a year's worth of the assessed need for affordable housing.
- 5.8.17 The off-site financial contributions would almost certainly have been put towards the LANB programme. Assumptions used in the Additional Justification on Policy H3 on Small Site Affordable Housing (May 2019) which informed the Local Plan allocation were that a £100,000 financial contribution can deliver one dwelling, on the basis that this would be used to subsidise part of the build and borrow for the remaining costs. This would mean that the financial contributions lost could have delivered a further 19 affordable homes.
- 5.8.18 Given the scale of the identified affordable housing needs and the difficulties that the Council faces in meeting even a meaningful proportion of that need, it is of considerable harm to the planning of the area that so many private developments are not required to contribute towards affordable housing.
- 5.8.19 The Council is aware of the proposals in the Planning White Paper to bring affordable housing within a consolidated infrastructure levy, to which PDR developments will be subject. However, based on the White Paper, the Council has serious concerns about whether this will result in any improvement to the current system. These concerns include the proposal to set the levy nationally, which is unlikely to result in contributions being maximised in the local area, and the provisions for how and when the levy is secured, which appear to be some time after development is completed. It is also not clear whether current Community Infrastructure Levy (CIL) provisions around not needing to pay if a building is partly occupied will carry across, because this currently means that in practice changes of use under PDR almost never pay CIL.

#### ***Wholly unacceptable adverse impacts***

- 5.8.20 Provision of adequate affordable housing is one of the most significant planning issues that Reading faces. The assessed annual need for affordable housing equates to more than half of the total housing need, and all sources of supply must contribute towards meeting that need. The importance of providing sufficient affordable housing is one of the key objectives of the Local Plan, and policies are included to ensure that new developments make an appropriate contribution. Allowing a significant element of the supply of new homes to continue without making any contribution to affordable housing makes it even more difficult to meet these needs, and places greater pressure on the remaining sources to contribute. This is considered to clearly be a wholly unacceptable impact.

### *Relevance to types of PDR*

- 5.8.21 The lack of provision for affordable housing is relevant to all types of PDR, because all result in housing that would otherwise contribute to meeting Reading's substantial affordable housing needs.

*Table 5.30: Matrix showing applicability of affordable housing to different forms of PDR*

Permitted development right	Relevant to issue?
Part 3 Class MA - use class E to residential	✓
Part 3 Class M - takeaway, betting office, payday loan shop or launderette to residential	✓
Part 3 Class N - casino or amusement arcade to residential	✓
Part 20 Class ZA - demolition and rebuild for residential	✓
Part 20 Class A - upward extension of purpose-built flats for residential	✓
Part 20 Class AA - upward extension of detached commercial or mixed use building for residential	✓
Part 20 Class AB - upward extension of terraced commercial or mixed use building for residential	✓
Part 20 Class AC - upward extension of terraced house for residential	✓
Part 20 Class AD - upward extension of detached house for residential	✓

### *Relevance to types of area*

- 5.8.22 This harm relevant to all areas, because developments across the Borough would have been expected to contribute towards meeting Reading's substantial affordable housing needs.

*Table 5.31: Matrix showing applicability of affordable housing to different areas*

Type of area	Relevant to issue?
Town centre core	✓
Town centre fringe	✓
District and local centres	✓
Main arterial routes	✓
Employment areas	✓
Other commercial areas	✓
Residential areas	✓

## **5.9 Contribution to local infrastructure**

- 5.9.1 As seen in the previous section, the prior approval process for PDR development cannot include requiring completion of a Section 106 agreement. As well as preventing necessary contributions towards affordable housing, this means that



specific impacts on local infrastructure cannot be mitigated through the agreement.

5.9.2 The types of contributions towards infrastructure that a Section 106 agreement may cover include the following in particular:

- Education;
- Leisure and open spaces;
- Transport; and
- Skills and training initiatives.

5.9.3 In this context, it is worth noting that, for most developments, contributions towards education and leisure/open spaces in Reading have been dealt with by the Community Infrastructure Levy (CIL) since 2015. PDR developments are not in theory excluded from the need to pay CIL, although in practice changes of use under PDR almost never do pay because they are able to fulfil the requirement to demonstrate that a building has been partly occupied in lawful use for six months within the last three years. An Article 4 direction would not change this situation because the CIL rules would apply in the same way to planning applications. However, for particularly large developments, or developments with specific impacts on infrastructure, the option to address this in a Section 106 agreement is lost through PDR. This will be considered further below.

### *Education*

5.9.4 New development can have an impact on the need for additional school places or other upgrades to education facilities. Until the introduction of CIL in Reading on 1<sup>st</sup> April 2015, this was a matter that was covered by a Section 106 contribution, calculated in line with the relevant Supplementary Planning Document at the time.

5.9.5 It is therefore possible to calculate the contributions towards education that would have been secured under Section 106 agreements that would have been signed before the introduction of CIL.

5.9.6 Up to 20<sup>th</sup> November 2013, the relevant calculations were set out in the Supplementary Planning Guidance from 2004, which resulted in contributions as follows:

- £0 per 1-bed flat
- £1,632 per 2-bed flat
- £4,120 per 3-bed flat or larger

5.9.7 On 20<sup>th</sup> November 2013 a new Revised SPD (adopted 20<sup>th</sup> November 2013) was adopted which required the following contributions:

- £0 per 1-bed flat
- £2,795 per 2-bed flat
- £5,667 per 3-bed flat or larger

- 5.9.8 Using those calculations as a basis, and considering only those developments which have been implemented and would therefore have already paid any required contribution, it is estimated that, had those developments permitted under PDR before the introduction of CIL been planning applications with relevant Section 106 agreements, the Council would have received **£261,755 towards education infrastructure**.
- 5.9.9 Compared to some of the other impacts, the education contributions would have been more limited, in particular because of the dominance of 1-bed dwellings within PDR developments, which under the applicable policy did not contribute towards education. However, this would nonetheless have been an important contribution towards much-needed education infrastructure.
- 5.9.10 As set out above, since 2015 education contributions have been made through CIL. There remains the possibility of agreeing Section 106 contributions where they could be specifically linked to demands created by the development, but in the case of education this specific link is hard to demonstrate unless a scheme is very large, larger than any of the PDR developments that have taken place so far. As so few PDR developments actually pay CIL, it is certainly the case that the education infrastructure impacts of PDR developments are not being mitigated by the developments, but it is also the case that this is mainly due to the CIL Regulations rather than PDR and that a proposed Article 4 direction is unlikely to resolve the issue.

#### *Leisure and open space*

- 5.9.11 New development can have an impact on the need for open space and leisure facilities. As for education infrastructure, until the introduction of CIL in Reading on 1st April 2015, this was covered by a Section 106 contribution, calculated in line with the relevant Supplementary Planning Document at the time.
- 5.9.12 Once again, it is worth calculating the contributions that would have been made to leisure and open spaces through Section 106 had PDR developments approved before 1<sup>st</sup> April 2015 been made as planning applications.
- 5.9.13 In the 2004 SPG, applicable up until November 2013, the following leisure contributions were required:
- £1,500 per dwelling of up to 75 sq m
  - £2,000 per dwelling of more than 75 sq m.

In practice, almost all PDR dwellings would be under the 75 sq m threshold.

- 5.9.14 In the Revised SPD adopted on 20<sup>th</sup> November 2013, this changed to the following contributions:
- £2,100 per dwelling of up to 75 sq m
  - £2,800 per dwelling of more than 75 sq m

- 5.9.15 Using those calculations as a basis, and considering only those developments which have been implemented and would therefore have already paid any required contribution, it is estimated that, had those developments permitted under PDR before CIL was introduced been planning applications with relevant Section 106 agreements, the Council would have received **£1,273,100 towards open space and leisure infrastructure**.
- 5.9.16 This therefore represents a considerable loss to mitigation of open space and leisure impacts over what was a short period of only two years between 2013 and 2015.
- 5.9.17 In terms of ongoing impacts now that CIL is in place, in most cases it would be CIL that would fund leisure and open space contributions, whether for PDR developments or planning applications. However, it is likely that some larger developments would still be required to make contributions towards site-specific open space and leisure impacts of that development, as it is more possible to link impacts to a specific development than it is for education. This is particularly the case because developments without any private amenity space - as is the case for the vast majority of PDR developments - are much more likely to impact on existing open spaces because residents would have no option but to use public facilities. It is therefore likely that there is an ongoing harm to leisure and open space infrastructure from PDR that could be at least partially resolved by use of an Article 4 direction.

### *Transport*

- 5.9.18 Whilst transport impacts of a PDR development cannot be mitigated through a Section 106 agreement, transport impacts are nevertheless identified as a matter that can be considered through the prior approval process for all relevant forms of PDR. Therefore, if a proposed development requires additional transport measures to be put in place to be acceptable, the option remains open for the local planning authority to refuse to give prior approval. In terms of the PDR development that has taken place so far in Reading, almost all of this involved conversions of offices to residential, and it is likely that offices would have generated more vehicle trips from the same floorspace in any case, so significant transport impacts are unlikely. They would be more likely from the various forms of PDR resulting in additional development, but as above, prior approval allows consideration of transport impacts. Therefore, impacts specifically on transport infrastructure do not form part of the argument for an Article 4 direction.

### *Skills and training*

- 5.9.19 Among the forms of infrastructure identified as a priority for contributions under Local Plan policy CC9 are economic development services and infrastructure, including employment, skills and training initiatives. The Council has an Employment, Skills and Training SPD (adopted April 2013) in place which sets out the specific requirements. These requirements apply to all major developments. For major employment developments, there are both construction and end-user

requirements, whilst for housing developments these relate to the construction phase only.

