#### UPDATE REPORT

BY THE DIRECTOR OF ENVIRONMENT AND NEIGHBOURHOOD SERVICES READING BOROUGH COUNCIL ITEM NO. 8 PLANNING APPLICATIONS COMMITTEE: 24 April 2019

Ward: Abbey

App No.: 182196/FUL

Address: Thames Quarter, Kings Meadow Road, Reading (AKA Former Cooper BMW, Kings Meadow Road, Reading)

**Proposal:** Erection of a part 13-storey, part 23 storey building comprising 338 apartments in a mix of studio, one-bedroom, two-bedroom and three-bedroom units, residents' lounges, tech-hub, dining room, and cinema room, various rooftop outdoor amenity spaces, concierge/reception with coffee meeting area, gym, residents' storage facilities, postroom, ancillary back-of-house facilities, 338 secure cycle parking spaces, car parking spaces, landscaping, and associated works (revision to planning permission 162166 dated 23/11/2017) (Part Retrospective).

**Applicant:** MG RPF Limited Partnership Thames Quarter Ltd and Lochailort Thames Quarter Ltd

Date received: 29 January 2019 13 Week target decision date: 30 April 2019

#### RECOMMENDATION

As on main report.

### **REVISED PLANS RECEIVED**

1. The Applicant has submitted revised drawings since the main committee report was published. These involve removal of three flats within the top-hat extension part of the proposals, adjacent to the tower element of the scheme in an attempt to reduce the apparent bulk and improve the vertical emphasis of the tower. Officers do not consider that submission at this late stage is appropriate as there is insufficient time for public/other consultation on the revised proposals and this would cause unnecessary delay to the application's consideration. In any case it is not clear that the changes would overcome the concerns already expressed in the main report. The drawings have not therefore been consider that it would be more appropriate for the Applicant to discuss alternative design options using the Council's pre-application enquiry service.

### AFFORDABLE HOUSING UPDATE

2. Since the publication of the committee report, the Applicant has advised that they are prepared to improve their affordable housing offer; however, this offer is in relation to the revised drawings which now propose 20 additional units. The Council's Valuer advises that the revised offer equates to approximately 30% Affordable at a figure of £8.1m. However the £8.1m would only be forthcoming in certain circumstances under the proposed terms of the agreement. For instance, if a second surrogate site were found the value of the commuted payment would be lower (at £5 million plus the value of the land, whatever that might be).

- 3. It is important to note that this revised offer has not been subject to detailed viability assessment and therefore the Council's Valuer has not had the opportunity to assess the overall viability implications. It is not considered to be necessary to go into further detail at this stage as this revised offer relates to the revised proposals which have not been accepted and therefore your officers advise that this should not affect the Recommendation currently before the Committee for determination.
- 4. For clarity and for future reference, it is considered that *complying* with Affordable Housing policy does not necessarily give considerable extra weight in terms of benefits which might outweigh harm in design terms. Such a proposal would simply be 'policy compliant' in relation to Policy CS16.
- 5. The following is a comparison discussion on the current affordable housing offer, as set out in the main report, when compared to the affordable housing package secured in the extant (under construction) permission.

# CONSULTANT VALUER'S DETAILED REVIEW OF THE AFFORDABLE HOUSING OFFER

- 6. The following provides further clarification of that set out at paragraph 6.48 of the main report:
- 7. The **extant** permission 162166/FUL, currently under construction, secured the following as Affordable Housing (summarised):

Scenario A - <u>With</u> the Weldale Street Surrogate site provided - a commuted sum of £4m (the equivalent percentage is discussed below) or Scenario B - <u>Without</u> the Weldale Street Surrogate site - a commuted sum of £5.9m.

Under the current application 182196/FUL proposals the affordable housing package proposed can be summarised as follows:
 Scenario A - Provision of the Weldale Street site (land only) as a surrogate site with a consent in place for 47 units (all affordable housing); plus provision of additional land (a second surrogate site) for delivery of 54 further units; or

**Scenario B** - Provision of the Weldale Street site (land only) as a surrogate site with a consent in place for 47 units (all affordable housing); plus £4.05m payment in lieu of a second surrogate site.

- 9. The previous offer, which was considered acceptable in the overall planning balance under the extant permission 162166/FUL was considered to equate to approximately 18% affordable housing. In terms of how much affordable housing this represents, this is not a simple matter to advise; as it depends on whether the second surrogate site is provided, or whether an increased commuted sum is paid in lieu of a second site.
- 10. As for the current offer, assuming no additional (second) surrogate site is provided, then the total package is:
  £4m for Weldale Street (56 units @ £71,428 per unit)
  £2.69m commuted cash sum (26 units @ £105,000 per unit)
  <u>=£6.45m in total</u>
  This gives 82 units which is: 21% affordable delivery i.e. 82 ÷ (338 + 47=385). There are slightly different ways that this could be calculated, but none amounting to 30%. If an

additional surrogate site were to be provided, this would change the percentage but it would not be higher than 21%.

