

UPDATE REPORT

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| BY THE EXECUTIVE DIRECTOR OF ECONOMIC GROWTH AND NEIGHBOURHOOD SERVICES READING BOROUGH COUNCIL PLANNING APPLICATIONS COMMITTEE: 7 th December 2022 | ITEM NO. 10 Page: 141 |
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Ward: Abbey

Application No.: 221235/FUL

Address: 138-141, 142-143 & 144 Friar Street, Reading, RG1 1EX

Proposal: Demolition of No's 138-141 & 142-143 Friar St, partial demolition of No. 144 Friar St and erection of ground, mezzanine and 1st to 6th floor (7 storey) hotel building with 163 bedspaces (Class C1), with ancillary ground floor lounge, bar and restaurant and associated works.

Applicant: The National Pub Portfolio Ltd

Date Valid: 09/09/2022

Application target decision date: Originally 09/12/2022, but a formal extension of time has been agreed until 21/12/2022

26 week date: 10/03/2022

Amended Recommendation:

Delegate to the Assistant Director for Planning, Transport and Regulatory Services (AD PTRS) to (i) GRANT full planning permission subject to the satisfactory completion of a Section 106 legal agreement or (ii) to REFUSE permission should the Section 106 legal agreement not be completed by the 21st December 2022 (unless officers on behalf of the AD PTRS agree to a later date for completion of the legal agreement).

The S106 legal agreement as in main report.

Conditions as in main report, barring insertions to condition 5 (marked in **bold** below) and the following additional conditions 41, 42 and 43:

5. Demolition works not to be undertaken before a contract for site redevelopment **up to and including at least the demolition and proposed shell and core stages**, as per submitted and approved details to LPA.

41. Pre-commencement, barring demolition, submission and approval of an interim BREEAM Certificate demonstrating a minimum BREEAM Excellent rating

42. Pre-occupation submission and approval of a final BREEAM Certificate demonstrating a minimum BREEAM Excellent rating

43. Compliance condition for the development to be carried out in accordance with the energy measures and carbon reductions achieved in the Energy Statement hereby approved

Informatives as in the main report, barring the following additional informative:

12. Definition of shell and core works, further to condition 5.

1. Further public consultation responses

1.1 In addition to section 4 ii) of the main report, two additional public consultation responses have been received in the past week. One is an observation (not an objection), from a Shinfield Road resident, RG2 address, comments as follows:

- Huge shame to lose Revolucion de Cuba, as it's a lovely and unique (restaurant, bar, nightclub and roof terrace) venue that attracts a wide range of people, of different ages, nationalities, races and sexual orientations.
 - Question whether there is really sufficient demand for a hotel.
- 1.2 Officer comment: such matters are already responded to at paragraphs 6.2 and 6.4 of the main report.
- 1.3 Three separate submissions (on 29/11/22, 01/12/22 & 05/12/22) have been received from Skyline Capital Investments Ltd, the landowner of three properties to the south of the application site which front onto Broad Street. Whilst specifying no in principle objection to the application ("*Skyline supports the principle of the redevelopment of the Friar Street site*") and "*would like to engage and work collaboratively with the Applicant*", the various caveats associated with the response effectively amount to an objection to the scheme, with the matters raised summarised as follows:
1. Any redevelopment must be designed in a way that is respectful of the relationships with adjacent properties and does not frustrate or unreasonably restrict future development of neighbouring buildings.
 2. Skyline is concerned that early stage development proposals for 40, 45 and 46 Broad Street (said to comprise retail, office and residential uses) would be unreasonably prejudiced by the current proposals, contrary to Policy CR2f and, therefore the proposals should be amended, as presently the neighbouring site will be forced to be set back and adapt to the aggressive massing of the hotel.
 3. Two windows per floor and the top two floor windows on the south elevation raise concern regarding potential outlook for future residential units at 40, 45 & 46 Broad Street, with the very small and quite oppressive separation distances unreasonably restricting the ability to make more efficient use of 40, 45 & 46 Broad Street with upper floor residential uses. Policy CC8 guideline 20m distance referenced and request for a marked up plan to show separation distances. In the third objection letter a request was made for any approval to be subject to a condition for details of obscure glazed windows to be submitted, to minimise the impact of the future redevelopment on the adjacent site.
 4. Proposed massing on the south elevation is overly dominant and should be scaled and stepped back to create a less oppressive (and better transitional) relationship to the properties to the rear. Lack of justification for the rear massing.
 5. Lack of daylight and sunlight assessment for the second floor residential unit at 46 Broad St. The second submission notes that the proposed development may result in a loss of 'sky light' for the existing residential unit at 46 Broad Street. This should be assessed and taken into account in any decision.
 6. Lack of detail in relation to the design quality of the southern elevation.
 7. In terms of construction, comment that consultation is required on the future CMS to be secured via condition, given access to the service yard is shared.
 8. Request for further details of any deliveries via Fife Court to be in consultation with Skyline. In its third objection response a request was made for any approval to be subject to a condition for the applicant to submit details of a delivery and servicing management plan, demonstrating how the development would not compromise existing Fife Court businesses.