- 5.9.20 The requirements for a major housing development (of 10 dwellings or more) are that a developer prepare a construction phase Employment and Skills Plan (ESP) based on construction benchmarks from the National Skills Academy for Construction projects and labour market patterns in the industry. If the developer does not wish to prepare a plan, a financial contribution can be made to employment and skills based on a formula in the SPD.
- 5.9.21 As ESPs or associated financial contributions are secured through Section 106 agreements, PDR developments are not required to comply with these requirements. As such, significant developments are taking place without policy compliant contributions towards employment and skills, which represents a harm to economic development initiatives in the local area. Unlike some other forms of contribution, employment and skills are not covered by CIL and therefore contributions continue to be sought from every major development in Reading by Section 106. An Article 4 direction would result in contributions from relevant developments being made towards impacts on employment and skills.
- 5.9.22 It is not possible to calculate the difference that this would make in terms of financial contributions, because the first preference in policy is the preparation of an ESP rather than a financial contribution. In an ideal world therefore, no money would be collected and each developer would produce their own plan. For context, the Council collected around £315,000 towards employment and skills from all developments in 2019-20.

### *Summary*

- 5.9.23 In summary therefore, there has already been harm caused to the adequate mitigation of local infrastructure by the potential loss of £1.27 million of contributions towards open spaces and leisure and £0.26 million towards education. Ongoing harm is particularly related to the inability to address site-specific open space and leisure impacts, particularly where there is no on-site private amenity space, and the lack of contribution towards employment and skills.

### *Wholly unacceptable adverse impacts*

- 5.9.24 It is the clear expectation of policy CC9 of the Local Plan that development should not be permitted unless infrastructure impacted upon as a result of the development or made necessary by the development is provided through direct provision or financial contribution. If infrastructure required as a result of the development is not funded by the development, which is the case with PDR, then it will need to be addressed by public funds. Without use of an Article 4 direction, significant numbers of PDR developments will continue to take place without making necessary contributions to infrastructure, which represents a wholly unacceptable adverse impact on Reading.

### *Relevance to types of PDR*

- 5.9.25 The lack of contribution towards local infrastructure is relevant to all types of PDR, because all result in housing that would otherwise contribute towards this infrastructure.

*Table 5.32: Matrix showing applicability of contributions to local infrastructure to different forms of PDR*

Permitted development right	Relevant to issue?
Part 3 Class MA - use class E to residential	✓
Part 3 Class M - takeaway, betting office, payday loan shop or launderette to residential	✓
Part 3 Class N - casino or amusement arcade to residential	✓
Part 20 Class ZA - demolition and rebuild for residential	✓
Part 20 Class A - upward extension of purpose-built flats for residential	✓
Part 20 Class AA - upward extension of detached commercial or mixed use building for residential	✓
Part 20 Class AB - upward extension of terraced commercial or mixed use building for residential	✓
Part 20 Class AC - upward extension of terraced house for residential	✓
Part 20 Class AD - upward extension of detached house for residential	✓

### *Relevance to types of area*

- 5.9.26 This harm relevant to all areas, because developments across the Borough would have been expected to contribute towards local infrastructure.

*Table 5.33: Matrix showing applicability of contributions to local infrastructure to different areas*

Type of area	Relevant to issue?
Town centre core	✓
Town centre fringe	✓
District and local centres	✓
Main arterial routes	✓
Employment areas	✓
Other commercial areas	✓
Residential areas	✓

## 6. Scope of Article 4 direction required

6.0.1 The previous section has discussed the different forms of harm that occur as a result of the PDR, and, in the case of each type of harm, considers the degree to which it applies to the different forms of PDR and to the different areas of Reading. This section summarises the results of that assessment in terms of which forms of PDR should be covered by the direction and to which types of geographical area it should be applied, and looks to define that geographical area more specifically.

### 6.1 Types of permitted development to be covered

6.1.1 For each of the forms of harm covered in section 5, all of which have been considered to be wholly unacceptable adverse impacts, a matrix is included which assess the degree to which it is applicable to each type of PDR. These assessments are compiled in table 6.1 below.

**Table 6.1: Matrix showing applicability of types of harm to types of permitted development right**

Type of area	Dwelling size and type (5.1)	Dwelling standards (5.2)	Noise and disturbance (5.3)	Air quality (5.4)	Loss of employment (5.5)	Impact on existing businesses (5.6)	Impact on the high street (5.7)	Affordable housing (5.8)	Infrastructure contributions (5.9)
Part 3 class MA	✓	✓	✓	✓	✓	✓	✓	✓	✓
Part 3 class M	✓	✓	✓	✓	X	✓	✓	✓	✓
Part 3 class N	✓	✓	✓	✓	X	✓	✓	✓	✓
Part 20 class ZA	✓	✓	✓	✓	✓	✓	X	✓	✓
Part 20 class A	✓	✓	X	✓	X	X	X	✓	✓
Part 20 class AA	✓	✓	✓	✓	X	✓	X	✓	✓
Part 20 class AB	✓	✓	✓	✓	X	✓	X	✓	✓
Part 20 class AC	✓	✓	X	✓	X	X	X	✓	✓
Part 20 class AD	✓	✓	X	✓	X	X	X	✓	✓

6.1.2 Table 6.1 shows that for one form of PDR, Part 3 class MA, all of the forms of harm identified in this report apply. This is the form of PDR which is likely to comprise the vast majority of PDR developments over the coming years because of its

extremely wide-ranging nature. Changes of use from commercial to residential should therefore clearly be covered by any Article 4 direction.

- 6.1.3 Demolition and rebuild (Part 20, class ZA) can give rise to all of the identified forms of harm other than impact on high streets, whilst changes of use from selected sui generis uses (Part 3, class M and N) can give rise to all bar the loss of employment floorspace. Upward extension of commercial uses does not result in the loss of existing premises, so would not result in a significant detrimental impact on high streets or employment floorspace, but can negatively affect the potential for businesses to expand and cause noise and disturbance issues. These are forms of harm beyond the forms that would apply to all types of PDR, and this should therefore also be covered in the direction.
- 6.1.4 For those forms of PDR that involve additional residential storeys on either an existing block of flats or existing dwellinghouses (Part 20 classes A, AC and AD), the only forms of harm that are identified are the same that would apply to any form of PDR that results in new residential accommodation (e.g. lack of affordable housing, dwelling size and type). The issues for these three forms of PDR are different from the others, because they do not bring residential into areas where there are not already residents, therefore resulting in the kinds of conflicts outlined in this report. Because the issues are entirely distinct, it is not considered that these forms of PDR should be included in the proposed Article 4 direction. That does not mean that the harm identified here is considered acceptable, but rather that it is best addressed separately.
- 6.1.5 Therefore, the following forms of PDR should be covered in the Article 4 direction.
- Change of use of commercial, business and service use (use class E) to residential (Part 3, class MA);
  - Change of use of hot food takeaway, betting office, payday loan shop or launderette to residential (Part 3, class M);
  - Change of use of casino or amusement arcade to residential (Part 3, class N);
  - Demolition of single, purpose built, detached block of flats or a single, detached office, light industrial or research and development building and its replacement with a detached block of flats or detached house (Part 20, class ZA);
  - Up to two additional residential storeys on a detached commercial or mixed use building (in use for retail, financial and professional, restaurant and café, office, research and development, light industrial, betting shop, payday loan shop, launderette) (Part 20, class AA); and
  - Up to two additional residential storeys on a two or more storey terraced commercial or mixed use building (see class AA for uses) or one additional storey on a one storey building (Part 20, class AB).



## 6.2 Types of area to be covered

6.2.1 In the previous section, an assessment is made whether each of the identified forms of harm applies in each of the broad areas. This is summarised once again in table 6.2.

**Table 6.2: Matrix showing applicability of main types of harm to geographical areas**

Type of area	Dwelling size and type	Dwelling standards	Noise and disturbance	Air quality	Loss of employment	Impact on existing businesses	Impact on the high street	Affordable housing	Infrastructure contributions
Town centre core	✓	✓	✓	✓ (partial)	✓	✓	✓	✓	✓
Town centre fringe	✓	✓	✓ (partial)	X	✓	✓ (partial)	X	✓	✓
District and local centres	✓	✓	X	X	X	X	✓	✓	✓
Main arterial routes	✓	✓	✓ (partial)	✓ (partial)	X	X	X	✓	✓
Employment areas	✓	✓	✓	X	✓	✓	X	✓	✓
Other commercial areas	✓	✓	✓	X	X	✓	X	✓	✓
Residential areas	✓	✓	X	X	X	X	X	✓	✓

6.2.2 A number of the forms of harm are not area-specific, and would apply in any location, namely dwelling size and type, dwelling standards, affordable housing and infrastructure contributions. The only way to ensure that this harm does not occur in Reading would be by a whole Borough Article 4 direction. The Written Ministerial Statement by the Secretary of State on 1<sup>st</sup> July 2021 made clear that Article 4 directions are “*not expected to be applied to an entire local authority area*”. This approach is not therefore recommended. This would also mean that primarily residential areas would not be covered by the direction, as, other than those forms of harm that apply everywhere, no forms of harm specific to those areas have been identified.

6.2.3 The other types of area all have at least one form of harm that is likely to occur there in addition to those that occur regardless of location, as set out below:

- In the core of the town centre, all of the forms of harm identified apply, although air quality is very locally specific;
- The town centre fringe is an important location for employment space, particularly cheaper office stock, which therefore means that loss of employment applies here. Impacts in terms of noise and impacts on existing

businesses occur mainly in the parts of the town centre fringe that are wholly commercial;

- The main form of harm affecting district and local centres is to the function of the high streets, but as has been shown this is potentially extremely significant;
- On main arterial routes, the additional form of harms are air quality and noise, but these are limited to the small areas of the poorest air quality, as well as some specific areas of particular road noise which tend to fall within some of the areas dealt with above in other case;
- In employment areas, loss of employment is a key issue, as is noise and disturbance and impacts on existing businesses; and
- For other commercial areas, the main additional impacts are noise and disturbance and impacts on existing businesses.

