



**West Berkshire Local Plan Review 2022-2039**  
**Proposed Submission Representation Form**

**Ref:**

*(For official use only)*

<b>Please complete online or return this form to:</b>	<b>Online:</b> <a href="http://consult.westberks.gov.uk/kse">http://consult.westberks.gov.uk/kse</a>
	<b>By email:</b> <a href="mailto:planningpolicy@westberks.gov.uk">planningpolicy@westberks.gov.uk</a>
	<b>By post:</b> Planning Policy, Development and Regulation, Council Offices, Market Street, Newbury, RG14 5LD
<b>Return by:</b>	<b>4:30pm on Friday 3 March 2023</b>

This form has two parts:

- Part A - Your details: need only be completed once
- Part B - Your representation(s): please fill in a separate sheet for each representation you wish to make

**PART A: Your Details**

*Please note the following:*

- *We cannot register your representation without your details.*
- *Representations cannot be kept confidential and will be available for public scrutiny, however, your contact details will not be published.*
- *All information will be sent for examination by an independent inspector*
- *All personal data will be handled in line with the Council's Privacy Policy on the Development Plan. You can view the Council's privacy notices at <http://info.westberks.gov.uk/privacynotices>*

	<b>Your details</b>	<b>Agent's details (if applicable)</b>
Title:		Miss
First Name:*		Abigail
Last Name:*		Heath
Job title (where relevant):		Graduate Planner
Organisation (where relevant):	Crest Nicholson Partnerships and Strategic Land	Savills
Address* <i>Please include postcode:</i>		Savills, Mountbatten House, 1 Grosvenor Square, Southampton SO15 2BZ
Email address:*		████████████████████
Telephone number:		██████████

\*Mandatory field

## Part B – Your Representation

**Please use a separate sheet for each representation**

The accompanying guidance note available at: <https://www.westberks.gov.uk/lpr-proposed-submission-consultation> will assist you in making representations.

*Your representation should cover succinctly all the information, evidence and supporting information necessary to support/justify the representation and the suggested change(s) as there will **not normally** be a subsequent opportunity to make further representations, **further submissions will ONLY be at the request of the Inspector, based on the matters and issues they identify for examination.***

Your name or organisation (and client if you are an agent):	Miss Abigail Heath, Savills – on behalf of Crest Nicholson Partnerships and Strategic Land.
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**Please indicate which part of the Local Plan Review this representation relates to:**

Section/paragraph:	
Policy:	SP20 'Strategic Approach to Employment Land'
Appendix:	
Policies Map:	
Other:	

### 1. Legally Compliant

*Please see the guidance notes for an explanation of what 'legally compliant' means.*

**Do you consider the Local Plan Review is legally compliant?**

Yes

No

*Please give reasons for your answer:*

n/a

## 2. Soundness

Please see the guidance notes for an explanation of what 'soundness' means.

### Do you consider the Local Plan Review is sound?

The soundness of the LPR should be assessed against the following criteria from the National Planning Policy Framework (NPPF)

Please tick all that apply:

NPPF criteria	Yes	No
<b>Positively Prepared:</b> The plan provides a strategy which, as a minimum, seeks to meet the area's objectively assessed need and is informed by agreements with other authorities, so that unmet need from neighbouring areas is accommodated where practical to do so and is consistent with achieving sustainable development		X
<b>Justified:</b> the plan is an appropriate strategy, taking into account the reasonable alternatives, and based on proportionate evidence		X
<b>Effective:</b> the plan is deliverable over the plan period and based on effective joint working on cross-boundary strategic matters that have been dealt with rather than deferred, as evidenced by the statement of common ground		X
<b>Consistent with national policy:</b> the plan should enable the delivery of sustainable development in accordance with the policies of the NPPF		X

Please give reasons for your answer:

It is considered that the plan should take into account industrial and logistics need of the in the Berkshire Functional Economic Market Area ('FEMA') and wider region. Justification for this stance is set out in our appended representation letter titled 'Grazeley I&L West Berkshire Reps Letter' which provides a brief background of the national policy legislation position and then the regional and local evidence base, and sets out how our Site at Grazeley can contribute to this regional need.

## 3. Complies with the Duty to Co-operate

Please see the guidance note for an explanation of what 'Duty to Cooperate' means.

### Do you consider the Local Plan Review complies with the Duty to Co-operate?

Yes

No

X

Please give reasons for your answer:

As above, it is considered that the Local Plan should address regional industrial and logistics needs. Justification for this is set out in our appended representation letter titled 'Grazeley I&L West Berkshire Reps Letter'.

#### 4. Proposed Changes

**Please set out what change(s) you consider necessary to make the Local Plan Review legally compliant or sound, having regard to the tests you have identified above (Please note that non-compliance with the duty to co-operate is incapable of modification at examination).**

*You will need to say why this change will make the LPR legally compliant or sound. It will be helpful if you are able to put forward your suggested revised wording of any policy or text. Please be as precise as possible.*

It is considered that policy SP20 should be amended to reflect FEMA and regional need and dictate that need can be achieved through sites outside the West Berkshire Council authority area. Please refer to provided representation letter titled 'Grazeley I&L West Berkshire Reps Letter' for further justification.

#### 5. Independent Examination

**If your representation is seeking a change, do you consider it necessary to participate at the examination hearing session(s)?**

Yes

No

**X**

*If you wish to participate at the oral part of the examination, please outline why you consider this to be necessary:*

n/a

*Please note the Inspector will determine the most appropriate procedure to adopt to hear those who have indicated that they wish to participate at the oral part of the examination.*

#### 6. Notification of Progress of the Local Plan Review

**Do you wish to be notified of any of the following?**

*Please tick all that apply:*

*Tick*

The submission of the Local Plan Review for Independent Examination	<b>X</b>
The publication of the report of the Inspector appointed to carry out the examination	<b>X</b>
The adoption of the Local Plan Review	<b>X</b>

*Please ensure that we have either an up to date email address or postal address at which we can contact you. You can amend your contact details by logging onto your account on the Local Plan Consultation Portal or by contacting the Planning Policy team.*

<b>Signature</b>	<b>Abigail Heath</b>	<b>Date</b>	<b>01/03/2023</b>
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**Your completed representations must be received by the Council by 4:30pm on Friday 3 March 2023.**

SNPL423005

1 March 2023



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Dear Sir / Madam

**RESPONSE TO WEST BERKSHIRE COUNCIL REGULATION 19 CONSULTATION, IN REGARDS TO THE LAND AT GRAZELEY, FOR INDUSTRIAL AND LOGISTICS DEVELOPMENT ON BEHALF OF CREST NICHOLSON PARTNERSHIPS AND STRATEGIC LAND.**

This letter provides representations on behalf of Crest Nicholson Partnerships and Strategic Land ('CN') to West Berkshire Council on the Proposed Submission (Regulation 19) Consultation in relation to the land at Grazeley ('the site') for industrial and logistics (I&L) development.

The site lies immediately to the south of junction 11 of the M4 and continues to extend south, with the A33 broadly forming the eastern boundary, and the railway line defining the western boundary. In the previous Wokingham Regulation 18 Consultation in 2020, Grazeley Garden Town ('GGT') was identified as a preferred option for strategic residential development as a 'Garden Town' of 15,000 houses. As you will be aware subsequently to this decision, a change in legislation resulted in the redetermination and expansion of the Urgent Action Area and the Detailed Emergency Planning Zone ('DEPZ') around AWE Burghfield, leaving Grazeley Garden Town no longer achievable. As a result, CN has been assessing alternative appropriate land uses in the northern part of the site adjacent to Reading and the M4. In light of this, CN promoted the site for industrial and logistics development and submitted representations to Wokingham's Regulation 18 Consultation in January 2022. It is considered that as the site is located within a strategically important economic area, the site could deliver employment land of a scale which would benefit the wider sub region including adjacent authority areas, such as West Berkshire, in terms of job creation and economic outputs.

Development on land at Grazeley will be guided by overarching placemaking principles that ensure good quality design, mitigates the impacts of climate change and which helps build communities that are resilient to climate change and contribute to healthy living. Tackling the impacts of climate change is one of the key foundations of Crest Nicholson's business strategy, they continue to embed responsible practises throughout operations and development designs. Crest Nicholson are committed to reducing carbon emissions and waste and are constantly innovating to find ways to reduce the impact our developments have on the environment.

In January 2023, Crest Nicholson became the first UK housebuilder to have its science-based net-zero target approved by the Science Based Targets Initiative (SBTi). Crest Nicholson is committed to reaching net zero greenhouse gas emissions across the value chain by 2045 and committed to reduce waste and assessing carbon emissions associated with the delivery of development. Crest Nicholson has also received recognition for its commitment to positive placemaking and tackling climate change through a number of initiatives and awards:

- Maintained its place on the FTSE4Good Index (2022)
- Awarded a B Score in the CDP (formerly the Carbon Disclosure Project) in 2022
- Named as one of the Financial Times' European Climate Leaders in 2022
- A proud Signatory of the Business Ambition to limit global temperature rise to 1.5°C

Offices and associates throughout the Americas, Europe, Asia Pacific, Africa and the Middle East.

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- First UK housebuilder to have its science-based net-zero target approved by the Science Based Targets initiative in 2023

This representation letter provides an evidenced based overview of I&L demand in the Berkshire Functional Economic Market Area ('FEMA') and the wider region, and how Grazeley can contribute to this sub regional need.

## **The National, Regional and Local Policy Context**

### **National Evidence Base**

The UK planning system, via the allocation of enough employment land in the right locations, is critical to facilitating the sector's growth.

The National Planning Policy Framework (NPPF) requires local planning policies to identify sites and/or establish criteria to enable anticipated employment needs to be met [Paragraph 82]. In 2019, a revision to the NPPF introduced a specific requirement for planning policies and decisions to reflect the specific locational requirements of different employment sectors including logistics. This requirement remains within the 2021 NPPF which "*set out a clear economic vision and strategy which positively and proactively encourages sustainable economic growth, having regard to Local Industrial Strategies and other local policies for economic development and regeneration*". The same text is carried over into the draft consultation NPPF published December 2022 at Paragraph 84. This provides a clear and positive policy context for the preparation of local plans.

Paragraph 83 goes on to explain that policies and decisions should recognise and address the specific locational requirements of particular sectors, more specifically: "*Planning policies and decisions should recognise and address the specific locational requirements of different sectors. This includes making provision for clusters or networks of knowledge and data-driven, creative or high technology industries; and for storage and distribution operations at a variety of scales and in suitably accessible locations.*"

The specific mention of storage and distribution operations is long overdue and provides recognition of the recent growth in this sector, which underpins its strategic importance as a consideration within the plan making process. Indeed, to be one of only three sectors explicitly mentioned in the 'Building a Strong, Competitive Economy' chapter is testament to the role that logistics could play in the future economy.

The National Planning Policy Guidance (NPPG) at Paragraphs 025 [Ref ID: 2a-025-20190220], sets out that strategic policy-making authorities will need to prepare a robust evidence base to understand existing business needs, which will need to be kept under review to reflect local circumstances and market conditions.

The NPPG notes various methods as to how strategic policy making authorities can prepare and maintain evidence about business needs. Firstly, it is noted that "*in gathering evidence to plan for business use, strategic policy making authorities will need to liaise closely with the business community, taking account of the Local Industrial Strategy, to understand their current and potential future requirement*" [Paragraph: 026 Reference ID: 2a-026-20190220]. During this process the NPPG sets out that authorities must consider the following:

- "*the best fit functional economic market area;*
- *the existing stock of land for employment uses within the area;*
- *the recent pattern of employment land supply and loss;*
- *evidence of market demand – sourced from local data and market intelligence;*
- *wider market signals relating to economic growth, diversification and innovations; and*
- *any evidence of market failure*" [Paragraph: 026 Reference ID: 2a-026-20190220].