9. Development is in breach of a previously agreed Deed of Easement, as it encroaches over the existing building line on the south-east corner, reducing access to the Broad Street service yard.
10. Skyline did not receive notification of this application when it was submitted and have not been consulted at any stage. Despite being in regular contact with the Applicant throughout June and July 2022 *“the Applicant was not open with us about its forthcoming planning application”*.

1.4 The applicant has provided a response to the above, with responses to the corresponding numbered points summarised as follows:

1. The proposal has been subject to extensive pre-application negotiation and public consultation. The scheme has been designed to respect neighbouring buildings and not to frustrate or restrict future development of said sites, which may or may not come forward.
2. The applicant has not been provided with any details of the emerging neighbouring scheme, so it is not possible to consider such impacts.
3. The proposed windows serve hallways and secondary hotel room windows, not dwellings. There is no comparable scheme to comment on. The Policy CC8 20m distance applies to dwellings-to-dwellings (a hotel is proposed). Applicant is perplexed by the request for a plan showing separation distances.
4. The scheme is well considered and has regard to the mass and bulk of the immediate area, as per the DAS and Heritage Impact Assessment.
5. Daylight and Sunlight has been assessed and results are presented. BRE response confirms satisfaction of there being no harm.
6. Design is of a high standard, as per drawings, DAS and Heritage Impact Assessment.
7. Applicant confirms that the CMS will be worked up by the appointed construction team who will, as is best practice, engage with neighbouring landowners.
8. Fife Court is owned by the applicant and loading is a civil matters. Alternative arrangements of deliveries via Friar St are subject to separate discussions with the Council. Delivery and Service Plan to be secured via condition.
9. A Deed of Easement is a civil matter not material to the determination of the planning application.
10. Disappointed at the timing of the letter, the applicant has held several public consultation events and the statutory consultation process has been followed. Consider it now unreasonable for a local neighbour to be requesting consultation on amended drawings and a consultation at this late stage, notwithstanding the applicant does not agree to their view.

1.5 The applicant has also made a number of other comments on the Skyline response, summarised as follows:

- The applicant notes the comments and observations, whilst also considering that the responses are not an objection.
- It is not appropriate to undertake a formal re-consultation on the application.
- The applicant has contacted Skyline to discuss their own aspirations and will consider the hallway and secondary windows to the south. Until a scheme comes forward though, *“the Applicant has no understanding of their aspirations, nor whether a scheme may even come forward, but is always more than happy to work collaboratively”*.

1.6 Officer comments on the submission by Skyline are provided below (responses correspond with the numbered points above for ease of reference):

1. & 2. Paragraph 6.18 of the main report already responds to Policy CR2f in respect of the impact to sites to the south. Officers are satisfied that the proposed scheme would neither prevent or cause unreasonable burdens.
3. The proposed use is a hotel, which means the 20m distance (Policy CC8) reference by Skyline is not relevant in this instance. Again, officers are satisfied that the proposed scheme would neither prevent nor cause unreasonable burdens on the neighbouring site, predominantly owing to the proposed use and the depth of the separate sites to the south. In respect of a condition seeking obscure glazing, this is not recommended by officers as it is not considered to pass all of the tests of a planning condition (e.g. it is not considered to be necessary due to the hotel use and existing surrounding context, and therefore would not be considered reasonable either).
4. Scale and massing matters are discussed predominantly at paragraphs 6.8 - 6.12 of the main report. It is reaffirmed that the proposed massing is acceptable in general terms.
5. Please see section 2 of this update report in respect of daylight and sunlight matters.
6. The detailed design components of the scheme are discussed predominantly at paragraphs 6.13 to 6.16 of the main report. It is reaffirmed that officers are satisfied with the proposed materials and overall design quality, with full details of all materials being secured via condition.
7. The applicant's response confirms liaisons with neighbours will be incorporated within the CMS (also see 8 below).
8. The RBC Transport comments (see section 4a of the main report) confirm satisfaction with the approach should servicing be provided via Fife Court (condition 12). A compliance condition is recommended, rather than a condition which requires more details to be submitted and approved, as proposed in the public consultation response. As the applicant has outlined in paragraph 1.4 above, an alternative approach of servicing via Friar St has also been put forward, but this is subject to a separate TRO process, as per paragraph 4.3 of the main report.
9. This is a separate matter between the applicant and nearby landowner, but not a planning consideration.
10. As part of the public consultation on the application, letters were produced to be sent to No's 40, 41-45, 45, 46 and 46b Broad Street on 15/09/2022. Accordingly, the local planning authority has met its statutory public consultation requirements.