6.2.4 It is therefore considered that there is evidence to support an Article 4 direction covering those types of area where forms of adverse impact other than those that apply regardless of location would occur. This would comprise:

- The whole town centre (including both core and fringe);
- District and local centres;
- Important employment areas;
- Other entirely commercial areas; and
- The areas of poorest air quality.

6.2.5 The remainder of this section examines how these areas should be defined in more detail to come up with an initial area to potentially be covered by the Article 4 direction.

#### *Town centre core*

6.2.6 As has been shown in the previous section, many of the forms of harm that have been identified apply particularly in the town centre core of Reading. In particular, this is the area with the most significant concentration of retail and related high streets uses which could be eroded by the use of PDR. It is also the location where some of the greatest noise impacts are likely to be felt, from activities associated with commercial activities but also from outdoor activities and events and other sources. Some of the areas of poorest air quality are in and around the town centre core. The town centre is also a very important concentration of employment uses, and residential in inappropriate locations can also have an impact on the operation of some of those businesses.

6.2.7 There are a number of possible definitions of the town centre core. For some, this is often defined as the area within the Inner Distribution Road (IDR). However, there are some areas within the IDR (such as around Fobney Street) which are almost purely residential, whilst in other areas such as Oxford Road, the commercial core extends up to and arguably beyond the IDR. It also depends to some degree on which uses are being considered. The retail hub of the town centre

is around Broad Street and the Oracle, whilst the office hub is further north, around the station.

- 6.2.8 The definition that most closely accords with the commercial core of central Reading is the Primary Shopping Area as defined in the Local Plan (policy CR1). This covers the key retail streets around Broad Street, Friar Street, the Oracle and Broad Street Mall shopping centres, and also extends up to and beyond Reading station to reflect the importance of the station area, activated by ground floor retail and leisure activity, to the Local Plan strategy. It includes all of the designated primary frontage under policy CR7 of the Local Plan, but excludes areas which are mainly residential, such as around Fobney Street and the streets west of Greyfriars Road. It also excludes areas of mainly office such as around Valpy Street, Forbury Square and Abbey Square.
- 6.2.9 The Primary Shopping Area, as part of the Local Plan, has been through the consultation and examination processes relatively recently, and has been found to be sound. It therefore represents a robust basis for the Article 4 direction as far as the town centre core is concerned. The area is shown in figure 6.1.

**Figure 6.1: Primary Shopping Area of central Reading**



**Town centre fringe**

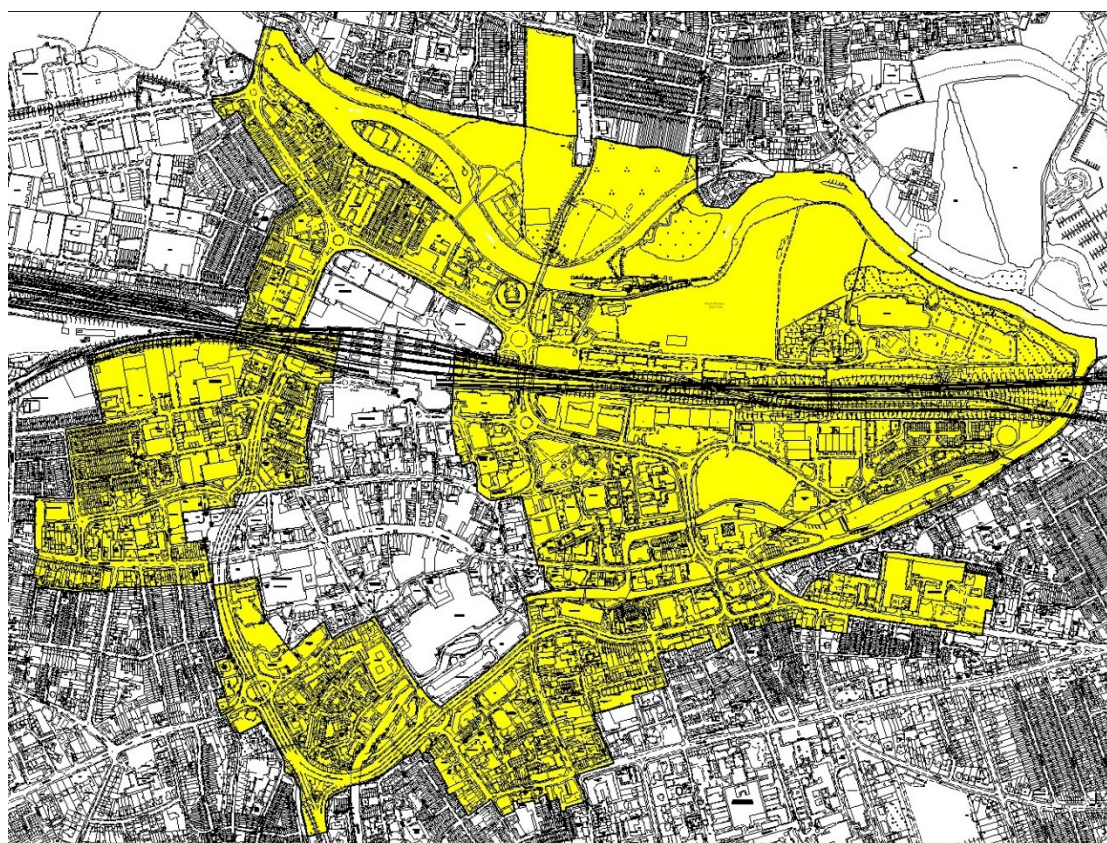
- 6.2.10 The town centre fringe includes a mix of commercial, residential and other uses. Because residential development is more of a feature of this mix, some of the



concerns related to the town centre core do not apply. In particular, there is less need to protect high street uses, because any shopping frontages in these areas are very much secondary in nature. In addition, issues such as noise and impacts on existing businesses only apply to those parts of the fringe which are wholly commercial, in particular edge-of-centre retail parks. However, the town centre fringe is important in terms of employment floorspace, as this is where the most significant concentrations of grade B office floorspace tend to occur, and these are often of importance for small and medium sized businesses.

- 6.2.11 The Local Plan includes a definition of central Reading, to which the town centre policies apply. This definition goes significantly beyond the Primary Shopping Area to include any areas that are not mainly residential. This definition was part of the Local Plan, and has therefore been subject to consultation and public examination, and represents a robust basis for these purposes. The town centre fringe should therefore be considered to be the whole defined area of central Reading outside the Primary Shopping Area. This is shown in figure 6.2.

*Figure 6.2: Area of central Reading outside Primary Shopping Area*



#### *District and local centres*

- 6.2.12 The potential harm to high streets has been well documented in section 5.7, and, as well as the core of the town centre, this applies equally to the smaller centres that are found around the whole borough. In fact, the harm that could occur here is potentially greater due to the lower amounts of existing floorspace and the



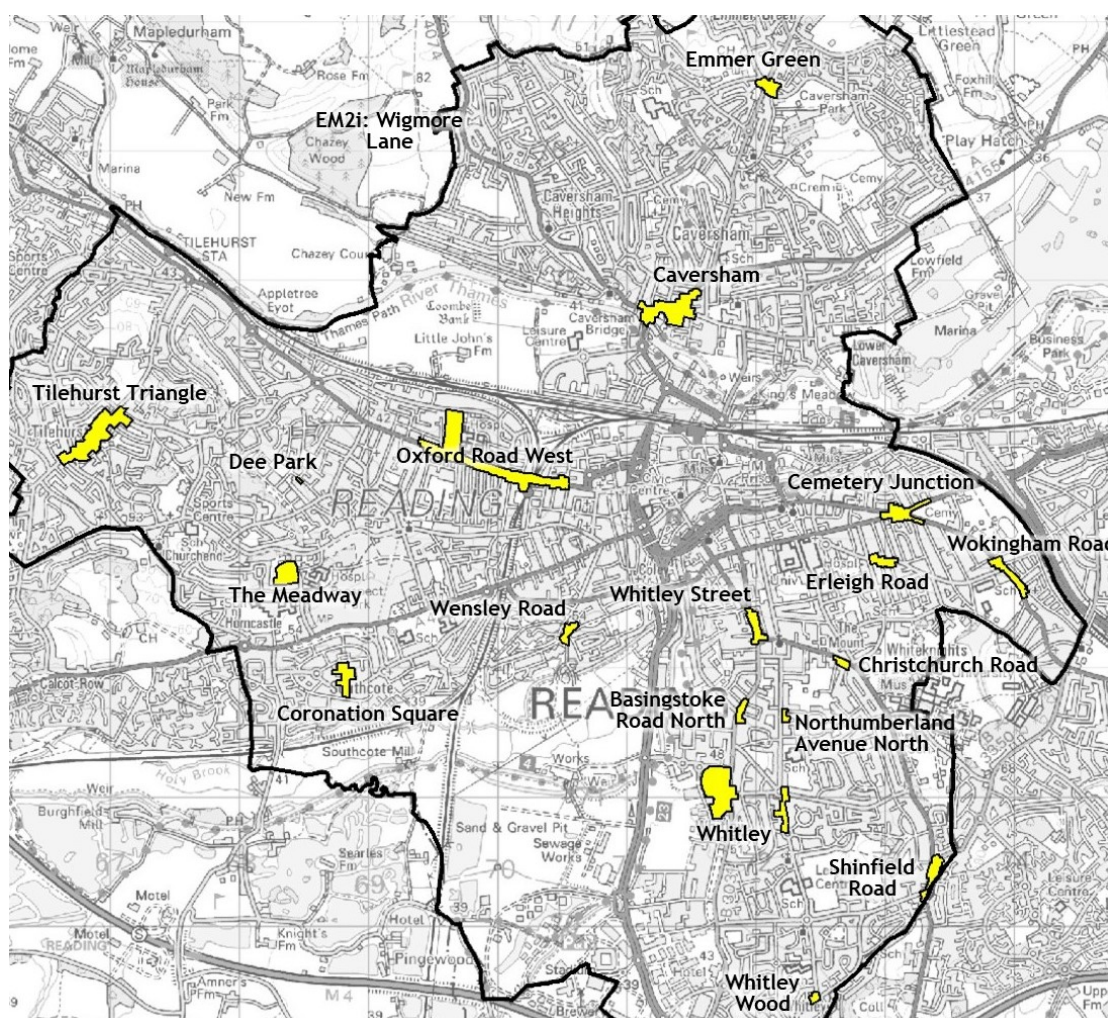
potential that the health of a centre could be completely altered by only a handful of developments.