Paragraph 27 of the NPPG indicates four possible methods to estimate future needs:

- 1) *“Sectoral and employment forecasts and projections which take account of likely changes in skills needed (labour demand)*
- 2) *Demographically derived assessments of current and future local labour supply (labour supply)*
- 3) *Analysis based on the past take-up of employment land and property and/or future property market requirements (past take-up)*
- 4) *Consultation with relevant organisations, studies of business trends, and understanding of innovative and changing business models, particularly those which make use of online platforms to respond to consumer demand and monitoring of business, economic and employment statistics” [Paragraph: 027 Reference ID: 2a-027-20190220].*

**NPPG, Paragraph: 031 Reference ID: 2a-031-20190722 sets out the following:**

*“The logistics industry plays a critical role in enabling an efficient, sustainable and effective supply of goods for consumers and businesses, as well as contributing to local employment opportunities, and has distinct locational requirements that need to be considered in formulating planning policies (separately from those relating to general industrial land).*

*Strategic facilities serving national or regional markets are likely to require significant amounts of land, good access to strategic transport networks, sufficient power capacity and access to appropriately skilled local labour. Where a need for such facilities may exist, strategic policy-making authorities should collaborate with other authorities, infrastructure providers and other interests to identify the scale of need across the relevant market areas. This can be informed by:*

- *Engagement with logistics developers and occupiers to understand the changing nature of requirements in terms of the type, size and location of facilities, including the impact of new and emerging technologies;*
- *Analysis of market signals, including trends in take up and the availability of logistics land and floorspace across the relevant market geographies;*
- *Analysis of economic forecasts to identify potential changes in demand and anticipated growth in sectors likely to occupy logistics facilities, or which require support from the sector; and*
- *Engagement with Local Enterprise Partnerships and review of their plans and strategies, including economic priorities within Local Industrial Strategies.*
- *Strategic policy-making authorities will then need to consider the most appropriate locations for meeting these identified needs (whether through the expansion of existing sites or development of new ones).”*

Economic need is not as prominent as housing need in the guidance, the latter being subject to a standard methodology with a series of unambiguous steps set out to establish the minimum annual housing need for each local authority area. There is specific reference to logistics and the preamble in the Guidance on this reiterates the “critical role” that logistics plays in “... enabling an efficient, sustainable and effective supply of goods for consumers and businesses, as well as contributing to local employment opportunities ...”, however the Guidance then fails to translate this sentiment into a clear and robust approach which ensures logistics needs are met.

## **Regional Evidence Base**

### The Berkshire FEMA – 2016

Nathanial Lichfield and Partners produced a study titled the Berkshire Functional Economic Market Area (‘FEMA’) in February 2016, on behalf of the Thames Valley Berkshire Local Enterprise Partnership (‘TVBLEP’) and the six Berkshire authorities of Bracknell Forest, Reading, Slough, West Berkshire, Windsor and Maidenhead and Wokingham to investigate economic relationships, linkages and flows which characterise the sub-regional economy. The Berkshire FEMA, is comprised of three core FEMAS that represent a ‘best fit’ within local authority boundaries, the ‘Central Berkshire FEMA’, ‘Western Berkshire FEMA’ and ‘Eastern Berkshire FEMA’.

A further report was commissioned to consider the objectively assessed economic development needs of the Western Berkshire FEMA – The Economic Development Needs Assessment (EDNA) (2016).

It is noted that the site falls within the Central Berkshire FEMA and the draft Regulation 19 Plan to the area within the Western Berkshire FEMA, however as set out on page 12 *“it should be recognised that the boundaries of these areas are porous given the different layers of inter-relationship that exist between each area as well as across the TVBLEP area overall. It is important to continue to recognise these relationships in Duty to Cooperate terms”*.

The purpose of the EDNA studies was to identify the objectively assessed economic development needs for the authorities within each FEMA over the 2013-36 period. Land and floorspace requirements were quantified, as well as a qualitative assessment of future change for individual employment sectors and uses. It is noted that West Berkshire set out that the outputs of the EDNA (2016) study are not being relied upon for the LPU due to the more recent data provided in the Employment Land Review (‘ELR’) for West Berkshire (2022) despite it having a more robust baseline as it considers the wider FEMA sub-region.

The EDNA concludes that under the ‘labour supply’ method scenario in the Western Berkshire FEMA has a minimum industrial need of 154,650 sqm or 15.5 ha.

## **Local Evidence Base**

### Employment Land Review (ELR) West Berkshire – 2022

The ELR was undertaken in December 2022 by Stantec and Aspinall Verdi to assess the future employment land and floorspace requirements in West Berkshire, based on jobs forecasts and a specific scenario that relates to the calculation of Local Housing Need. The assessment aligns future jobs forecasts with population growth. The study considers net and gross demand, gross supply and the floorspace requirements across office and industrial uses needed to support economic growth in the borough over the plan period. ‘Office’ refers to B1(a) and B1(b), and ‘Industrial’ refers to both warehousing and industrial (B1(c), B2 and B8) uses because in practice these activities are interchangeable and routinely require/occupy the same type of space.

The ELR sets out a gross demand (sqm GIA) of 154,976 between 2022 and 2039, a total supply (sqm GIA) of 63,867 is noted thus leaving a shortfall of 91,109 sqm GIA or 23 ha across the plan period (paragraph 5.13) when utilising the labour supply method. It is considered that this requirement better reflects market trends as set in Section 3, and as such should be planned for as the minimum requirement opposed to the 15.5 ha required in the Western Berkshire FEMA 2016 report.

### West Berkshire Local Plan Review Proposed Submission (Regulation 19) Local Plan

Draft policy SP20 ‘Strategic Approach to Employment Land’ sets out that through the local plan review the Council will seek to facilitate the growth and forecasted change of business development over the plan period by promoting the supply of industrial space across the District to meet the identified shortfall of 23 ha based on the labour supply method within the ELR as a minimum.

## **Industrial and Logistics Market**

Savills research indicates that the I&L sector continues to break records as investment volumes top £4.7 billion in 2020. **The sector now employs around 3.8 million people in England and represents 14% of the total economy in GVA terms, or £232 billion<sup>1</sup>**. Arguably the most important characteristic of the sector is its above average productivity growth estimated to be 29% between 2025-2039 compared to 18% for all other sectors.

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<sup>1</sup> ONS (2021), Workforce Jobs by Region and Industry - Jobs in Manufacturing, Transportation and Storage for March 2020; ONS (2021) – England, Regional Gross Value Added (Balanced) by Industry – GVA for Manufacturing, Transportation and Storage in 2019 – England



The I&L sector is facing an era of unprecedented change. The past decade has seen the sector undergo a remarkable transformation, reshaping operating models and occupier requirements in ways that are only starting to become recognisable as an industry-wide phenomenon. Logistics uses in particular have shown strong performance for a number of years, but the Covid-19 pandemic has exacerbated existing trends with primary growth drivers including online shopping, UK freight volume and increased near-shoring and on-shoring.

Combined, these growth drivers are resulting in unprecedented demand for I&L premises. Over the course of 2021 Savills Big Shed Briefing<sup>2</sup> found that gross take-up had reached a new annual record of 55.11 million sq ft – 86% above the annual average. This trend of increased update has continued, with the Savills Shed Briefing<sup>3</sup> mid-year 2022 report noting a new H1 record of 28.6 sq ft surpassing last year’s total of 24.5 sq ft and exceeding the H1 annual average by 90%. The number of transactions nationally was 220, surpassing the previous record of 172 in 2020<sup>4</sup>.

A detailed analysis of the I&L market is provided at Section 3 of CNs appended representation to the Regulation 18 Wokingham Borough Council consultation.

**The Opportunity**

As set out in CN’s representation to Wokingham’s Regulation 18 Consultation in January 2022 consultation, the site at Grazeley is considered optimal for delivering I&L need across the Berkshire FEMA.

A summary of the suitability of Grazeley is provided in the table below which sets out the criteria that Savills believes to be the most influential when determining the site suitability for I&L and the justification for these criteria. Subsequently, it assesses the Grazeley site against the criteria. Savills considers that the site performs well against all criteria and this is considered highly suitable for I&L.

It is noted that the existence of a DEPZ should not be a reason for assuming any development is inappropriate as the ONRs consultation processes ensures any proposed development would be judged on its own merits taking into account the details of the proposal and the effects the development would have on the on-site and off-site plans. Examples of I&L development in a DEPZ exist and include the recent outline planning permission at Blacks Lake Track Racing, Paices Hill, Aldermaston (Application No. 20/02527/OUTMAJ) for up to 15,917 sqm of flexible commercial floorspace for B8 (Storage or distribution).

**Table 1: Important I&L Site Attributes**

Criteria	Justification	The Site
Level Site	I&L units need to be uniform in in their construction so as to enable unobstructed access by service vehicles, forklifts and for some company’s automated system that assist with sorting and packaging processes. Therefore, level sites devoid of obstacles and significant level changes are a critical requirement.	The entire site is relatively flat, but not without features.
Access to Amenities	In terms of worker amenities, modern units are increasingly providing these on site such as breakout spaces, external	While some I&L occupiers will likely provide onsite amenities for workers, the wider area offers a range of additional amenities which

<sup>2</sup> Savills Research (2022) Big Shed Briefing (January 2022) Available at: [https://www.savills.co.uk/research\\_articles/229130/323880-0](https://www.savills.co.uk/research_articles/229130/323880-0) - the Big Shed Briefing focuses on I&L premises above 100,000 sqft

<sup>3</sup> Savills Research (2022) Big Shed Briefing (July 2022) Available at: [https://www.savills.co.uk/research\\_articles/229130/330469-0](https://www.savills.co.uk/research_articles/229130/330469-0) - Spotlight: Big Shed Briefing

<sup>4</sup> Ibid

Criteria	Justification	The Site
	<p>landscaped areas for relaxation, onsite cafés, gyms etc. In addition to this, a wider array of amenities in the immediate area that can service the needs of workers are also desired.</p>	<p>can be accessed sustainably via the Mere oak Park and Ride facility immediately to the east of the site that provides a rapid public transport link to the centre of Reading. The scheme would be designed to create a sense of place with a high-quality landscape within the street scene. Further, if the Grazeley Garden Town proposal was to be allocated at a future date this would provide an abundance of additional amenities and continue to develop the sense of place within a mixed use setting.</p>
<p><b>24hr Operation</b></p>	<p>The desire of modern society for shorter delivery timeframes requires I&amp;L occupiers to have incredibly efficient storage, packaging and distribution processes. Twenty-four hour operations are an increasingly important part of this evolution, especially in response to the continued growth of online retailing. Sites located close to motorways supply chain linkages being formed amongst these different with a level of separation from sensitive uses are typically more likely to facilitate twenty-four hour operations without causing unacceptable environmental nuisance. Twenty-four hour operations also enable longer haul journeys to be undertaken overnight to avoid daytime traffic congestion.</p>	<p>The area of the Grazeley site earmarked for I&amp;L uses is devoid of sensitive uses such as residential and is nearby to M4 Corridor, Green Park Industrial Estate and the Park and Ride. Further the site is in proximity of both Wokingham and Reading district centres and transport interchanges. This should facilitate employment zones.</p>
<p><b>Motorway / A-Road Access</b></p>	<p>Access to motorways and A-roads is key for commercial occupiers, particularly for I&amp;L companies. A direct motorway connection facilitates access to a greater number of customers within a reasonable drive time. It also enables HGV and LGV access without the need for them to travel along residential and rural streets which are not designed for these sorts of vehicles and the level of trips that can be generated by I&amp;L uses. Motorway / A-road access is also important for car-borne commuters.</p>	<p>The site is immediately adjacent to the M4 and A33 corridors, making it ideally located for I&amp;L uses. The area earmarked for I&amp;L uses is close to the motorway junction which means HGV and LGCs accessing the I&amp;L premises will not disrupt the local road network and residents. The site's location would allow for twenty-four hour operations.</p>
<p><b>Market Access (within 1 hour drive time)</b></p>	<p>I&amp;L uses typically want to be within one hour drive time of their end customers and suppliers. While some companies may be happy with a long drive time catchment, one hour is considered optimal for the vast majority of I&amp;L occupiers.</p>	<p>The subject site can reach over seven million people within a one hour drive time, including the major conurbations of Reading, Oxford, High Wycombe, Swindon, Slough, Southampton, West London and Watford.</p>
<p><b>Access to Intermodal</b></p>	<p>Freight arriving and leaving the UK needs to be sorted, packaged and distributed via a</p>	<p>The subject site is conveniently located close to a number of key freights handling</p>

Criteria	Justification	The Site
Facilities (within 1 hour drive time)	network of freight handling infrastructure (i.e. ports, freight handling airports, rail freight interchanges and motorways) and conveniently located I&L premises in order to reach end customers. As discussed, Savills Industrial Agents advise I&L occupiers ideally have a one hour drive time to their supply chain and customers. The importance of this proximity has been expressed by some of the major potential occupiers such as Tesco, Amazon and Royal Mail.	infrastructure including Heathrow Airport and Southampton Port. A more detailed summary of key freight handling infrastructure located within a one hour drive time of the site can be found in <b>Section 4</b> .

On review of the above, it is considered that Grazeley is exceptionally well placed to cater the sub-regional employment land needs because of its location on the strategic road network and public transport links to Reading and beyond.