1.7 Overall, none of the additional public consultation responses raise any new issues which alter the officer conclusions on the application, or the necessity for any reasonable additional conditions.

2. Additional information submitted

2.1 Further to paragraph 2.10 of the main report, the applicant has subsequently submitted the following additional information:

- 138-141, 142-143 & 144 Friar Street, Reading Comments on Planning Submission (Rev A) by Troup Bywaters + Anders dated and received 29/11/2022
- 138-144 and 145-148 Friar Street: TB+A supplementary information in relation to PR6 - Sustainable Design and Construction SPD Section 8.6 Ground-Source and Air-Source Heat Pump by Troup Bywaters + Anders dated and received 01/12/2022
- 138-144 and 145-148 Friar Street: TB+A supplementary information in relation to EE2 Baseline energy demand by Troup Bywaters + Anders dated and received 01/12/2022
- Response to Skyline Capital Investments Non Objection Ref URB-482e-FN30 by Town Planning Bureau, dated and received 01/12/2022
- Email from Town Planning Bureau '138-144 Friar St, Reading (221235) - recommended conditions' dated and received 02/12/2022 - relating to definition of shell and core works

3. Update on Daylight and Sunlight matters

- 3.1 Further to section 4u and paragraph 6.24 of the main report, BRE (independent reviewers of daylight and sunlight information on behalf of the local planning authority) has now provided a follow up response. BRE has advised that the additional analysis provided for 46 Broad Street and 8-9 Union Street appears reasonable and suggests that the BRE guidelines would be met. BRE confirms that there would not be a significant loss of daylight to these properties.
- 3.2 Officers therefore advise that whilst it is acknowledged that there would be a reduction in present levels of daylight to the above properties, this would not be at a significant enough level to breach the BRE guidelines. Accordingly, the proposals have now satisfactorily demonstrated that they will be appropriate in daylight and sunlight terms.

4. Update on Sustainability and Energy matters

- 4.1 Section 4t and paragraph 6.30 of the main report advised that Hoare Lea, the LPA's independent reviewers on sustainability and energy matters, were still in the process of assessing and clarifying various points in terms of the appropriateness of these components of the scheme. Additional information was submitted on 29/11/2022 and, following a meeting on 30/11/22 some further information was then submitted on 01/12/22 (as detailed within section 2 above). Following further assessment of all information submitted by the applicant Hoare Lea has now been able to confirm to officers' satisfaction that the proposals respond to the RBC policy requirements.
- 4.2 In particular, following the submission of information during the course of the application, the applicant has submitted sufficient information to demonstrate how the proposal would achieve the overall BREEAM Excellent rating which is targeted. The pre-assessment provided to demonstrate this aligns with the application stage requirements, with planning conditions then being recommended to be secured to ensure that the application achieves this in practice. In reality, this comprises two separate conditions, the first relating to the submission of an Interim BREEAM Certificate (demonstrating an Excellent rating is achieved) at effectively the final design stage (so the trigger point for submission is pre-commencement, barring demolition). The second condition is a pre-occupation (of the

proposed hotel) submission of a Final BREEAM Certificate demonstrating that the development has attained as a minimum the standard set out in the Interim BREEAM Certificate (the first condition). These conditions are necessary to ensure the development is carried out in accordance with sustainable building standards, adhering to both Policy CC2 and the guidance within the Sustainable Design and Construction SPD. These conditions are therefore duly added to the Recommendation above.

- 4.3 In terms of the energy strategy, the energy efficiency of the proposed building is shown to pass Part L of the Building Regulations and presents a 54% energy saving over the baseline building. In terms of the total estimated reduction in the development's baseline carbon and/or energy emissions, the scheme achieves an 84% reduction in carbon emissions when calculated against Part L 2013 and also including SAP 10 carbon factors. When this calculation is made with Part L 2013 carbon factors as per Building Regulations the reduction is calculated as 68%. The various decentralised energy options have, following the submission of additional information during the application, been shown to have considered to the satisfaction of Hoare Lea. Sufficient evidence has been submitted to evidence that the combination of air source heat pumps (with sufficient evidence as to why these are provided over ground source heat pumps has been provided) and photovoltaics are appropriate in this instance. In addition, the scheme has been designed to be compatible with a future district heating network, with provision made for the heat pumps to work with a water-based energy source in the future (i.e. using latent heat in a nearby watercourse).
- 4.4 Overall, Hoare Lea are satisfied that the proposals are policy compliant. Officers consider it to be necessary and reasonable for a compliance condition to be secured for the development to be carried out in accordance with the energy measures and carbon reductions achieved in the Energy Statement documentation submitted. This condition is duly added to the Recommendation above.