6.2.13 The Local Plan identifies a network of smaller centres in policy RL1, as follows:

- District centres: Caversham, Cemetery Junction, Emmer Green, Meadway, Oxford Road West, Shinfield Road, Tilehurst Triangle, Whitley;
- Major local centres: Whitley Street, Wokingham Road
- Local centres: Basingstoke Road North, Christchurch Road, Coronation Square, Erleigh Road, Dee Park, Northumberland Avenue North, Wensley Road, Whitley Wood.

6.2.14 Figure 6.3 shows the location of these centres.

*Figure 6.3: District and local centres as defined in the Local Plan*



6.2.15 These centres have been identified because they form important groupings of local shops and services that serve their surrounding catchments and prevent the need to make longer journeys to central Reading or elsewhere. Whilst some have more significant groupings of retail facilities, for many it is the diversity of facilities available that means that they play an important role for their local areas and need to be protected. In addition, for some centres such as the Meadway and

Whitley, a clear need has been identified for expansion or regeneration of those centres to better serve their catchments.

- 6.2.16 The reasons for the designation of these particular centres, and the definition of their boundaries, was set out in the Local Plan Background Paper which supported the Local Plan at examination. The boundaries have been drawn to include more than just the main retail frontages, but to include all facilities that make up part of the diversity of the offer of the centre, and also to include any clear opportunities for expansion of those centres. The definition of these boundaries has been through the consultation and examination process and therefore represent a robust basis for an Article 4 direction.

#### *Important employment areas*

- 6.2.17 Section 5.5 has demonstrated the harm caused by loss of important employment floorspace, whilst section 5.6 has also outlined the issue in terms of the impact on existing businesses of introduction of residents into inappropriate areas. In addition, section 5.3 has outlined the impacts of high levels of noise on new residents.
- 6.2.18 The Council has already gone through a process of identifying its most important employment areas, as part of its Local Plan (adopted 2019). These are identified as Core Employment Areas under policy EM2. The purpose of those areas was twofold. Firstly, they are areas to which new major employment development other than offices (including industrial and warehouse) were directed under policy EM2. This was important, because the Local Plan identifies a need of an additional 148,000 sq m of industrial and warehouse space, and, whilst new allocations were identified to meet much of this need, this would also require some intensification of the Core Employment Areas. Secondly, these areas were identified to protect the existing important employment land under policy EM3, providing space that is required to ensure that the Reading economy is balanced and that those activities which support higher value businesses are in close proximity, as well as providing a source of jobs with varied skills requirements within close proximity of much of the Borough, in particular those areas with high levels of deprivation.
- 6.2.19 Substantial evidence was compiled to identify those employment areas of greatest importance. An Employment Area Analysis<sup>23</sup> was produced in March 2018, which aimed to investigate the following matters:
1. Identify which employment areas are critical to the economy of Reading and the surrounding area and should be protected, and which areas may have potential for release to other uses; and
  2. Identify any potential for existing employment areas to accommodate additional employment development to help meet the identified needs.

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<sup>23</sup> [Reading Employment Area Analysis, March 2018](#)

6.2.20 The analysis divided every employment area up into ‘plots’ which reflected potentially developable parcels of land. Each plot was then assessed under the following headings to consider whether it needed to be retained for employment use or whether it could have potential for other uses:

- Quality of the existing internal environment;
- Quality of the existing wider environment;
- Strategic access;
- Market considerations, perception and demand;
- Ownership and user constraints;
- Site development constraints;
- Accessibility;
- Sequential considerations; and
- Policy considerations.

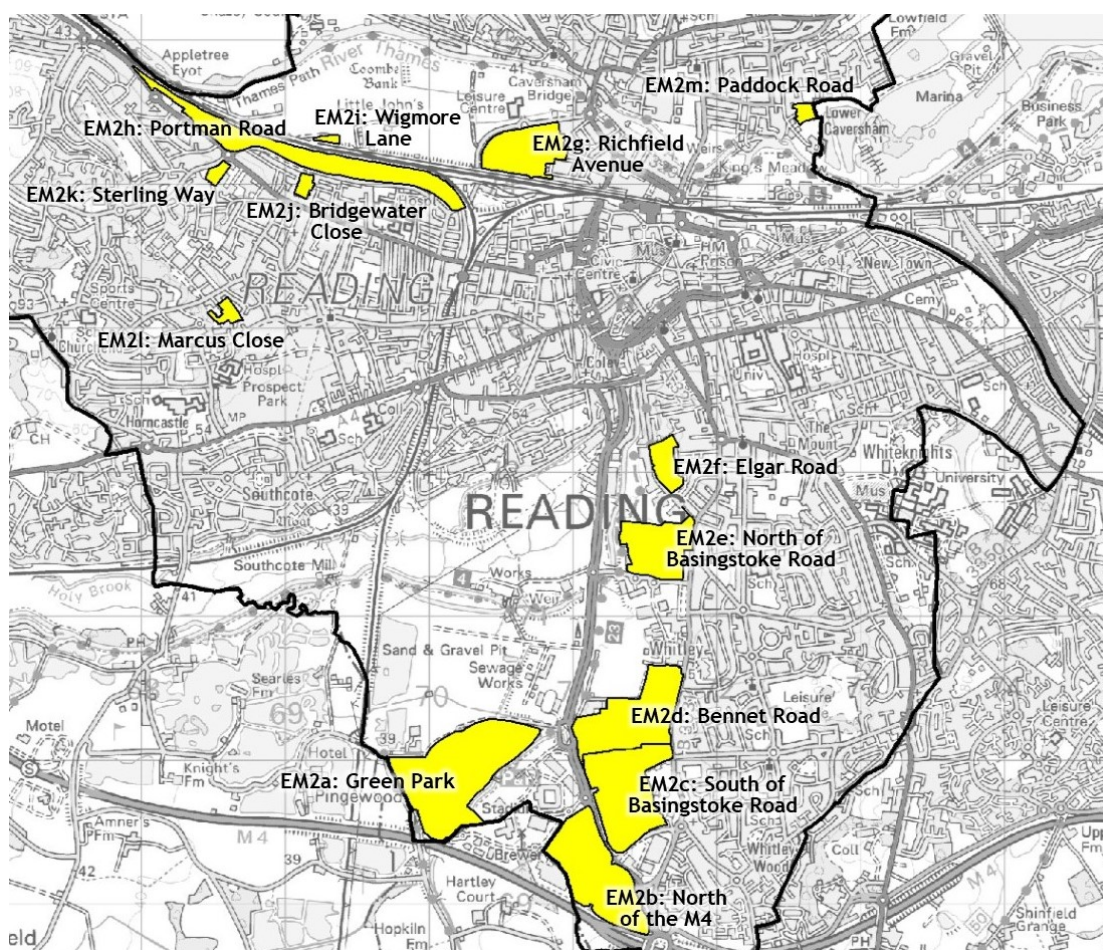
6.2.21 The detailed matters considered under each of those headings are set out in the document itself, and, for each heading and each plot, a conclusion was reached in terms of whether there was potential for release of the site for alternative uses - “yes”, “possibly” or “no”. This led to an overall conclusion as to whether or not the employment use should be retained, and those areas where the conclusion was that retention of employment was necessary were then defined as Core Employment Areas.

6.2.22 The approach to the definition of Core Employment Areas has not therefore been a blanket protection of all employment areas. Each was considered in detail in terms of a number of factors, and substantial areas of employment were not protected. Approximately 30 ha of the employment land considered in the Employment Area Analysis was excluded from this definition. Some of this land was then brought forward as a Local Plan allocation for residential use, such as SR2 (Land North of Manor Farm Road), SR4a (Pulley Park), WR3a (Former Cox and Wyman site) and WR3b (2 Ross Road and part of Meadow Road). The areas that are protected for employment use benefit from such protection for good reason. This approach was discussed at the Local Plan examination and was considered to be sound.

6.2.23 Therefore, the designated Core Employment Areas, which are essential to the local economy of Reading, should be covered by the Article 4 direction. Prior approvals have recently begun to be granted in these areas for development that would be wholly inappropriate, and it is vital that further such proposals are prevented. The Core Employment Areas are shown in figure 6.4.