The development of land at Grazeley will be established on a robust and strong vision, with a commitment from Crest Nicholson as a development partner, to create a high-quality, distinctive and sustainable new development with a lasting legacy. The vision for development will focus on key design principles:

- A robust, clear, and logical movement framework, based on walkable neighbourhoods, that provides direct and easy to understand routes to facilities and services is a key ingredient of a successful and sustainable place.
- Providing opportunities for healthy living, personal well-being, investing into a positive collaboration process and delivering a balance of uses to create a long-term sustainable place will be fundamental to the legacy of Grazeley.
- Understanding the site and its surroundings to create a response design will create a place embedded in its locality and place.
- Quality design is fundamental and will be delivered through excellent public spaces, a clear hierarchy of attractive and harmonious streets that are at a human scale and respect the local character.

Crest Nicholson is committed to placemaking and creating attractive communities. As such, Crest Nicholson believe that land at Grazeley should be considered positively for development.

**Summary**

This letter responds to the West Berkshire Local Plan Review Proposed Submission (Regulation 19) Consultation and sets out the availability of the land at Grazeley, Wokingham on behalf of CN for I&L development which could contribute towards the wider FEMAS need including that in West Berkshire.

The letter provides a brief background of the national policy legislation position and then the regional and local evidence base. The Western Berkshire FEMA (2016) indicates an industrial land need of 15.5, ha whereas the Western Berkshire ELNA (2022) indicates a need of 23 ha across the plan period. It is the later of these figures that makes up the minimum demand figure set out in draft Policy SP20 of the Regulation 19 Plan. As set out previously CN support the use of this figure as a minimum as it is considered to be more robust due to it being based on up to date statistics reflecting the recent market trends.

The trends of I&L are them summarised, demonstrating the probability of the sector and the positive future trends due to factors such as online shopping, Covid-19 and BREXIT. This is evidenced by the following ONS finding: the sector now employs around 3.8 million people in England and represents 14% of the total economy in GVA terms, or £232 billion [ONS Annual Accounts].



The opportunity is then presented which explains why CN considers that the land at Grazeley the ideal location to not only help Wokingham but the wider Berkshire FEMA to meet their industrial land requirements. Due to the fact that the site poses the attributes we consider are required to produce a successful I&L site (e.g., motorway access) set out in Table 1.

Further information regarding the proposed I&L development at Grazeley can be found within Appendix 1 'Response to Wokingham's Regulation 18 Consultation January 2022'

Yours faithfully

**Savills Central South Planning**

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# Representations to Regulation 18 Preferred Options Consultation Wokingham Borough Council

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## Grazeley Representations

Prepared for: Crest Nicholson Partnerships and  
Strategic Land



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## 1. Introduction

### Purpose

- 1.1. This document provides representations on behalf of Crest Nicholson Partnerships and Strategic Land ('CN') to Wokingham Borough Council ('WBC') on the Draft Local Plan Updated ('LPU') in relation to the land at Grazeley ('the site'). The LPU is the latest Regulation 18 public consultation on the emerging Local Plan for Wokingham and presents an updated draft spatial strategy setting out where WBC believe development should be located and how it should be managed. The LPU covers a range of topics including proposed allocations for housing, employment land and other development.
- 1.2. CN over the last few years has promoted land in partnership with WBC for the 'Grazeley Garden Town' ('GGT'). The site lies immediately to the south of junction 11 of the M4 and continues to extend south, with the A33 broadly forming the eastern boundary, and the railway line defining the western boundary. In the previous Regulation 18 Consultation in 2020, CN made representations supporting the wider 'Grazeley Garden Town' ('GGT') settlement as a strategic growth location for a number of reasons, fundamentally because the site represents a sustainable, infrastructure led development opportunity to help deliver a substantial proportion of the significant number of quality new homes required across the borough to 2036 and beyond.
- 1.3. Grazeley GT was identified by WBC as a preferred option for strategic residential development as a 'Garden Town' of 15,000 houses. Subsequent to consultation on the Draft Local Plan, a change in legislation resulted in the redetermination and expansion of the Urgent Action Area and the Detailed Emergency Planning Zone ('DEPZ') around AWE Burghfield, leaving Grazeley GT and the LPU no longer achievable. In light of this, CN has been assessing viable and acceptable land uses, namely in the northern portion of the site adjacent to both Reading and the M4.
- 1.4. This representation provides an evidence based overview of the potential for industry and logistics ('I&L') development at Grazeley, having regards to national policy, and market supply and demand dynamics in Wokingham, the Central Berkshire FEMA and the wider region.
- 1.5. WBC adopted the Core Strategy on 29 January 2010. The Core Strategy sets out the key elements of the WBC vision for development until March 2026. The Council committed to a LPU which is due to be adopted in Winter 2023 (in accordance with the currently approved Local Development Scheme). The LPU will set out policies and guidance for all development of the Borough over the next 15 years to 2038, in line with the minimum requirements set out in the National Planning Policy Framework ('NPPF') 2021.
- 1.6. Within this representation document, Savills demonstrate that the WBC Regulation 18 Consultation has not robustly assessed the market demand and supply of I&L and note that the evidence base should be extended to incorporate this. These conclusions are drawn based on recent market evidence, national policy, future I&L employment land need in Wokingham and the Central Berkshire FEMA. It is considered

that the northern portion of the Grazeley site provides a good opportunity to contribute to the much needed I&L provision in Wokingham and should be explored. This opportunity would also not preclude the Garden Town coming forward in future iterations of the Local Plan if the DEPZ designation was reduced or deleted.

## Representations Structure

1.7. This representation document is structured as follows:

- **Section 2** sets out the background information on the Grazeley site
- **Section 3** reviews the existing evidence base including: national policy; the Central Berkshire FEMA Economic Development Needs Assessment (ENDA) (2016) and; the Wokingham employment evidence contained within the Employment Land Needs Study (ELNS) (2020) and the emerging LPU.
- **Section 4** considers the trends and profitability of I&L development and the current supply and demand in the regions, it presents Grazeley as the optimal site to meet this need and sets out why I&L is suitable in a DEPZ
- **Section 5** concludes this report.

## Reader Note

1.8. When we refer to the industrial and logistics (I&L) sector we mean Light Industrial (formally B1c use class now part of Class E), General Industry (B2 Use Class) and Storage and Distribution (B8 Use Class). Effectively the primary use classes that require shed-type units (including ancillary offices) and associated yard spaces. These use classes typically cover the diverse range of industrial, manufacturing and logistics companies that operate within England.



## 2. Setting the Scene – Grazeley Garden Town

### The Site and Previous Masterplan

- 2.1. The Grazeley GT site comprises over 916 ha of land to the south of junction 11 of the M4 and west of the A33 [see Figure 1]. Grazeley is 6km south of Reading town centre and is therefore very well connected by roads with the new MereOak Park and Ride facility immediately to the east of the site that provides a rapid public transport link to the centre of Reading and also has pedestrian and cycle paths alongside the car park, plus cycle and motorbike parking.
- 2.2. The land is predominantly agricultural use being large open fields bounded by mature hedgerows with established trees. The land is virtually level throughout and there are occasional buildings such as the listed farmhouse and surrounding buildings. There are also overhead power lines and public roads that separate the individual fields.
- 2.3. The site was promoted by CN in the previous Regulation 18 Consultation in 2020. CN made representations supporting the wider Grazeley settlement as a strategic growth location for a number of reasons, however fundamentally because the Grazeley GT site represents a sustainable, infrastructure led development opportunity to help deliver a substantial proportion of the significant number of quality new homes required across the borough to 2036 and beyond. In line with Paragraph 67 of the NPPF, the site was an available, suitable and deliverable strategic development opportunity within the Borough.
- 2.4. Grazeley GT was identified by WBC as a preferred option for residential development as a 'Garden Town' of 15,000 houses and it formed the core plank of the Draft Local Plan 2020. Within the previous Masterplan for Grazeley GT, significant employment areas were incorporated close to the M4 Motorway junction 11 and the planned Green Park Station. This was in line with the outputs of the CHLOE <sup>[1]</sup> masterplanning workshop groups, it is noted many groups set out a preference for c. 20 ha + <sup>[2]</sup> [page 29, Paragraph 4.68]. This was considered optimal due to its strategic transport location and its ability to act to mitigate the impact of motorway noise and traffic emissions on residential areas by forming a suitable barrier. The supported concept masterplan provided in the Wokingham Strategic Growth Locations report by David Lock Associates and Peter Brett Associates at pages 19 and 37, presented at Figure 2 of this report.

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<sup>1</sup> "CHLOE is an interactive mapping and reporting tool that promoted discussion and engagement by allowing its users to engage and contribute to the design process" – David Lock Associates 2019 - <https://www.davidlock.com/chloe-shortlisted-for-planning-awards-2019/>

<sup>2</sup> Source: Wokingham Strategic Framework: Growth Scenario Report, By David Lock Associates & Peter Brett Associates: June 2018, (page 29, Paragraph 4.68).

2.5. The Wokingham Strategic Growth Locations Report produced by David Lock Associates and Peter Brett Associates on behalf of WBC and WBDC (June 2018) provided an assessment of the site, key considerations were as follows:

- *“It is well located to transport infrastructure including junction 11 of the M4, the existing station at Mortimer and future station at Green Park and is also served by Reading Mass Rapid Transit scheme (MRT) via the Mere oak Park & Ride. The benefits of the location, alongside the relatively limited environmental constraints to development, indicate that subject to appropriate master planning and appropriate mitigation the site could offer the potential for sustainable development”* [Paragraph 4.72].
- *“Excellent transport connections and the growth in homes indicate that new employment opportunities could be delivered at the site. In particular, proximity to Junction 11, Green Park and a major conference and training venue at Wokefield Park suggest that job creation could be an integral part of growth at Grazeley.”* [Paragraph 4.81].
- *“The railway, A33 and M4 are sources of noise. The need to mitigate the impact of noise on residential properties has implications for the configuration of land uses within the site, including the **potential to locate employment uses where they can form a sound barrier** between noise sources and living environments”* [Paragraph 4.84].
- *“The location presents the opportunity for a development with **excellent sustainable transport connections**. The scale of the site indicates that alongside new homes, there **is good potential for business growth**. Grazeley should be considered as a **destination for employment**, as well as an origin of employees”* [Paragraph 4.90].
- *“Economic growth should be planned alongside new homes. Opportunities for business development, from large employers to Small and Medium-sized Enterprises (SMEs) and home working to reduce travel demand should be provided. **Large employment facilities should be located close to junction 11 and along the A33** to provide a protective barrier against noise and vehicle emissions for homes”* [Paragraph 4.56].

2.6. Subsequent to consulting upon the Draft Local Plan, a change in legislation resulted in the redetermination of the Urgent Action Area and the Detailed Emergency Planning Zone (‘DEPZ’) around AWE Burghfield [see **Section 4**]. The redetermination unexpectedly extended the area where emergency plans must be in place, as a result of this expansion the entirety of the Grazeley GT site and the villages of Three Mile Cross and Spencers Wood are located within the DEPZ. The change means that the Grazeley Garden Town proposal, and therefore the strategy proposed by the Draft Local Plan, is no longer achievable whilst the DEPZ remains as currently designated. As a result, CN has been assessing alternative acceptable land uses in the northern part of the site adjacent to Reading and the M4. As a result of the above key findings and market research set out in the following section we consider I&L to be the optimal development on site.