11. A second surrogate site has not been identified to date and therefore it is not clear as to the number of units this would deliver.

# **CONCLUSION**

- 12. The level of affordable housing provision secured under permission 162166 was considered acceptable by the Council in the context of the wider acceptability and benefits of that scheme. However, the visual and policy harm identified in respect of the new (current application) design must also be considered and the question is therefore the extent to which the proposed affordable housing package is a public benefit which outweighs the harm (taking into account the other benefits of the scheme). A fully policy compliant, on-site provision would carry greater weight, but would not in any case outweigh the other aspects of harm outlined in the committee report. The concerns identified in respect of affordable housing in the current scheme confirm that the proposals do not fully comply with Policy CS16 and would not provide sufficient affordable housing to meet housing needs when measured against Policy CS16. The Affordable Housing element of the proposal therefore carries limited weight.
- 13. The recommendation set out in the main agenda therefore remains unchanged.

### 14. LIST OF PLANS SUBMITTED

152067-STL-19X10 PL1 Location Plan 152067-STL-19X11 PL1 Block Plan 152067-STL-20X01 PL1 North Elevation 152067-STL-20X02 PL1 South Elevation 152067-STL-20X03 PL1 East Elevation 152067-STL-20X04 PL1 West Elevation 152067-STL-20X05 PL1 East Elevation East Bay 152067-STL-20X06 PL1 East Elevation West Bay 152067-STL-20X07 PL1 West Elevation East Bay 152067-STL-20X08 PL1 West Elevation West Bay 152067-STL-20X08 PL1 West Elevation West Bay 152067-STL-10X50 PL1 Ground Floor Plan 152067-STL-10X51 PL1 Level 1 Plan 152067-STL-10X52 PL1 Level 2 Plan 152067-STL-10X53 PL1 Level 3 Plan 152067-STL-10X54 PL1 Level 4 Plan 152067-STL-10X55 PL1 Level 5 Plan 152067-STL-10X56 PL1 Level 6 Plan 152067-STL-10X57 PL1 Level 7 Plan 152067-STL-10X58 PL1 Level 8 Plan 152067-STL-10X59 PL1 Level 9 Plan 152067-STL-10X60 PL1 Level 10 Plan 152067-STL-10X61 PL1 Level 11 Plan 152067-STL-10X62 PL1 Level 12 Plan 152067-STL-10X64 PL1 Level 13 Plan 152067-STL-10X65 PL1 Level 14 Plan 152067-STL-10X66 PL1 Level 15 Plan 152067-STL-10X67 PL1 Level 16 Plan 152067-STL-10X68 PL1 Level 17 Plan 152067-STL-10X69 PL1 Level 18 Plan 152067-STL-10X70 PL1 Level 19 Plan 152067-STL-10X71 PL1 Level 20 Plan 152067-STL-10X72 PL1 Level 21 Plan 152067-STL-10X73 PL1 Level 22 Plan

151638-STL-XX-00-DR-L-ZZZZ-09000 PL08 Landscape General Arrangement Ground Floor 151638-STL-XX-03-DR-L-ZZZZ-09001 P01 Landscape General Arrangement Floor 3 151638-STL-XX-10-DR-L-ZZZZ-09002 P01 Landscape General Arrangement Floor 10 151638-STL-XX-11-DR-L-ZZZZ-09003 P01 Landscape General Arrangement Floor 11 151638-STL-XX-12-DR-L-ZZZZ-09004 P01 Landscape General Arrangement Floor 12 151638-STL-XX-22-DR-L-ZZZZ-09005 P01 Landscape General Arrangement Floor 22 151638-STL-XX-00-DR-L-ZZZZ-09140 P05 Soft Landscape Works Ground Floor 151638-STL-XX-03-DR-L-ZZZZ-09141 P01 Soft Landscape Works Floor 3 151638-STL-XX-10-DR-L-ZZZZ-09142 P01 Soft Landscape Works Floor 10 151638-STL-XX-10-DR-L-ZZZZ-09143 P01 Soft Landscape Works Floor 11 151638-STL-XX-12-DR-L-ZZZZ-09144 P01 Soft Landscape Works Floor 12 151638-STL-XX-12-DR-L-ZZZZ-09144 P01 Soft Landscape Works Floor 12 151638-STL-XX-12-DR-L-ZZZZ-09144 P01 Soft Landscape Works Floor 22 151638-STL-XX-00-DR-A-ZZZZ-09301 PL03 Service Entry Zones 151638-STL-XX-XX-DR-L-ZZZZ-09400 PL02 Typical Tree Pit in Soft Landscape 151638-STL-XX-XX-DR-L-ZZZZ-09401 P01 Tree Within Planter 151638-STL-XX-XX-DR-L-ZZZZ-09402 P01 Step Details 151638-STL-XX-XX-DR-L-ZZZZ-09403 P01 Paving Details