**Figure 6.4: Core Employment Areas as defined in the Local Plan**



**Other primarily commercial areas**

- 6.2.24 In addition to those areas characterised by mainly commercial uses and which are specifically identified in the Local Plan such as Core Employment Areas and defined centres, there are other areas of almost entirely commercial use. The issue in these areas is not the need to protect those uses (as the Local Plan does not seek to specifically do so), but is particularly around noise impacts from existing uses (see section 5.3) and the operation of existing businesses (see section 5.6).
- 6.2.25 These types of areas vary, but typically include retail parks, out of town leisure locations and operational locations for Reading's infrastructure. Placing residential in these locations would mean noise and disturbance for those residents directly from the businesses themselves but also through associated deliveries by HGV. It would also likely lead to conflict between uses and complaints that meant that intensification or expansion of existing businesses in situ were made difficult.
- 6.2.26 Figure 6.5 shows the location of those significant commercial areas not covered by other designations and within which there is no existing residential development. It is important to note that there may still be some scope for residential development within those areas, but that this would need to be judged through a planning application. A particular issue is whether residential comes forward within a



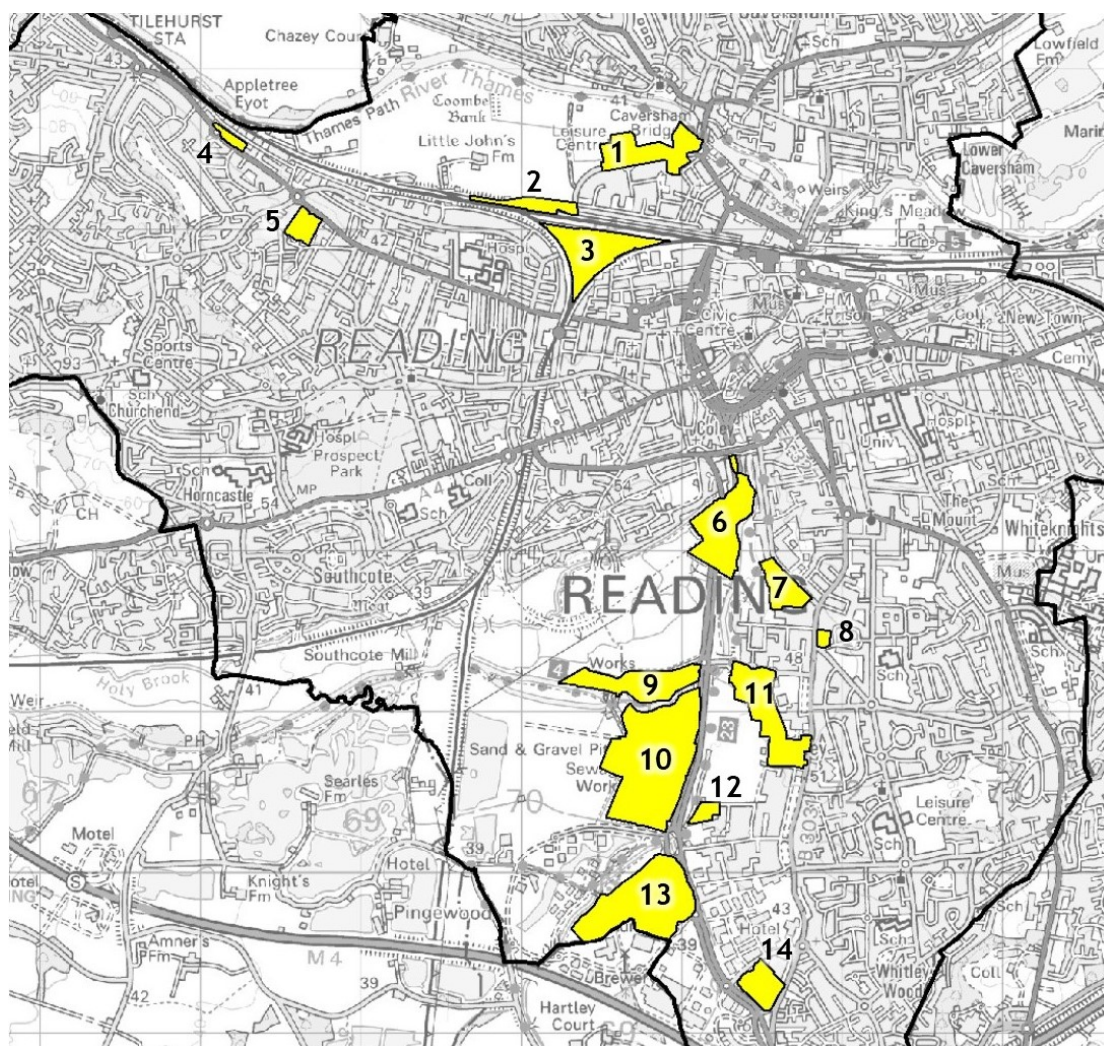
sensible development boundary where the quality of life can be maintained. For instance, the area north of Manor Farm Road is identified as an allocation for a residential-led development in the Local Plan. However, the relevant policy, SR2, makes absolutely clear that development will:

*“Not be piecemeal in nature but will only be in appropriately sized/arranged sites that will promote the integration of Kennet Island with the established areas of Whitley to the east.”*

PDR development within this area will almost certainly be piecemeal in nature, and would as a result be in direct contradiction of the relevant local plan policy. Similar issues apply on many of the other sites, for instance if a single retail warehouse were to change use to residential without others coming forward.

6.2.27 These other commercial areas are shown on figure 6.5.

**Figure 6.5: Location of other commercial areas**



6.2.28 The areas shown on the map are described below:

1. Mixed commercial areas around Richfield Avenue adjoining the Core Employment Area, including leisure, food and drink and vehicle dealership uses;
2. Area of buildings for railway use at Cow Lane;
3. Area on Cow Lane for railway use and some additional employment uses;
4. Superstore adjoining the Core Employment Area on Oxford Road;
5. Reading Retail Park, Oxford Road;
6. Mixed commercial area along Rose Kiln Lane including offices, vehicle dealerships, industry and warehousing, casino and Reading Link Retail Park;
7. Area west of Elgar Road South containing employment uses and a large retail warehouse;
8. Three employment units east of Basingstoke Road;
9. Water treatment works and former laboratory and fish farm west of the A33
10. Area around Island Road containing employment uses, sewage treatment works, recycling centre, and former greyhound and speedway stadium site. The main new industrial and warehouse allocations in the Local Plan are within and adjoining this area;
11. Area along Gilette Way including mixed employment location of offices, industry and warehousing (including dedicated small business units) and the Brunel Retail Park;
12. Area of employment uses on Smallmead Road outside the Core Employment Area;
13. Madejski Stadium and surrounds and the Reading Gate Retail Park; and
14. New commercial area provided as part of a recent development incorporating retail warehouses, industrial units and a hotel.

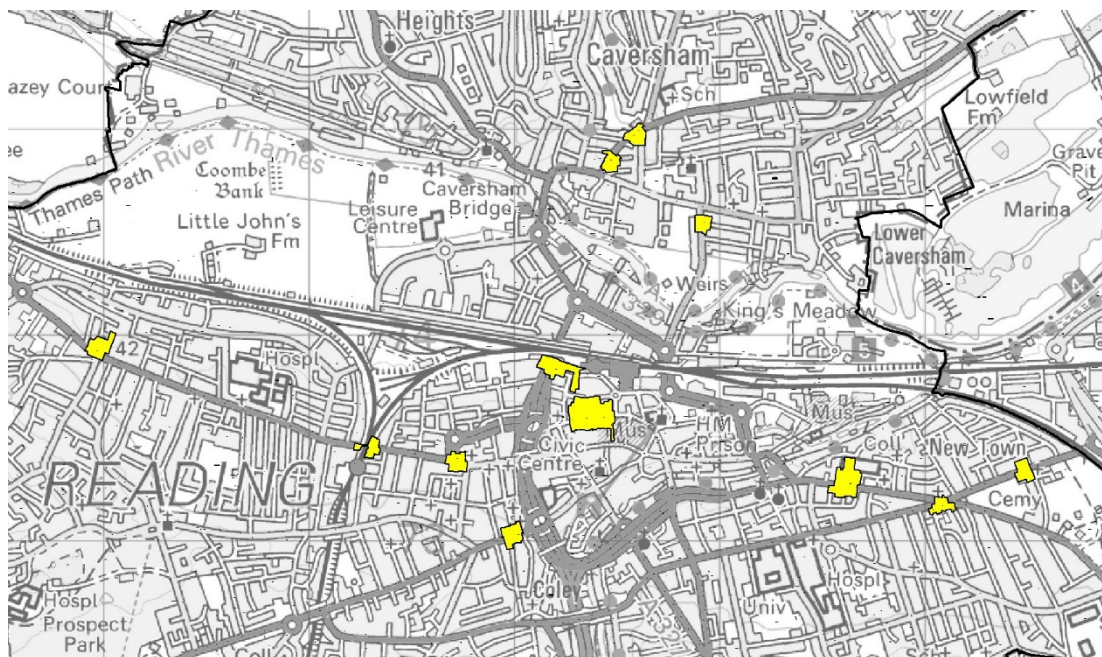
#### *Areas of poorest air quality*

- 6.2.29 In section 5.4, data were presented that demonstrated that parts of Reading see exceedances of national objectives for NO<sub>2</sub>, and it was further demonstrated why this was an issue that required addressing through an Article 4 direction.
- 6.2.30 An Air Quality Management Area (AQMA) is currently in place covering much of Reading including the whole town centre and the radial transport corridors. An Article 4 direction could potentially use the AQMA boundary. However, as shown on figure 5.6 within section 5.4, there are many locations within the AQMA where NO<sub>2</sub> levels are significantly below national objectives, and it is not therefore considered that use of the AQMA boundary would reflect the geographically smallest location to address the main issue.
- 6.2.31 Instead, it is proposed that the focus should be on those locations with annual mean NO<sub>2</sub> levels in 2019 of 36µg/m<sup>3</sup> or more (with levels of 36-39µg/m<sup>3</sup> referred to as 'borderline exceedances' in section 5.4). This reduces the area covered into a much smaller number of clusters around the Borough. It is considered that a radius of 50m should be used from the point at which the levels are measured. Air quality can improve relatively quickly the further one moves away from the source of pollutants, and 50m is enough to capture all of the buildings that front onto the

roads that provide the main source of poor air quality. For the purposes of defining an Article 4 direction, this 50m buffer should be best fit to property boundaries, ensuring that the curtilage of all buildings that fall wholly or partly within the buffer are included.