# Representation to Regulation 18 Preferred Options Consultation

Wokingham Borough Council



Figure 1: Grazeley Preferred Option Site Red Line Plan (page 19 [2])

# Representation to Regulation 18 Preferred Options Consultation

Wokingham Borough Council

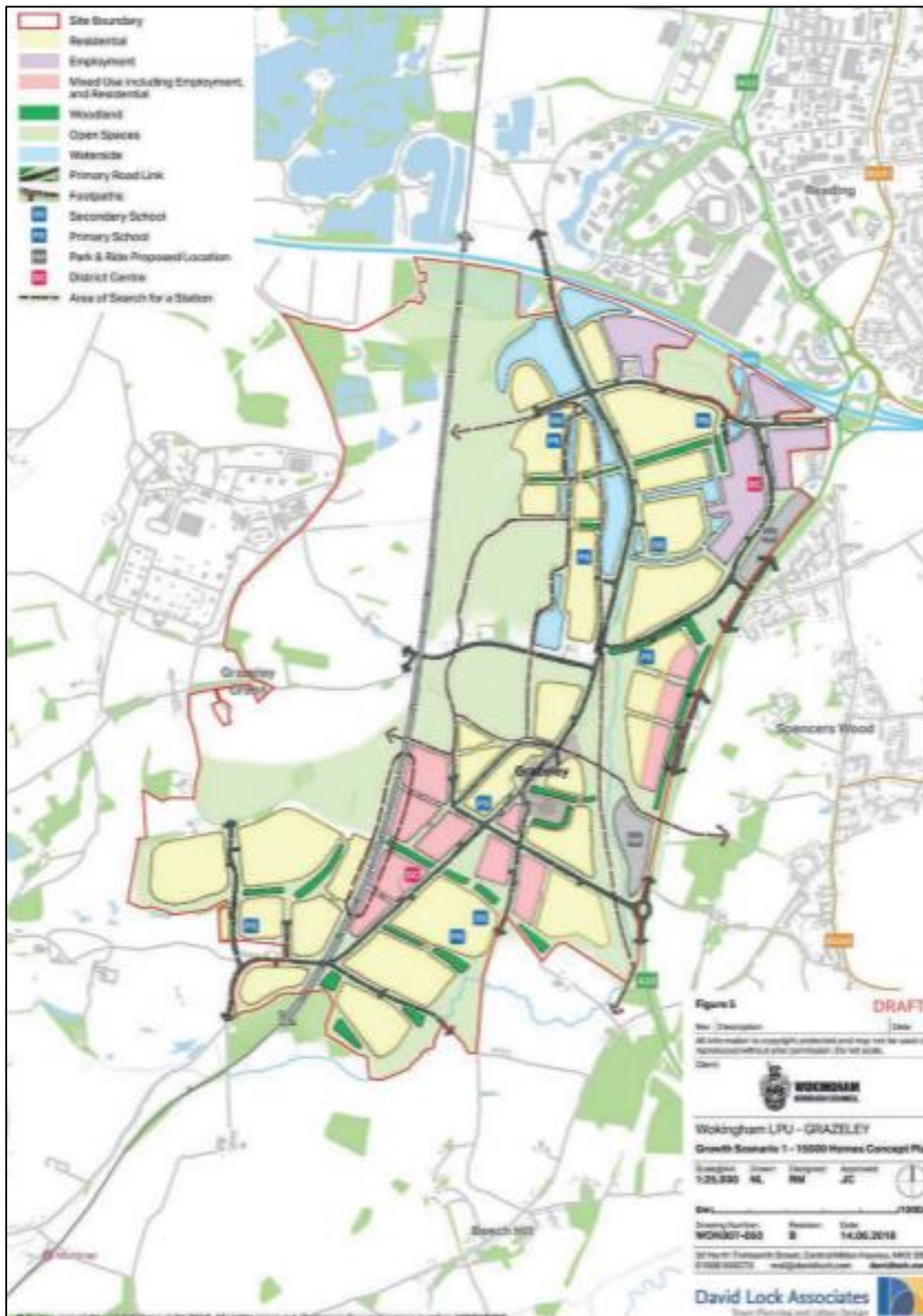


Figure 2: The Grazeley Garden Town Concept Masterplan 15,000 Dwelling (page 37 [2])

## 3. The Evidence Base

### The National Planning Policy Requirements for Assessing I&L in Local Plans

- 3.1. The UK planning system, via the allocation of enough employment land in the right locations, is critical to facilitating the sector's growth.

#### The National Planning Policy Framework (NPPF)

- 3.2. The NPPF requires local planning policies to identify sites and/or establish criteria to enable anticipated employment needs to be met [Paragraph 82]. In 2019, a revision to the NPPF introduced a specific requirement for planning policies and decisions to reflect the specific locational requirements of different employment sectors including logistics. This requirement remains within the 2021 NPPF which "*set out a clear economic vision and strategy which positively and proactively encourages sustainable economic growth, having regard to Local Industrial Strategies and other local policies for economic development and regeneration*". This provides a clear and positive policy context for the preparation of local plans.
- 3.3. Paragraph 83 goes on to explain that policies and decisions should recognise and address the specific locational requirements of particular sectors, more specifically: "*Planning policies and decisions should recognise and address the specific locational requirements of different sectors. This includes making provision for clusters or networks of knowledge and data-driven, creative or high technology industries; and for storage and distribution operations at a variety of scales and in suitably accessible locations.*"
- 3.4. The specific mention of storage and distribution operations (that incidentally, were not included in the March draft) is long overdue and provides recognition of the recent growth in this sector. Indeed, to be one of only three sectors explicitly mentioned in the 'Building a Strong, Competitive Economy' chapter is testament to the role that logistics could play in the future economy.

#### National Planning Policy Guidance (NPPG)

- 3.5. The NPPG at Paragraph 025 [Reference ID: 2a-025-20190220] sets out that strategic policy-making authorities will need to prepare a robust evidence base to understand existing business needs, which will need to be kept under review to reflect local circumstances and market conditions.
- 3.6. The NPPG notes various methods as to how strategic policy making authorities can prepare and maintain evidence about business needs. Firstly, it is noted that "*in gathering evidence to plan for business use, strategic policy making authorities will need to liaise closely with the business community, taking account of the Local Industrial Strategy, to understand their current and potential future requirement*" [Paragraph: 026 Reference ID: 2a-026-20190220]. During this process the NPPG sets out that authorities must consider the following:
- "*the best fit functional economic market area;*

- *the existing stock of land for employment uses within the area;*
- *the recent pattern of employment land supply and loss;*
- *evidence of market demand – sourced from local data and market intelligence;*
- *wider market signals relating to economic growth, diversification and innovations; and*
- *any evidence of market failure” [Paragraph: 026 Reference ID: 2a-026-20190220].*

3.7. Paragraph 27 of the NPPG indicates four possible methods to estimate future needs:

- 1) *“Sectoral and employment forecasts and projections which take account of likely changes in skills needed (labour demand)*
- 2) *Demographically derived assessments of current and future local labour supply (labour supply)*
- 3) *Analysis based on the past take-up of employment land and property and/or future property market requirements (past take-up)*
- 4) *Consultation with relevant organisations, studies of business trends, and understanding of innovative and changing business models, particularly those which make use of online platforms to respond to consumer demand and monitoring of business, economic and employment statistics” [Paragraph: 027 Reference ID: 2a-027-20190220].*

3.8. **NPPG, Paragraph: 031 Reference ID: 2a-031-20190722 sets out the following:**

*“The logistics industry plays a critical role in enabling an efficient, sustainable and effective supply of goods for consumers and businesses, as well as contributing to local employment opportunities, and has distinct locational requirements that need to be considered in formulating planning policies (separately from those relating to general industrial land).*

*Strategic facilities serving national or regional markets are likely to require significant amounts of land, good access to strategic transport networks, sufficient power capacity and access to appropriately skilled local labour. Where a need for such facilities may exist, strategic policy-making authorities should collaborate with other authorities, infrastructure providers and other interests to identify the scale of need across the relevant market areas. This can be informed by:*

- *Engagement with logistics developers and occupiers to understand the changing nature of requirements in terms of the type, size and location of facilities, including the impact of new and emerging technologies;*
- *Analysis of market signals, including trends in take up and the availability of logistics land and floorspace across the relevant market geographies;*
- *Analysis of economic forecasts to identify potential changes in demand and anticipated growth in sectors likely to occupy logistics facilities, or which require support from the sector; and*

- *Engagement with Local Enterprise Partnerships and review of their plans and strategies, including economic priorities within Local Industrial Strategies.*
- *Strategic policy-making authorities will then need to consider the most appropriate locations for meeting these identified needs (whether through the expansion of existing sites or development of new ones)."*

3.9. Economic need isn't as prominent as housing need in the guidance, the latter being subject to a standard methodology with a series of unambiguous steps set out to establish the minimum annual housing need for each local authority area. There is specific reference to logistics and the preamble in the Guidance on this reiterates the "critical role" that logistics plays in "... *enabling an efficient, sustainable and effective supply of goods for consumers and businesses, as well as contributing to local employment opportunities ...*", however the Guidance then fails to translate this sentiment into a clear and robust approach which ensures logistics needs are met.

3.10. The Guidance refers to engagement with developers and occupiers and the analysis of market signals, the analysis of economic forecasts to understand the likely future growth of sectors that are likely to require logistics facilities and engagement with LEPs. This is far less prescriptive than the approach to assessing housing need and as a consequence has resulted in an array of approaches to the assessment of employment needs that form part of local plan evidence bases. Assessing past trends over a 20 year period fails to reflect the growth in the demands of occupiers for logistics space in the last few years, let alone the boom of the last 12 months linked to online retailing. The use job estimation models don't allow scrutiny and are highly sensitive to the assumptions used. The consequence in our experience is that insufficient land is identified for logistics development through local plan reviews.

## **Regional Evidence Base: The Central Berkshire FEMA - 2016**

3.11. The Central Berkshire Functional Economic Market Area (FEMA) is located within the Thames Valley Berkshire LEP area and to the west of London. The FEMA comprises the four local authority areas of Bracknell Forest, Reading, Wokingham and Windsor and Maidenhead, as shown in Figure 3.

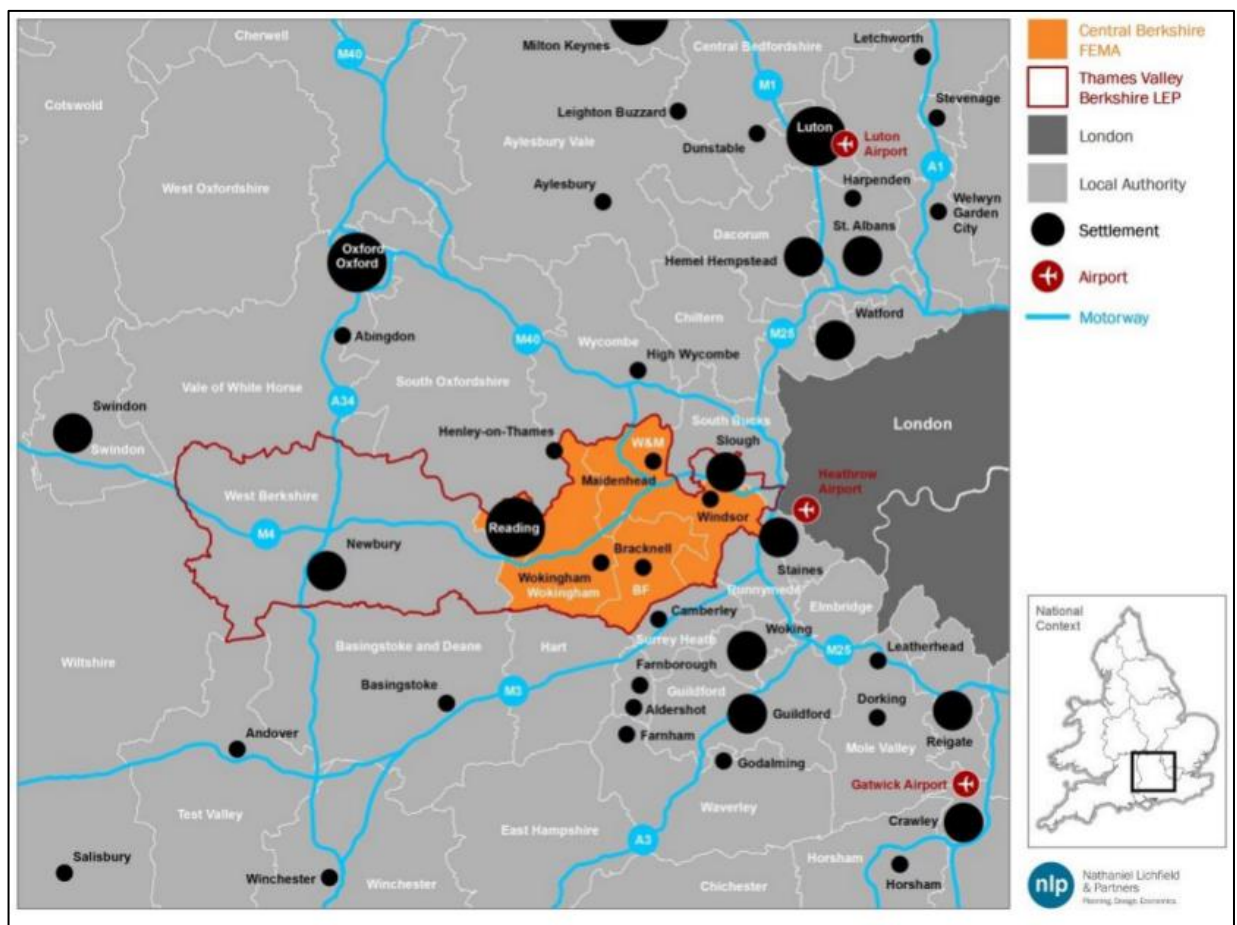
3.12. The four Berkshire authorities commissioned a study to investigate economic relationships, linkages and flows which characterise the sub-regional economy - The Berkshire Functional Economic Market Area Study (FEMA) (2016). A further report was commissioned to consider the objectively assessed economic development needs of the Central Berkshire FEMA - The Economic Development Needs Assessment (EDNA) (2016).