5. Update in relation to pre-commencement conditions

- 5.1 Paragraph 6.36 of the main report specified that the exact wording of the pre-commencement conditions would be sought to be agreed with the applicant. As means of an update, it is confirmed that pre-commencement conditions 6, 9, 19 and 20 were agreed with the applicant on 29/11/2022.
- 5.2 With regard to pre-commencement condition 5 (contract for redevelopment details submitted/approved prior to demolition), after discussions with the applicant it is has subsequently been agreed that the 'works of redevelopment' are clarified as up to an including at least the demolition and the proposed 'shell and core' stages of the build. The shell and core stages are clarified as ensuring that the proposed building is weather-tight and produces the final external appearance of the intended building, with the applicant also clarifying that this will include *"all new substructure, superstructure (structural frame), new floors, internal loading bearing walls/frame, staircases and full building envelope works (external cladding, windows, external doors, roof) and elements of external site works"*.
- 5.3 The reason for discussion was owing to concern from the applicant that this condition required a contract to be agreed/completed/submitted/approved

for the entire completion of the redevelopment prior to any demolition beginning. The applicant explained that contracts would be anticipated to be divided up into separate demolition, shell and core and fit-out stages, with the fit-out contract only likely to be signed 18 months subsequent to the others. On balance, officers consider that the reason for the condition, as explained in paragraph 6.7 of the main report, is not diluted by the additional wording now sought to be incorporated and that this strikes an appropriate balance between the practical requirements of the applicant and the reason for the condition. Accordingly, the Recommendation at the outset of this update report includes additional wording in relation to condition 5, together with an informative defining shell and core works.

6. Updated conclusion, including the overall planning balance

- 6.1 Section 7 of the main report included a number of caveats owing to some matters not being fully resolved at that time. In light of the updates specified in this report, and also being mindful of the additional public consultation responses received, a final conclusion and overall planning balance can now be made. Accordingly, section 7 of the main report is updated in full as follows:
- 6.2 The planning application is required to be determined in accordance with the development plan unless material considerations indicate otherwise, as per Section 38(6) of the Planning and Compulsory Purchase Act 2004.
- 6.3 As such, the harmful impacts of the development need to be weighed against the benefits. Based on the main and update report assessments harmful impacts include the less than significant harm caused to the locally listed Bugle Public House, the less than substantial harm to the setting of nearby listed buildings and the lack of soft landscaping included within the scheme.
- 6.4 The harmful impacts of the development are required to be weighed with the benefits of the proposals. The applicant has put forward a series of planning benefits, the majority of which are summarised below:
 - Visual improvement to Friar Street with enhanced frontages and a high quality design.
 - Introduction of a hotel use which provides visitor accommodation and supports the needs of, and attracting, working professionals and visitors to Reading, as well as assisting in remedying an identified under-provision.
 - 4* hotel accommodation with 163 bedrooms, all of which will benefit from windows, mechanical ventilation, generous sizing, five bedrooms at ground floor, all floors are accessible by two separate lifts and level thresholds and 7 units will be specially designed as accessible rooms.
 - Significant investment in the town centre which includes the associated local economy boost as a consequence of constructing the building.
 - Job creation during operation, referenced in the planning statement to be 50 direct jobs. Furthermore, the proposals would create secondary and tertiary employment, with visitors making use of the town centre amenities or visiting for business.
 - Provision of a town centre destination that will attract visitors, shoppers and workers to this part of the town centre, enhancing the activity, vitality and viability of this part of the centre.

- Sustaining The Bugle and creating a catalyst for the further regeneration of Friar Street and the local town centre environment, playing an important role in the post-Covid19 recovery of the town centre.
 - Car free development, promoting more sustainable forms of transport such as cycling and walking
 - Create and inviting environment that provides sufficient security and deters crime.
 - Provides significant enhancements to Fife Court in comparison with existing.
- 6.5 Officers acknowledge the applicant has presented a range of planning benefits which when combined result in the scheme being one which will be a welcome addition to the town centre in multiple respects.
- 6.6 In conclusion officers therefore consider that the conflicts with the development plan are significantly outweighed by the benefits of the proposals in this instance. Returning to test 1 of Policy EN4, as referenced at section 6ii) of this report, it is concluded that it has been demonstrated that the benefits of the development significantly outweigh the harm to The Bugle's significance. It is also confirmed that officers have applied a suitable planning balance when reaching this conclusion. A similar conclusion is also reached in relation to paragraph 202 of the NPPF, where the public benefits of the scheme are considered to outweigh the less than substantial harm caused to the setting of nearby listed buildings.
- 6.7 Accordingly, the proposals are considered to be acceptable within the context of national and local planning policies, as detailed in the appraisal of the main and update reports. As such, full planning permission is recommended for approval, subject to the recommended conditions (as per the main report and update report) and completion of the S106 Legal Agreement.

Case Officer: Jonathan Markwell