6.2.32 The extent of the resulting areas is shown in figure 6.6. It is clear that, whilst there is some overlap with areas already highlighted, there are also a number of other areas that would be included as a result.

*Figure 6.6: 50m buffer of areas of poorest air quality*



### *Summary*

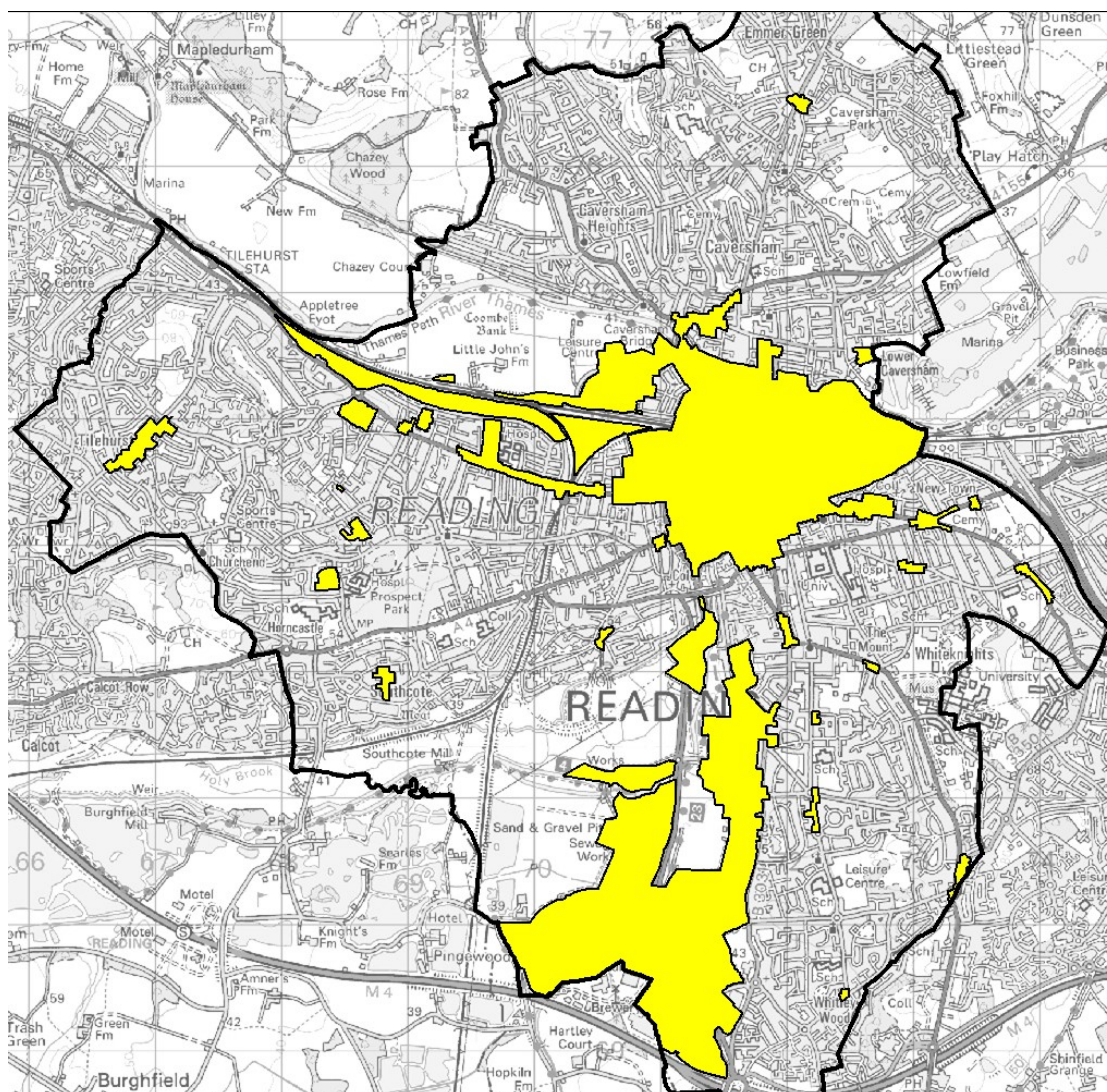
6.2.33 In summary therefore, the broad coverage should be as follows:

- The whole town centre as defined in the Local Plan;
- The district and local centres as defined in the Local Plan;
- Core employment areas as defined in the Local Plan;
- Other entirely commercial areas; and
- A 50m buffer of the areas of poorest air quality.

6.2.34 This broad area is shown in figure 6.7. The total area covered is 692 hectares, which represents 17% of the area of the Borough, and it therefore represents only a small proportion of the total Borough area.



**Figure 6.7: Broad proposed coverage of Article 4 direction**



## 6.3 Summary of overall scope

6.3.1 In summary, as set out in section 6.1, the Article 4 direction should apply to the following forms of PDR:

- Change of use of commercial, business and service use (use class E) to residential (Part 3, class MA);
- Change of use of hot food takeaway, betting office, payday loan shop or launderette to residential (Part 3, class M);
- Change of use of casino or amusement arcade to residential (Part 3, class N);
- Demolition of single, purpose built, detached block of flats or a single, detached office, light industrial or research and development building and its replacement with a detached block of flats or detached house (Part 20, class ZA);
- Up to two additional residential storeys on a detached commercial or mixed-use building (in use for retail, financial and professional, restaurant and café,

office, research and development, light industrial, betting shop, payday loan shop, launderette) (Part 20, class AA); and

- Up to two additional residential storeys on a two or more storey terraced commercial or mixed-use building (see class AA for uses) or one additional storey on a one storey building (Part 20, class AB).

6.3.2 As set out in section 6.2, the broad geographical coverage of the Article 4 direction should include the following areas:

- The entire town centre (town centre core and fringe), as defined in the Local Plan;
- District and local centres, as defined in the Local Plan;
- Core employment areas, as defined in the Local Plan;
- Other almost entirely commercial or retail locations; and
- Areas with the poorest levels of air quality.

## 7. Refining the geographical extent

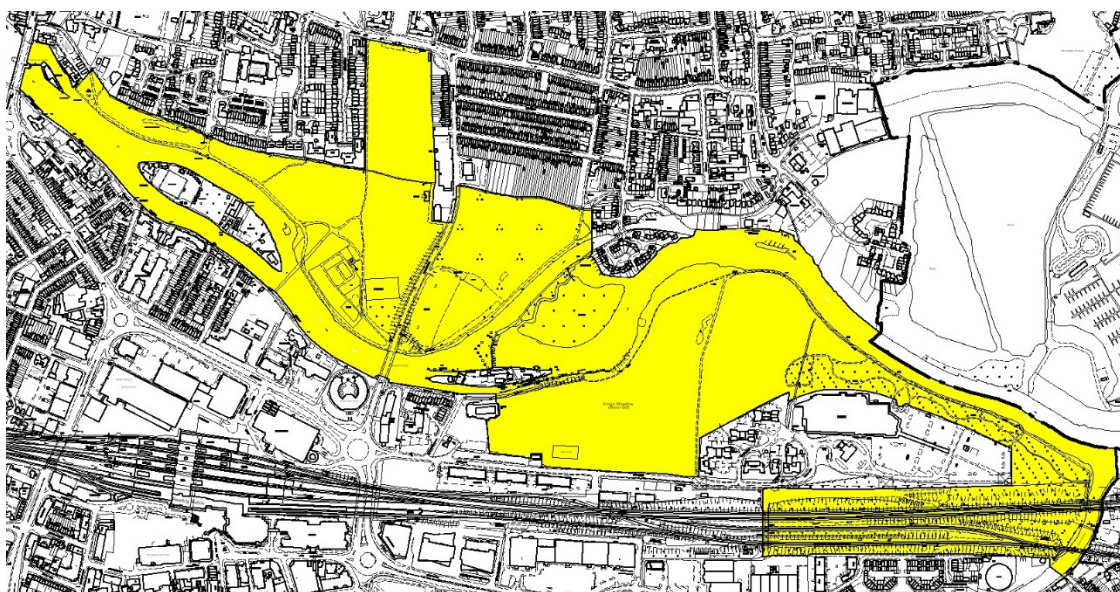
- 7.0.1 In Section 6.2 of this report, the broad geographical extent of the proposed Article 4 direction was discussed, and figure 6.7 shows the full extent of that broad area, based on the discussion in that section. Many of these boundaries accord with relevant designation boundaries from the Local Plan.
- 7.0.2 However, it is important to be mindful of what is set out in paragraph 53 of the NPPF, namely that an Article 4 direction should “*apply to the smallest geographical area possible*”. It is therefore necessary to thoroughly consider whether there are opportunities to reduce the geographical extent of the area whilst still addressing the wholly unacceptable impacts insofar as is possible. This section therefore sets out potential opportunities to reduce the area and assesses the extent to which they should be incorporated.