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Wokingham Borough Council



3.13. The purpose of the EDNA studies was to identify the objectively assessed economic development needs for the authorities within each FEMA over the 2013-36 period. Land and floorspace requirements were quantified, as well as a qualitative assessment of future change for individual employment sectors and uses. It is noted that WBC set out that the outputs of the EDNA (2016) study are not being relied upon for the LPU due to the more recent data provided in the ELNS (2020) despite it having a more robust baseline as it considers the wider FEMA region.



**Figure 3: Spatial Context of Central Berkshire FEMA [Source: Berkshire Functional Economic Market Area Study, Nathaniel Lichfield & Partners, February 2016].**





- 3.14. The EDNA study set out a series of key findings, key finding 8 is as follows *“The FEMA also accommodates a reasonably strong industrial market which is generally characterised by good levels of demand and low levels of supply and availability. The key locations for industrial activity include Reading (and its surrounding hinterland which takes in adjoining Wokingham Borough and West Berkshire District) and Bracknell both of which benefit from excellent strategic road access and a large critical mass of industrial occupiers and sites”.*
- 3.15. EDNA study of the Central Berkshire FEMA produced various Gross Employment Land Requirements based on three scenarios: baseline labour demand; past completion rates and; labour supply (see Table 1). It is noted that in light of the NPPF requirement to plan positively for growth the EDNA adopted the scenario 3 (labour supply) to *“ensure that the FEMA’s indigenous growth potential is not constrained by lack of spatial capacity in the future”* [Key Finding 12].

**Table 1: Gross Employment Land Requirements (ha) for Central Berkshire FEMA by various Scenarios, 2013-36 [Source: NLP Analysis]**

	Uses	Baseline Labour Demand	Past Completion Rates	Labour Supply
Central Berkshire FEMA	Offices (B1a/B1b)	105.5	-18.5	107.4
	Industrial (B1c/B2/B8)	218.5	51.1	212.6
	Total B Class Land (ha)	324.0	32.6	320.0
Bracknell Forest	Offices (B1a/B1b)	36.4	-25.5	32.5
	Industrial (B1c/B2/B8)	85.7	6.3	70.3
	Total B Class Land (ha)	122.1	-19.2	102.8
Reading	Offices (B1a/B1b)	20.7	-21.3	24.4
	<b>Industrial (B1c/B2/B8)</b>	<b>52.6</b>	<b>24.9</b>	<b>57.9</b>
	Total B Class Land (ha)	73.3	3.6	82.3
Windsor & Maidenhead	Offices (B1a/B1b)	19.3	6.3	19.6
	Industrial (B1c/B2/B8)	52.2	1.5	51.4
	Total B Class Land (ha)	71.5	7.8	71.0
Wokingham	Offices (B1a/B1b)	29.1	22.0	30.9
	<b>Industrial (B1c/B2/B8)</b>	<b>28.0</b>	<b>18.4</b>	<b>33.0</b>
	Total B Class Land (ha)	57.1	40.4	63.9

- 3.16. Under scenario 3 the ENDA notes Wokingham to have a need of 33.0 ha Industrial Land (B1c/B2/B8) and a total B Class Land requirement of 63.9 ha. Further Reading is noted to have an Industrial Land (B1c/B2/B8) need of 57.9 ha under this scenario and as set out in the ENDA, western Wokingham (i.e., Grazeley) is the ideal location to help Reading meet this need as a result of land constraints. This is reinforced by the following quote from the ENDA *“Reading faces particular constraints to accommodating new development due to its tight administrative boundary ... consideration will need to be given to providing for this accommodation within the western parts of the Wokingham Borough (i.e., in locations benefiting from proximity to Reading and strong strategic transport accessibility) in future”* [page 66, Paragraph 5.12].

- 3.17. Based on the above, the site is considered to be exceptionally well placed to cater for the strong market interest from I&L occupiers in this location. It boasts great accessibility to the M4, a key requirement for I&L occupiers, enabling access to a wider potential customer base within a reasonable drive time. Further the new Mere oak Park and Ride facility immediately to the east of the site provides a rapid public transport link to the centre of Reading and would therefore allow sustainable access for workers. This is evidenced by the following quote about Green Park an industrial location on the opposite side of the M4 to Grazeley in the ELNS (2020) *“Green Park is a regionally recognised prime office park that spans the Wokingham and Reading borough boundary”* [page 37 Paragraph 5.28].
- 3.18. The EDNA (2016) uses the ‘labour supply’ method to estimate industrial land need. This approach focuses on the future supply of labour rather than the demand for labour. It identifies the number of workplace jobs that would be required to match the future supply of working-age persons and the amount of employment space that would be needed to support these new jobs identified in the FEMA. We support the use of this method and the study parameters of the EDNA.
- 3.19. The primary drawback of the FEMA EDNA study the fact that it is based on 2012 data [Key finding 1]. This is due to the fact that demand in recent years (e.g., previous 5 years) is a much more accurate measure of demand. Namely because at the beginning of the decade the economy was still in the process of recovering from of the Global Financial Crisis, which slowed demand for I&L floorspace. Moreover, at the beginning of the decade the UK experienced a much lower degree of online retailing. In 2011 online sales were only at 8% of all retail sales, a much lower share compared to today’s 30%. The growth in internet sales is a key demand driver for the I&L sector, especially given that e-commerce requires 3 times more storage floorspace compared to traditional brick and mortar retail. This is why future demand is better captured by considering more recent demand trends (5 years). Over the longer time frames such as 2012 used in the EDNA current day demand drivers either weren’t in place or were not as strong as they are today. This extends to housing growth and freight growth as well.
- 3.20. Wokingham Borough Council, note that due to the age of the data used in the EDNA study they do not consider it relevant to their LPU and thus it does not form part of the evidence base for dictating employment land. We consider this a significant flaw in the evidence base as despite its age the Central Berkshire FEMA EDNA is significantly more robust than the Wokingham ELNS which implies Wokingham to be an independent I&L market leading it to considerably underestimate supply and demand. It is considered that greater evidence needs to be produced regarding the Central Berkshire FEMA as without producing a more robust evidence base using up to date data it is considered that all proposed quantum’s will be below the actual need and thus do not reflect policy requirements.

## Wokingham Borough Council Evidence Base

- 3.21. The most recent employment evidence informing the Local Plan review is the Wokingham Borough Council Employment Land Needs Study (ELNS) prepared by Stantec and Aspinall Verdi in January 2020. Further to this a series of papers including a HELAA, economic position paper and viability position paper were published with Regulation 18 Consultation on the Revised Growth Strategy.
- 3.22. This section discusses the above evidence and makes conclusions regarding its robustness.

## Employment Land Needs Study (ELNS) - 2020

- 3.23. The ELNS was undertaken in January 2020 by Stantec and Aspinall Verdi to assess the future employment land and floorspace requirements in Wokingham Borough, based on jobs forecasts and a specific scenario that relates to the calculation of Local Housing Need. The assessment aligns future jobs forecasts with population growth. The study considers net and gross demand, gross supply and the floorspace requirements across office and industrial uses needed to support economic growth in the borough over the plan period. 'Office' refers to B1(a) and B1(b), and 'Industrial' refers to both warehousing and industrial (B1(c), B2 and B8) uses because in practice these activities are interchangeable and routinely require/occupy the same type of space.
- 3.24. It is noted that the Wokingham ELNS was the only paper published regarding employment land in the Draft Local Plan Consultation (2020) and no subsequent work on the ELNS to reflect the changes to the growth strategy has been carried out.

## Demand and Supply in Wokingham

- 3.25. The net and gross demand, gross supply and floorspace/land requirements to support employment growth in the Borough over the Plan period are set out in the table below.

	Office (Sqm)	Industrial (Sqm)
Net demand	79,067	9,981
Gross demand	93,219	36,055
Gross supply	121,952	16,810
Requirement	28,733	-19,245

- 3.26. The ELNS at Paragraph 6.52 sets out that for offices the assessment shows that the currently available supply comfortably exceeds the demand (by 28,733m<sup>2</sup>). The ELNS notes that there is currently surplus vacant stock which is greater than the annual average take-up of 175,889 sq ft across the Borough and therefore concludes no additional land needs to be allocated for office use [Paragraph 5.48].

- 3.27. In regards to industrial (incorporating warehouse and industrial uses) the ELNS notes the industrial market in the borough is performing well and at Paragraph 6.53 sets out that demand is higher than available supply: Wokingham have just over 2 years of supply in unit terms and just 9 months' supply in floorspace terms in line with the current vacancy rates and up-take rates [Paragraph 5.92]. This results in a requirement of 19,245m<sup>2</sup> additional floorspace, or almost 5 ha of industrial land [just 15% of the identified need [33.0 ha] in Wokingham within the Central Berkshire FEMA EDNA]. It is stated that *"this [need] largely results from correcting the existing under-provision in the market (i.e. the current low level of available stock), rather than the future forecast growth in the labour market. The relatively low future labour market demand reflects the comparatively small industrial sector in the Borough compared with some of the neighbouring authorities"* [page 75].
- 3.28. Despite the ELNS concluding a need for greater industrial land provision in the Wokingham Borough (5 ha), the notion of Wokingham as an independent market area with separate supply and demand is untenable evidenced by the Central Berkshire FEMA. Savills note that this approach is inconsistent with the above national policy principles [see Paragraphs 3.1 to 3.10] which clearly requires a sub-regional (strategic approach) to allocation land for I&L. Further by only considering demand within Wokingham the ELNS will have ultimately underestimated the future land requirement for I&L uses, evidenced by the fact that the ELNS only identifies 15% of the Wokingham need set out in the Central Berkshire FEMA EDNA. We consider the assessment to need to either include the entire Central Berkshire FEMA or as a minimum a 1-hour drive time catchment. It is considered that this diminishes the robustness of the evidence base of the LPU.

## Revised Spatial Strategy Evidence Base

### The Housing and Economic Land Availability Assessment (HELAA) - 2021

- 3.29. The Revised Spatial Strategy included an updated Housing and Economic Land Availability Assessment (HELAA) as part of the evidence base. The HELAA was published in November 2021 and is based on data from March 2021. The HELAA specifically considers the suitability, availability and achievability of land for development, and in so doing assists in the identification of a pool of land that might reasonably form part of potential strategies to manage development.
- 3.30. The HELAA process represents a combination of the assessment of the supply of land for housing and economic development. This means that a single exercise identifies the uses that are most appropriate for a site. This combined approach is advocated by the Planning Practice Guidance (PPG).

### *Summary of Proposed Employment Sites in the HELAA:*

- 3.31. Potential employment capacity of sites was largely not stated through site promotions. Two sites were assessed based on specific capacities and these are noted to have a combined capacity of 6,000m<sup>2</sup>. They are classified as being potentially developable.

3.32. The Thames Valley Science Park was allocated through the Core Strategy for around 55,000m<sup>2</sup> of employment floorspace, part of which has already been partly delivered with planning permission existing for the remainder. This land was re-promoted through the call for sites (5SH020) for additional capacity. Land adjacent to the Science Park was also promoted (5SH050) and together form a wider promotion of the expansion of the Science Park, comprising a potential mix of science and technology, film studios, educational and health uses. The council's planning committee resolved to grant planning permission for a creative media hub including film stages and associated workshops and office space consisting of around 85,000m<sup>2</sup> of floorspace at their meeting on 13 October 2021.

3.33. Land at Kirton's Farm is an existing allocation for 20,000m<sup>2</sup> of employment floorspace as part of an expansion to Green Park and has been re-promoted through the call for sites (5SH021). This site was previously assessed as potentially developable, however following assessment the majority of the site lies within flood zone 2 and substantial areas within flood zone 3a, and would therefore inhibit potential development.

It is noted that the Wokingham ELNS (2020) states that Green Park is "*regarded by agents and occupiers as forming part of the Reading office market*" which allows us to question the inclusions of the Kirton's Farm site as contribution to need in Wokingham itself [page 37, Paragraph 5.28].

3.34. Land to the south of Bridge Farm Business Park, Arborfield, could provide an opportunity for expansion to the existing business park and has been assessed as potentially developable for 5,000m<sup>2</sup> of floorspace. Additionally, land to the south of units 1 to 12 Beech Court, Wokingham Road has been actively promoted through the local plan process and has been assessed as potentially developable for 1,000m<sup>2</sup> of floorspace.

3.35. An opportunity to expand the existing Lambs Farm Business Park, in Swallowfield, was previously assessed as being potentially developable, however due to the redetermination of the Detailed Emergency Planning Zone for AWE Burghfield, the impacts on the emergency plan would require further consideration and detailed assessment (5SW013).

3.36. Further sites promoted for employment floorspace were largely within unsustainable, rural locations. The volume of sites submitted to the HELAA and particularly the number of sites which are considered 'potentially developable' are minimal in comparison to the potential housing supply and in relation to the need expressed in the Central Berkshire FEMA. It is considered that further employment sites need to be identified to meet both local and sub-regional need.

## Economic Position Paper - 2021

### *Evidence: Economic Development Needs*

- 3.37. The Economic Position Paper was published in November 2021 for consultation during the LPU Revised Growth Strategy Consultation and sets out the economic development needs of Wokingham.
- 3.38. The paper begins by setting out the following: economic activity, be that the production of good and services, or the movement of skills and labour, crosses administrative boundaries. This further denotes the conclusions of the ELNS.
- 3.39. The paper then goes on to set out the existing evidence base:

The paper notes that to better understand the functional economic geography of the area, the TVBLEP and the six Berkshire authorities commissioned a study to investigate economic relationships, linkages and flows which characterise the sub-regional economy - The Berkshire Functional Economic Market Area Study (FEMA) (2016). A further report was commissioned to consider the objectively assessed economic development needs of the Central Berkshire FEMA. The Economic Development Needs Assessment (EDNA) (2016) considered the quantitative and qualitative floorspace requirements over the period 2013-2036, which are then considered in terms of land, in hectares (ha). For Wokingham Borough, under the Labour Supply scenario, the EDNA anticipated employment land requirements of 30.9 ha for offices (B1a/B1b), and 33.0 ha industrial (B1c/B2/B8).

To take account of more recent data and to scrutinise the EDNA approach, an Employment Land Needs Study (ELNS) (2020) was jointly commissioned between WBC, West Berkshire Council and Bracknell Forest Council. The findings of this are set out above [see Paragraph 3.23 to 3.28].

### *The Draft Local Plan Consultation (2020)*

- 3.40. The Economic Position Paper set out the strategy proposed in the Draft Local Plan Consultation (2020) which sought to meet the identified economic needs. The strategy proposed to retain all of the key employment locations designated as Core Employment Areas in the Councils adopted local plans, such as Thames Valley Business Park and Winnersh Triangle, which provide significant employment opportunities across the borough. The policies set out in the Draft Local Plan Consultation (2020) proposed to direct new economic development towards these Core Employment Areas in the first instance, and provide protection from other uses, unless specific criteria could be demonstrated.

## *Revised Growth Strategy (2021)*

- 3.41. The Economic Position Paper then set out the Revised Growth Strategy approach to meeting need.
- 3.42. The identification of a new Strategic Development Location (SDL) on land south of the M4 between Shinfield, Arborfield and Sindlesham is the largest proposed change within the Revised Growth Strategy. Policy SS3: Hall Farm / Loddon Valley Strategic Development Location, proposes a series of development principles, including: *“Phased expansion of the Thames Valley Science Park for employment and complementary uses, comprising 85,000m<sup>2</sup> in the form of film and television studio campus and 100,000m<sup>2</sup> research and development”*. This is the most significant change to the Draft Local Plan Consultation (2020).

## *Further Work*

- 3.43. The Local Development Scheme sets out that the pre-submission version of the LPU is due to be published in Summer 2022. In advance of this milestone, further work will be undertaken to understand and where necessary adjust the proposed economic strategy of the LPU. This further work is likely to include:
- Updates to take into account the latest borough wide monitoring information regarding completions, commitments and losses of employment floorspace.
  - The impact of COVID-19, including working patterns, increases in remote/home working and wider implications such as last mile logistics.
  - The implications of wider market forces, notably BREXIT.
  - The impact of changes to the Use Classes Order in creating Class E (Commercial, business and service).
  - Adjustments to floorspace needs to take account of an extension to the plan period from 2036 to 2038.
  - Working collaboratively with landowners to evolve the vision for economic development as part of the Hall Farm / Loddon Valley SDL.
- 3.44. It is considered that the Economic Position Paper simply sets out existing evidence and highlights where extra work is required and does not strengthen the evidence base. Thus, it is considered that the LPU and specifically this Revised Growth Strategy Consultation is out of date and flawed in relation to employment land and namely I&L specifically which has received no focused Borough or sub regional analysis. Importantly this analysis is not included in the Further work listed above.

## Conclusion

- 3.45. It is considered that the existing evidence base for both Wokingham and the Central Berkshire FEMA has several pitfalls allowing us to conclude it is not credible or robust.
- 3.46. Firstly, the regional data presented in the Central Berkshire FEMA is dated. The data used in the study is from 2012, and research reveals the need for statistics from the previous 5 years due to change in patterns of demand due to recovery from the Global Financial Crisis; the growth of e-commerce and; the impacts of COVID-19 [see Paragraph 3.19]. It is based on the age of the study that WBC conclude it to not be relevant to the LPU, however as noted above we consider this to be a significant flaw in the evidence base as despite its age the EDNA is considered to be more robust than the Wokingham ELNS due to the reason set out below.
- 3.47. The evidence produced by Wokingham in the ELNS it is deemed to be inappropriate by nature as it focuses specifically on the locality of Wokingham opposed to the regional context necessary for I&L development which has seen an unprecedented upturn in demand due to significant changes to retail trends. This approach has ultimately resulted in the underestimation of the future land requirements for I&L uses (evidenced by it identifying 15% of the need set out for Wokingham in the EDNA) and is inconsistent with national policy [see Paragraphs 3.1 to 3.10]. As noted in Paragraph 3.28 a minimum of a 1 hr catchment is required for accurate conclusions to be drawn, however ideally the Central Berkshire FEMA should be the study zone.
- 3.48. Thus, based on the above it is concluded that the LPU has insufficient employment data with no new evidence being produced (with the exception of the HELAA which had very limited employment sites) and the previous evidence base relied upon being flawed. Based on the market trends set out in the following section it is anticipated that this review of the Central Berkshire FEMA would likely result in the need for additional allocations on top of the shortfall currently identified.



## 4. Industry and Logistics

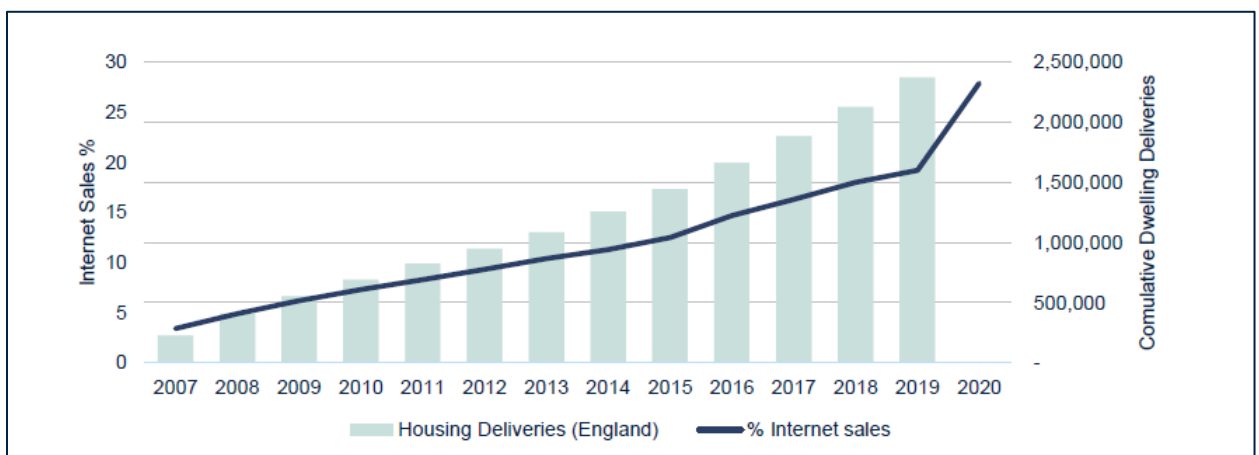
### The National and Regional Need for Industry and Logistics (I&L)

- 4.1. The UK Economy and the way we live our lives has significantly changed over the last twenty years, supporting the long-term growth of the I&L sector.
- 4.2. Savills research indicates that the I&L sector continues to break records as investment volumes top £4.7 billion in 2020 <sup>[3]</sup>. **The sector now employs around 3.4 million people in England and represents 14% of the total economy in GVA terms, or £268 billion** [ONS Annual Accounts]. Arguably the most important characteristic of the sector is its above average productivity growth estimated to be 29% between 2025-2039 compared to 18% for all other sectors.

#### Drivers of Change

##### Population Growth and Consumption

- 4.3. The growth in I&L demand has been supported by increases in population, as there is a direct link between population growth and household consumption. Housing growth at the national level has broadly tracked the growth in online retailing before the onset on the COVID-19 pandemic, during which time online retailing has spiked even higher. The Government’s current housing target is for 300,000 homes per annum in England.

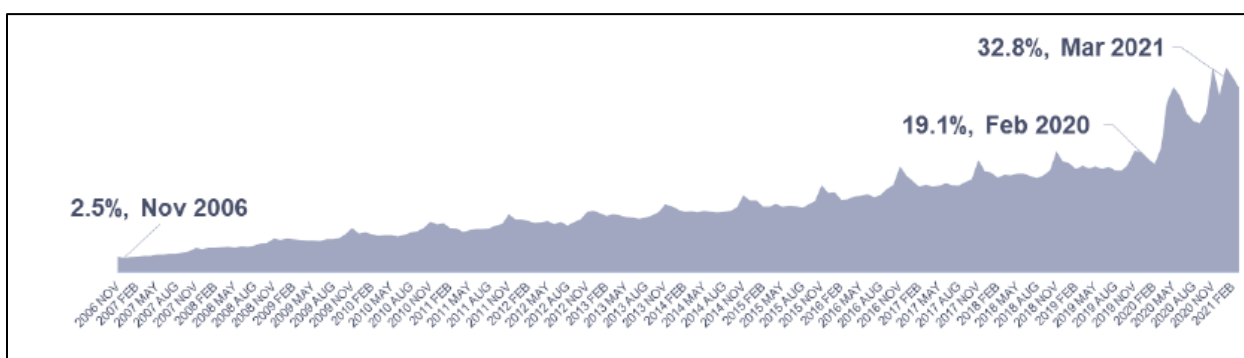


**Figure 4: Internet Sales as a % of all Retail Sales and Dwelling Completions since 2007**

<sup>3</sup> <https://www.savills.co.uk/insight-and-opinion/savills-news/309885-0/industrial-and-logistics-sector-continues-to-break-records-as-investment-volumes-top-%C2%A34.7-billion-in-2020>

## Online Shopping

- 4.4. The growth in online shopping has significant implications on future I&L demand given that e-commerce requires around 3 times the logistics space of traditional brick-and-mortar retailers<sup>[4]</sup>. Online retailing relies on increased choice for the consumer and also increased delivery speeds to a location of people's choosing. This means that more inventory is required to be located nearer to the general population. This in turn has meant that more and more warehouse space is required both by online retailers but also traditional bricks and mortar retailers who are adapting their supply chains to compete.
- 4.5. The exponential growth in online retail is probably the most quantifiable of the major changes driving growth in the I&L sector. Statistics collected by the ONS from November 2006 show that internet sales back then accounted for only 2.8% of all retail sales. This increased to 6.8% in February 2010, and was 19.1% in February 2020 before the onset of the COVID-19 pandemic. The most recent figures are 32.8% in March 2021 and 29.4% as of April 2021.
- 4.6. While the proportion of online retailing may soften slightly as the UK economy opens up, most commentators agree that online retailing will continue to grow from a higher base than before the pandemic due to behavioural changes such as increased home working and continued demand for rapid parcel deliveries. Forester Research [a respected source of future online retail projections] estimate that online retail will continue to grow but from a higher base into the future at 32% in 2022 and steadily growing to 37% in 2025.



**Figure 5: Internet Sales as a Percentage (%) of Total Retail Sales**

<sup>4</sup> Prologis (2016), Global E-Commerce Impact on Logistics Real Estate. Online Article: <https://www.prologis.com/about/logistics-industry-research/global-e-commerce-impact-logistics-real-estate>

## UK Freight

- 4.7. Freight volumes are another key growth driver of I&L floorspace need. Freight arriving and leaving the UK needs to be sorted, packaged and distributed via a network of freight handling infrastructure (i.e. ports, freight handling airports, rail freight interchanges and motorways) and conveniently located I&L premises in order to reach end customers. Savills industrial agents advise I&L occupiers should ideally be located within 1-2 hours' drive time of the supply chain. London Heathrow Airport is located within 1-hour drive from the subject site (27.7 miles), further London Luton Airport and London Gatwick Airport are in relatively proximity (58 miles and 56 miles respectively). Freight volumes at Heathrow have increased by 24% over the last ten years (2009-2019) from 1,277,650 tonnes in 2009 to 1,587,486 tonnes in 2019, accounting for 63% of total airport tonnage in 2019.
- 4.8. Further, there are two ports located approximately an hour away from Grazeley, Southampton (45.3 miles) and Portsmouth (56.5 miles), which account for 8% of total port freight in 2019. Both of these ports are located within the Solent Freeport Area and have recently announced significant investment into port infrastructure to increase each ports' freight handling capacity <sup>[5]</sup>. UK freight volumes are also predicted to increase significantly into the future.