### 7.1 Open spaces

- 7.1.1 The town centre boundary as defined in the Local Plan includes substantial areas of open space, in particular around the Thames. This is because one of the objectives of the strategy for the town centre was to improve connections between the town centre and the Thames and the surrounding open spaces and to bring them into the centre. In particular, together Christchurch Meadows, Hills Meadow, View Island, Kings Meadow, the Coal Woodland and the areas of scrub between and around the railway tracks cover approximately 42 hectares within the town centre boundary within which the only buildings that exist are operational buildings associated with the open space and which do not fall within any of the use classes to which the PDR apply.
- 7.1.2 Therefore, this area (together with the area of the River Thames itself) can be removed from the proposed Article 4 direction without any impact on its purpose whatsoever. Figure 7.1 shows the effect of the removal.



**Figure 7.1: Area of open space that could be excluded from an Article 4 direction area**



## 7.2 Scheduled monuments

- 7.2.1 All of the relevant PDR specifically state that they do not apply where a site falls within a scheduled monument. There is therefore no need for an Article 4 direction to cover those areas.
- 7.2.2 There are two scheduled monuments in Reading, both of which fall within the town centre - the High Bridge and Reading Abbey. The latter covers by far the largest area, covering the known surviving remains of the abbey, which also includes a number of other current uses including Forbury Gardens, the former Reading Prison, a church, day nursery and residential properties. The extent of the scheduled monuments is shown in figure 7.2. As such, it covers a reasonably significant area of the town centre within which the PDR do not apply, and which can be excluded from the proposed Article 4 area.

**Figure 7.2: Scheduled monument locations**



### 7.3 Listed buildings

- 7.3.1 All of the relevant PDR contain exclusions for listed buildings and their curtilage. Therefore, none of the PDR dealt with in this report will apply in those locations. There are over 800 listed buildings in Reading, with the largest concentrations in the town centre. Therefore, in theory it could be possible to reduce the Article 4 direction area so as to not cover listed buildings.
- 7.3.2 However, in practice, reducing the area by excluding listed buildings will be totally impractical. Listed buildings are dotted around the whole town centre and other parts of the Borough, so doing so would result in an extremely complicated Article 4 boundary made up of an area with several hundred 'holes' in it that would make very little sense to anyone viewing it.
- 7.3.3 In addition, buildings can be, and sometimes are, removed from the national list. In the event that this is the case, buildings would be left with no protection under the Article 4 direction, and such buildings, even if they were no longer considered worthy of national protection, would be likely to still be sensitive historic buildings where applications for conversion or additional development would need to be handled through a planning application.
- 7.3.4 It is not therefore proposed to remove specific listed buildings from the proposed Article 4 area.

## 7.4 Conservation areas

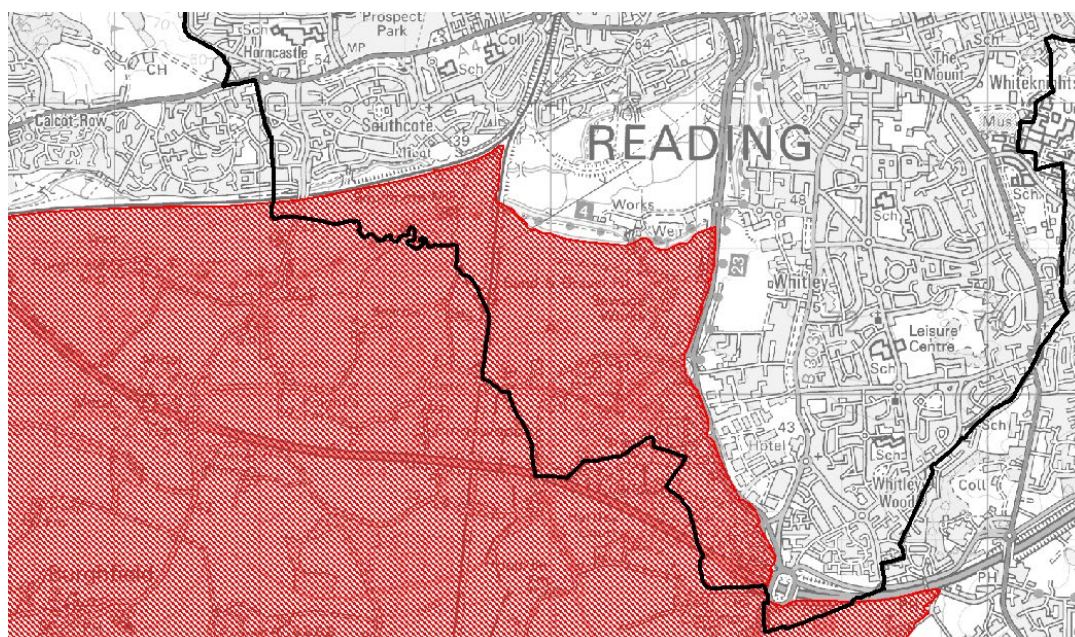
- 7.4.1 Almost all of the PDR dealt with in this report do not apply in conservation areas. The only form of PDR which does apply in conservation areas is Part 3, class MA, changes of use from commercial to residential. Within that class of PDR, there is also slightly different application of the right, in that, for ground floor changes of use, the impact on the character or sustainability of the conservation area can be considered through the prior approval process.
- 7.4.2 Therefore, it could be argued that, as forms of PDR have limited application within conservation areas, these could be excluded from the Article 4 direction. However, the only relevant form of PDR that does apply in conservation areas, commercial to residential change of use, is likely to form the vast majority of PDR development in Reading. Within that PDR, the impact on the character or sustainability of the conservation area is a very limited consideration. For instance, whilst it might help to retain some ground floor retail uses where a high street function is intrinsic to the character of the area, it would not involve consideration of the impact on the overall health and function of a centre, or the local economy, and nor would it deal with any of the other areas of harm outlined in this report. Some of the most significant potential noise impacts, for instance, are within conservation areas as the historic town centre spaces are where many outdoor events take place. As conservation areas cover large parts of central Reading, and also parts of other centres such as Oxford Road West and Caversham, excluding these from the Article 4 direction would leave areas of our high streets vulnerable to unacceptable levels of harm.
- 7.4.3 Therefore, it is considered that excluding conservation areas from the proposed Article 4 direction area will not adequately address the unacceptable impacts of PDR.

## 7.5 Safety hazard zones

- 7.5.1 All of the relevant PDR specifically state that they do not apply in safety hazard zones.
- 7.5.2 The Atomic Weapons Establishment (AWE) has two sites in adjoining West Berkshire, AWE Aldermaston and AWE Burghfield. AWE Burghfield is close to the boundary with Reading Borough. In May 2020, the Detailed Emergency Planning Zone (DEPZ) around AWE Burghfield was significantly expanded in response to changes to legislation, and now extends into parts of Reading. The extent of the DEPZ for AWE Burghfield in Reading is shown in figure 7.3.



**Figure 7.3: Extent of Detailed Emergency Planning Zone for AWE Burghfield in Reading Borough**



- 7.5.3 The advice of West Berkshire District Council, the body responsible for maintaining the off-site emergency plan, is that the DEPZ counts as a safety hazard zone in the context of PDR. Appeal decisions in West Berkshire have supported this position. Therefore, none of the areas within the DEPZ need to be covered by an Article 4 direction as the relevant PDR will not apply in those areas. This excludes some substantial areas west of the A33 including Green Park, Reading International Business Park, the Madejski Stadium and surroundings and Reading Gate Retail Park. This reduces the area to be covered by approximately 141 hectares.

## 7.6 Industrial and warehouse locations

- 7.6.1 Reading's older employment areas, in particular areas around Basingstoke Road, Portman Road and Richfield Avenue, have significant areas of general industrial (use class B2) and storage and distribution uses (B8), as well as some other associated uses under sui generis, such as vehicle hire. None of the forms of PDR dealt with in this report apply to these uses, so it makes sense to consider whether there is an opportunity to reduce the size of the Article 4 direction area by excluding these locations. However, it is not a straightforward case of excluding such sites, for a number of reasons.
- 7.6.2 Firstly, given the age of some of these areas, there are frequently no records of what the permitted use of a site is. Many sites currently in employment use simply represent a continuation of historic uses, which may not always have received planning permission in the first place, or may predate the planning system, or may have made use of existing PDR to change use from B2 or B8 to B1. This is particularly significant when one considers the degree to which there is an overlap between B2 (general industrial), to which these PDR do not apply, and Eg(iii) (light industrial), to which some do (particularly Part 3 class MA and Part 20 class ZA).

Distinguishing between the two would require a significant amount of site by site assessment, which is best undertaken through the Certificate of Lawfulness route. For a considerable number of sites, it will not be clear which is the current use.

- 7.6.3 In addition, many sites where there are planning records benefit from open consents to change between B1 (now E), B2 and B8 uses, and this has been a relatively common permission to give where new industrial units have been developed, or older units refurbished, before securing a specific occupier. Again, without a detailed assessment of current uses, it would not be possible to be certain which use is currently taking place in each unit.
- 7.6.4 In addition, within most larger employment sites, there may well be a variety of activities taking place, including general industrial and storage, but also office uses within part of a building or a separate building. This may or may not be ancillary to the main use of a site, and it may or may not therefore be possible to make use of PDR for change of use to residential. In some cases, parts of a previously ancillary office may have been subdivided and/or sub-let as a separate use, and the use of that part of a building as residential could take place, leading to residential mixed in with industrial activities on a single site, a mix of uses which is likely to cause considerable harm.
- 7.6.5 For instance, 42 Portman Road is a site containing a part 1 storey, part 2 storey building with both office and industrial activities. In previous employment land site information it has always been recorded as a single building in primarily industrial use with the office elements as ancillary. Yet in 2020, applicants were able to demonstrate that the two storey part of the building qualified for PDR for conversion of office to residential, and prior approval was issued for a development that would have been highly unlikely to be considered appropriate had a planning application been required.
- 7.6.6 Therefore, the activities in these industrial and warehouse locations are not necessarily as straightforward as they first appear, and excluding areas thought to be in B2 or B8 uses is neither possible nor appropriate.