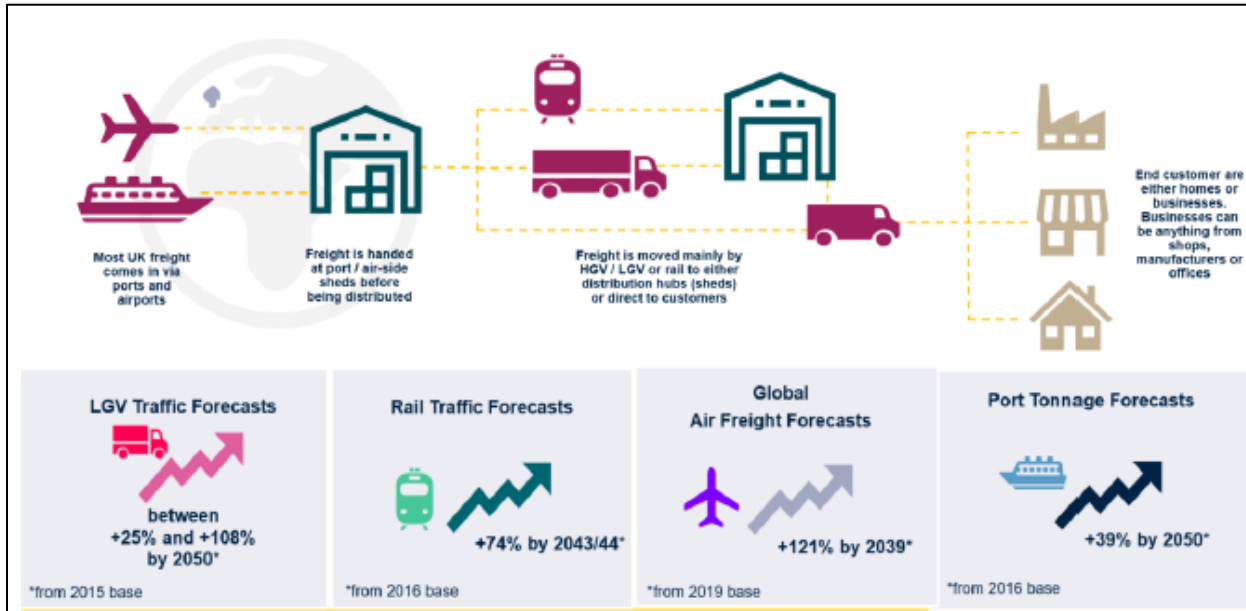
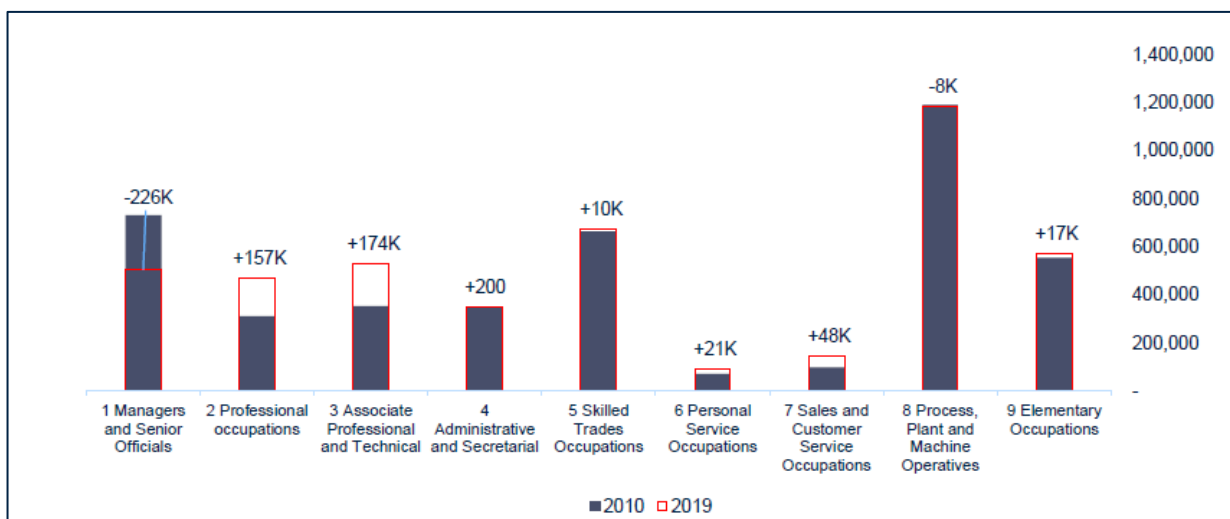


Figure 6: UK Freight Future Growth

<sup>5</sup> (Southampton): In April 2021, DP World Southampton announced a £40 million investment for new infrastructure at the port, designed to strengthen the position of the port as a premier international freight and logistics hub. (Source: <https://www.dpworld.com/southampton/news/latest-news/investment-to-meet-growing-customer-demand>)

## Changing Nature of Jobs

4.9. The I&L industry is also changing with a more diverse range of occupations. New technologies have significantly impacted the sector, transforming the way tasks are performed and businesses operate. While the beginning of the decade saw a more polarised distribution, with a higher share of managers at one end of the spectrum and more routine occupations at the other end, we now see a higher share of Professional and Associate Professional and Technical roles, which can be both associated with high-skilled engineering and technological professions.



**Figure 7: I&L Jobs**

## Near-Shoring and On-Shoring

4.10. COVID-19 has also highlighted the level of interconnectedness of international supply chains and their fragility when one or more links break. Companies have started building up greater resilience in their operating models by moving operations either back to the UK or closer by as a means to minimise future supply-chain-induced disruptions. This is expected to accelerate near-shoring or re-shoring trends, which 20% of firms are planning to do or have already started, according to a survey carried out in July 2020 by the Institute for Supply Management. This is likely to lead to higher domestic inventory requirements, further increasing long-term demand for warehousing and logistics space. Surveys carried out by Savills also suggest that it is widely expected that COVID-19 will 'Somewhat Increase' supply-chain on-shoring.

4.11. BREXIT is likely to add further uncertainty surrounding the strength of UK supply chains, influencing the need for further logistics space. If, in the short term, companies adopt nearshoring policies to insulate themselves from future supply chain disruption, it is likely that European manufacturing will increase which in turn will create a ripple effect for warehouse demand. This would put pressure on local logistics space markets and require the development of more floorspace in those areas, and more generally along transport routes. Certain I&L activities may therefore be re-shored to the UK as it becomes more expensive to conduct business in the EU.

### Summary

4.12. The trends that are shaping growth in the I&L sector discussed above are shown in the graphic below. Overall, we expect these trends to increase future demand for I&L floorspace above the historic level.



*Figure 8: Summary of Contributors to I&L Growth*

## The Pattern of I&L Supply and Demand in the Region

- 4.13. Based on the limited evidence base regarding employment land and namely I&L, Savills has undertaken research into the I&L sector to understand the current regional trends of supply and take-up and to analyse the development pipeline <sup>[6]</sup>. Key findings from that research are set out below.

### Supply

- 4.14. A Savills report dated May 2021 showed the level of supply in the regional market remained steady over 2020, sitting at 3.79m sq ft across 17 separate units, an 11% increase on 2019. There is now an estimated 1.24 years' worth of supply in the market given the five-year average annual take-up. Furthermore, with c. 415,000 sq ft currently under offer and only one unit under construction, Savills envisage the level of supply and vacancy rate throughout the region, decreasing in the short-to-medium term.
- 4.15. The quality balance is heavily skewed towards lower-quality units with just 12% of available space classed as Grade A, 56% is Grade B, and 32% Grade C. Additionally, by unit count, the supply continues to be dominated by smaller units with 71% being within the 100,000-200,000 sq ft size band. There are three units above 300,000 sq ft, all of which are of second-hand quality.

### Take-up

- 4.16. Adhering to regional trends, deal volumes have centred around the smaller size bands with 82% of the deals by unit count being within the 100,000-200,000 sq ft range. There was a single deal within the 200,000-300,000 sq ft size band, and one above 500,000 sq ft. The largest deal this year was Amazon committing to a 2.3m sq ft unit at Panattoni Park Swindon.
- 4.17. Occupier demand continues to revolve around better quality units with 64% of deals involving Grade A units. Our data suggests that the lack of good quality supply is pushing occupiers towards the build-to-suit route as 76% of space transacted in 2020 was built-to-suit.
- 4.18. Information provided from Colliers to CN notes enquiries from 21 companies for I&L space in the M4 corridor, for both short and long-term opportunities. The combined requirements from the 21 firms is for approximately 122 ha [c. 13 million sq ft] when taking the upper limit figures provided. This figure is made up from a large range of sq ft requirements: for example companies including Wayfair, Smurfit Kappa and Amazon are noted to have a need of up to 1,000,000 sq ft while others have an expressed need of a space between 170,000 to 200,000 sq ft. This evidences the significant demand and future take-up in the region supporting I&L development at Grazeley.

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<sup>6</sup> Savills, Crest Sector Use Report, May 2021 - Grazeley

## Development Pipeline

### *South East*

- 4.19. Developers have responded to the lack of supply with 16 units under construction totalling 2.72m sq ft, a 101% rise from the start of last year. Eight are in the South East at 1.6m sq ft and eight within the M25 totalling 1.12m sq ft. There are 12 units under constructions in the 100,000-200,000 sq ft size band, 3 in the 200,000-300,000 sq ft size band, and a single unit in the 300,000-400,000 sq ft size band.

### *South West*

- 4.20. There is currently a single unit under construction in the wider region: Bristol 360, which is being developed by Mountpark. The unit will total 360,000 sq ft and was set to reach partial completion in H1 2021.

## **Industry and Logistics at Grazeley**

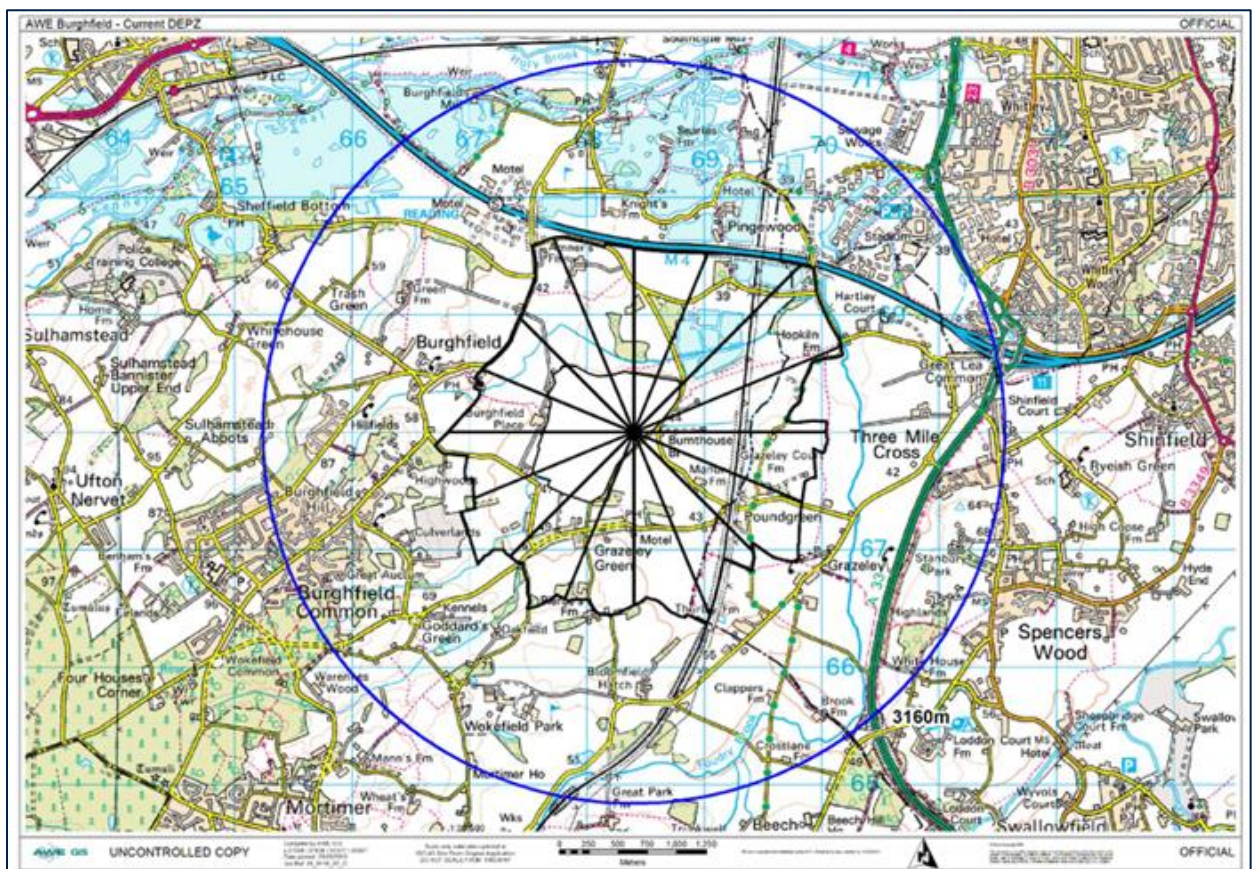
- 4.21. The above sub-sections demonstrate the demand and profitability of I&L in Wokingham and the wider South East region. This representations document will now set out why the norther portion of Grazeley GT is an optimal site to be allocated for I&L development by looking at both site characteristics and the DEPZ.