## **7.7 Secondary frontages**

- 7.7.1 The Reading Borough Local Plan defines centre boundaries, but also defines the most important frontages within those centres. In the case of central Reading, these are the primary frontages identified in policy CR7, whilst for district and local centres these are the key frontages identified in policy RL3. Therefore, it is worth considering whether a proposed Article 4 area can be restricted to the sites which provide primary or key frontage.
- 7.7.2 In the case of central Reading, this would clearly not sufficiently cover the harm that has been identified within the core of the centre. Whilst coverage of the primary frontages only would potentially address the main impacts on high streets, it would not fully resolve the issues of loss of employment, impacts on existing businesses, noise and air quality that are relevant to the central core set out in

[table 6.2](#), and would also not fully resolve the other issues that apply everywhere, including quality, size and affordable housing.

- 7.7.3 In the case of district and local centres, the situation is slightly different because, other than the abovementioned issues that apply in all locations, the impact on high streets is the main form of harm. However, the purpose of identifying key frontage in the Local Plan is specific to the policy wording, and relates to retaining A1 retail and A2 financial and professional use and preventing overconcentration of takeaway uses. As such, the identified key frontages naturally focus on those frontages which have the greatest concentrations of A1 and A2 use. The concerns around PDR do not relate solely to A1 and A2 use because of the introduction of a more general use class E which also covers food and drink, medical facilities, nurseries, indoor sports and recreation and offices, as well as other uses. These uses all play an important role in the diversity of the centres in which they appear, and their loss could well impact on the overall health of the centre, but have not been taken into account in defining the key frontages, often because they are covered by other policies such as RL6 and OU1. Therefore, use of the designated key frontages under RL3 as a means to reduce the area of Article 4 coverage would not cover the likely harm and would not correspond to the reasons for their designation.
- 7.7.4 More generally, Reading's district and local centres are rarely large enough for there to be any distinction between primary and secondary frontages. Some of the centres have less than 20 shop units in total. These centres do not have a core set of primary frontages and a more peripheral set of secondary frontages in the same way as central Reading does. More frequently it is the whole defined centre that contributes to its role in the local community.
- 7.7.5 There is not therefore considered to be scope to reduce the area of coverage in order to exclude more secondary frontages, either in central Reading or in the district and local centres.

## **7.8 Areas not in relevant uses**

- 7.8.1 Within some areas there may be less opportunities to make use of the PDR because the uses to which they apply (mainly falling within the use class E) are not known to be present. Examples might be the site of Reading College (within the defined town centre) or areas of poor air quality which are in mainly residential areas.
- 7.8.2 However, the operation of PDR in Reading over the last eight years has shown that it is not always clear where the opportunities to make use of the PDR exist without any formal determination of what use class a site is in. Many of the smaller PDR developments made use of buildings that had not necessarily been known to be in B1 use prior to applications for prior approval being made, for instance workshops behind or between existing homes. Also, buildings within a larger site such as a college may individually have a different use class, to which PDR might apply. Such



developments may equally cause the types of harm identified in this report, and as such it is not considered that there should be additional exclusions made.

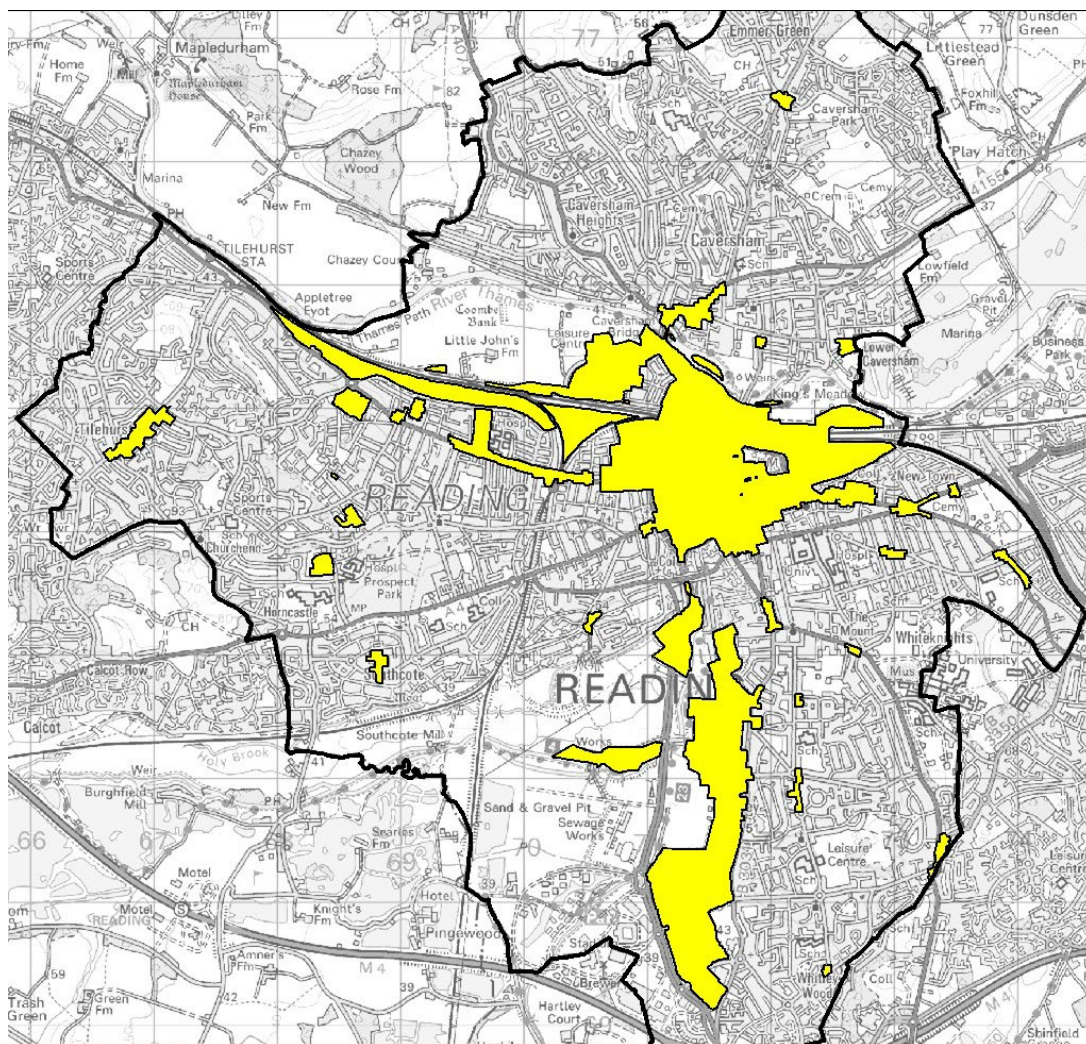
## 7.9 Summary

7.9.1 The above analysis suggests that the following should be removed from the proposed Article 4 direction area:

- Significant areas of open space;
- Scheduled monuments; and
- Safety hazard zones.

7.9.2 Once the refinements to the proposed Article 4 direction area outlined above are taken into account, the area is reduced in size from 692 ha to 482 ha. This represents a 30% reduction in the size of the proposed area, so it is clear that the reductions are significant. The remaining area, representing what is considered to be the smallest possible area that the direction should cover whilst still addressing the wholly unacceptable adverse impacts, comprises only 12% of the total area of Reading Borough. This area is shown in figure 7.4.

**Figure 7.4: Refined proposed coverage of Article 4 direction**





## 8. References

[The Town and Country Planning \(General Permitted Development\) \(England\) Order, 2015 \(as amended\)](#)

[Town and Country Planning Act, 1990](#)

[National Planning Policy Framework \(MHCLG, 2021\)](#)

[Planning Practice Guidance \(MHCLG, last updated 2021\)](#)

[Revitalising High Streets and Town Centres: Statement made on 1 July 2021 \(Secretary of State for Housing, Communities and Local Government\)](#)

[The Air Quality Strategy for England, Scotland, Wales and Northern Ireland, volume 1, 2007 \(DEFRA in partnership with the Scottish Executive, Welsh Assembly Government and Department of the Environment Northern Ireland\)](#)

[Assessing the Impacts of Extending Permitted Development Rights to Office-to-Residential Change of Use in England \(Clifford, B., Fern, J., Liningstone, N., Canelas, P. for RICS, 2018\)](#)

[Reading Borough Local Plan \(Reading Borough Council, adopted 2019\)](#)

[Reading Borough Local Plan Proposals Map \(Reading Borough Council, adopted 2019\)](#)

[Employment, Skills and Training Supplementary Planning Document \(Reading Borough Council, 2013\)](#)

[Local Plan Background Paper \(Reading Borough Council, 2018\)](#)

[Housing and Economic Land Availability Assessment \(Reading Borough Council, 2017\)](#)

[Employment Area Analysis \(Reading Borough Council, 2018\)](#)

[Additional Justification on Policy H3 on Small Site Affordable Housing \(Reading Borough Council, May 2019\)](#)

[2020 Air Quality Annual Status Report \(Reading Borough Council, 2020\)](#)

[Reading Climate Emergency Strategy \(Reading Climate Action Network, 2020\)](#)

[Berkshire \(including South Bucks\) Strategic Housing Market Assessment \(GL Hearn, 2016\)](#)

Central Berkshire Economic Development Needs Assessment (Nathaniel Lichfield and Partners, 2016)

[Western Berkshire Retail and Commercial Leisure Assessment 2016 \(GVA, 2017\)](#)