## **I&L in a DEPZ**

### DEPZ Background

- 4.22. As previously set out Grazeley GT was the preferred option for development of WBC during the 2020 LPU consultation. Subsequent to agreeing the Draft Local Plan, a change in legislation resulted in the redetermination of the Urgent Action Area and the Detailed Emergency Planning Zone around AWE Burghfield.
- 4.23. On 22 May 2019, the Government introduced REPIR 19 to strengthen the national emergency preparedness and response arrangements for radiological emergencies. The new legislation replaced the Radiation (Emergency Preparedness and Public Information) Regulations 2001. All 36 UK nuclear sites working with 'ionising radiation' (as defined by the legislation) have one year to comply in full by 21 May 2020.
- 4.24. The principal changes under REPIR 19 meant that the Council had to: determine the Detailed Emergency Planning Zone (DEPZ); provide information to the public within the DEPZ area; appoint a Radiation Protection Advisor and; review and revise the AWE Off-Site Emergency Plan.

- 4.25. The main focus of this report is in relation to the determination of the DEPZ. For AWE Burghfield the consequence report noted: the Urgent Protective Actions (UPA) area for the site is a radius of 3160m and the Outline Planning Zone (OPZ) area for the site is a radius of 12km [see figure 9]. This expansion was calculated on the largest distance that shelter was indicated as an appropriate prompt protective action in a series of consequence assessments using a range of source terms, weather conditions and age groups [7].
- 4.26. A number of communities being included in the DEPZ which had not been before including Burghfield Common (West Berkshire), Green Park (Reading), Three Mile Cross and Spencers Wood (both Wokingham). Further it meant that the Garden Town Proposal at Grazeley for 15,000 dwellings was no longer viable as the entire site is now located in the UPA [see figure 9].



**Figure 9: The change in the Urgent Protective Actions (UPA) area** – the ragged black sector is the current boundary of the DEPZ and the blue circle is the new 3160m radius UPA [Source: AWE Burghfield Consequences Report, Issue 1 2019, Page 6 – Appendix A: Map A].

<sup>7</sup> <https://info.westberks.gov.uk/CHttpHandler.ashx?id=48825&p=0>



4.27. The adopted West Berkshire Core Strategy was made on 16 July 2012, they are currently undergoing an LPU which is set for adoption December 2022. The relevant policies of both the made Core Strategy and emerging Local Plan and their implications for Grazeley are set out below:

4.28. **Core Strategy Policy TB04: Development in vicinity of Atomic Weapons Establishment (AWE), Burghfield:**

Policy TB04 sets out that *“development will only be permitted where the applicant demonstrates that the increase in the number of people living, working, shopping and/or visiting the proposal (including at different times of the day) can be safely accommodated having regard to the needs of “Blue light” services and the emergency off-site plan for the AWE site at Burghfield”* [page 30]. It is noted that where the development exceeds the scale of development detailed for each consultation zone the applicant will have to provide this information.

In the Inner Zone (the DEPZ for the AWE – at time of adoption 0-1.5 km) the scale of development is as follows *“all residential and non-residential applications where one or more additional person may live work, shop and/or visit”* [page 30] – with the amendments set out above the land at Grazeley is now located within this zone, it is noted that this does not deem I&L as inappropriate it simply required the developers (CN) to provide the required information set out above.

4.29. **In the emerging Local Plan** [set for adoption December 2022], **Policy SP4: Atomic Weapons Establishment (AWE) Aldermaston and Atomic Weapons Establishment (AWE) Burghfield**, of the December 2020 consultation draft sets out the relevant policy. Policy SP4 notes that *“in the interest of public safety, residential development in the DEPZ of AWE Aldermaston and AWE Burghfield is likely to be refused planning permission”* [page 26]. No direct mention of other uses being unacceptable in the DEPZ is made, thus we consider that subject to required emergency plans I&L development is appropriate within the DEPZ.

Policy SP4 sets out that consultation arrangement for planning applications will be undertaken with the ONR. For AWE Burghfield in the DEPZ the following development type would require Office for Nuclear Regulation (ONR) consultation *“any new development, re-use or re-classification of an existing development that could lead to an increase in residential or non-residential populations thus impacting on the off-site emergency plan”* and *“any new development, re-use or re-classification of an existing development that could pose an external hazard to the site”* [page 26]. As with the requirements set out in Core Strategy Policy TB04 this does not prevent development of the site it requires developers to provide relevant information and work in collaboration with the ONR.

4.30. This opinion is echoed in the Growth Report by David Lock Associates (2018) which noted that the AWE Burghfield DEPZ effectively dictates that no built development can occur within its boundary, however limited and low levels of low density employment and informal uses may be considered acceptable, subject to a risk assessment process [page 30, Paragraph 4.74].

- 4.31. Information from a Nuclear Specialist provided to CN is inserted below and outlines why a sites location within a DEPZ should not result in it being excluded from assessment and ultimately notes why I&L development is considered acceptable in the AWE Burghfield DEPZ.

Information on AWE Burghfield DEPZ provided by Nuclear Specialist Katmal Limited

- 4.32. Katmal Limited produced a report on behalf of CN regarding the DEPZ subsequent to its expansion. Katmal Limited set out that a DEPZ is not a reason for concern and “A DEPZ by itself does not preclude economic activity (for example Devonport’s DEPZ encompasses an urban area, Hartlepool’s an industrial area) but does require an additional level of planning consideration”. It simply requires more stringent planning requirements as detailed by the ONR [planning requirement within the AWE Burghfield DEPZ are set out above at Paragraphs 4.27 and 4.28].
- 4.33. The report sets out that the ONR website clearly states that “it does not advise against the proposed development on planning grounds if, in its opinion, the following statements apply:
- *the local authority emergency planners, if consulted, have provided adequate assurance that the proposed development can be accommodated within their existing off-site emergency planning arrangements (or an amended version); and*
  - *the development does not represent an external hazard to a nuclear site or the planning function for the site that may be affected by the development has demonstrated that it would not constitute a significant hazard with regard to safety on their site”.*

- 4.34. Thus, emergency planning considerations do not prohibit development within a DEPZ. Katmal Limited set out a series of requirements for development within a DEPZ:

They note that “one of the ONR’s criteria is that new developments can be accommodated within the local authority’s off-site plan. Since the cost and complexity of warning systems based on broadcast phone messages, sirens and social media posts do not scale with users, **placing more people within the DEPZ does not stress the key element of the current plan (alerting)**”.

Further, “any developments would also have to be shown to pose no threat to the site or to the emergency response to the site. This may limit the nature of the activities acceptable, for example precluding hazardous chemical plant, but **a wide range of homes, shops, factories, offices and distribution centres, for example, may gain approval, particularly if they are sited near the edge of the DEPZ.** The impact on travel time for emergency services called to site would also be a consideration; it would be necessary to show that any major new development did not adversely affect these times”.

## Summary of Development in a DEPZ

- 4.35. The above information from both policy and the Nuclear Specialist Katmal Limited demonstrates that precluding types of land use (such as I&L which have low levels of human presence) for no good reason results in economic and social penalty from lost opportunities and the need to site necessary development in areas less well suited.
- 4.36. The existence of a DEPZ should not be a reason for assuming any development is inappropriate as the ONRs consultation processes ensures any proposed development would be judged on its own merits taking into account the details of the proposal and the effects the development would have on the on-site and off-site plans. An example is presented below to evidence the suitability of industrial development within a AWE in accordance to ONR requirements.

## Evidence of I&L Development Suitability in a DEPZ

- 4.37. Evidence of the suitability of industrial development within a DEPZ is provided by the recent outline planning permission at Blacks Lake Track Racing, Paices Hill, Aldermaston (Application No. 20/02527/OUTMAJ). The proposal was for the construction of an industrial estate to comprise up to 15,917 sqm of flexible commercial floorspace for B8 (Storage or distribution), Former B1 (c) now Class E (Commercial, Business and Service Use) and B2 (General Industry) with associated access, parking, infrastructure and landscaping. The application from set out the following quantum's: 15,272 sqm B8 (Storage or distribution), 1,210 sqm B1(c) (Light Industrial) and 1,210 sqm B2 (General Industrial) floorspace.

The application site is located within the Aldermaston AWE DEPZ, resultantly the proposal had to undergo consultation from numerous governing bodies. The ONR on the 11 of February 2021 commented that they advise against the application unless the emergency planners at West Berkshire District Council were consulted and confirmed the proposed development can be accommodated within their existing off-site emergency planning arrangements (or an amended version of it). When contacted the WBC Emergency Planning department confirmed they had no objections and the AWE noted they did not wish to comment on the application. The proposal was approved on 29 September 2021 subject to a series of planning conditions, those related to the DEPZ are set out below:

**Condition 17:** *“No development shall take place until a comprehensive Emergency Plan has been submitted to and approved in writing by the Local Planning Authority in relation to the construction phase of the development. Thereafter the measures set out in the approved Emergency Plan shall be implemented in full for the duration of the construction process”* [page 6].

**Condition 18:** *“No development shall take place until an outline Emergency Plan for the whole site has been submitted to and approved in writing by the Local Planning Authority. The plan shall be based on the draft submitted with this application however it must also provide the following:*

- a) *Confirmation as to the construction of each of the units - in order to assess they will be able to provide adequate sheltering conditions.*

- b) Confirmation that a live telephone landline would be available in each of the units
- c) More details as to what would be needed to happen in each of the units by way of the 'basic' actions.
- d) More detail in relation to how a controlled immediate evacuation or a controlled release after shelter would be undertaken and where an agreed location for everyone to go to would be. The site is on a major road and one which would be used by the emergency services as a result any evacuation must not impact on the responding vehicles.
- e) Confirmation in the emergency plan that all the equipment referred to will be available such as bedding, masks, food etc. for each unit.
- f) Whilst it is noted that there is often 85% daily occupancy of the maximum numbers of employees this does not take account of visitors to the units who would also need to be accommodated therefore the sheltering capacity should take account of this. In addition the layouts of each unit must allow for sheltering the maximum occupancy with no requirement for anyone to go outside to get shelter in another unit.
- g) More detail is necessary in relation to the coordination of the response across all unit.
- h) More detail is necessary in relation to training and exercising of the plan(s).
- i) More detail in the plan should be added in relation to recovery" [page 6-5].

**Condition 19:** "No individual unit shall be occupied until a comprehensive Emergency Plan for the site and that particular unit has been submitted to and approved in writing by the Local Planning Authority. Upon occupation of the respective unit the approved measures within the Emergency Plans shall be implemented in full, shall be kept up-to-date by the unit operator and the site management/owners. Thereafter, the plans should be reviewed and amended as necessary and at least annually. The Local Planning Authority may at any time require the amendment of either/both plan(s) by giving notice pursuant to this condition. The Local Planning Authority may at any time require a copy of the then current Emergency Plan for the site which shall be submitted to the Local Planning Authority within 1 month of notice being given" [page 6].

This demonstrates that subject to meeting the above requirements the ONR and West Berkshire Council deem use class B land appropriate in the DEPZ.

## The Suitability of Grazeley for I&L

- 4.38. The above text demonstrates the site to be suitable for I&L development despite its location within a DEPZ (the reason for exclusion of the Draft Local Plan). Below the table sets out the criteria that Savills believe to be the most influential when determining the site suitability for I&L and the justification for these criteria. Subsequently it assesses the Grazeley site against the criteria. It is noted that the site is considered to perform well against all criteria and thus is considered highly suitable for I&L development.



**Table 2: Important I&L Site Attributes**

Criteria	Justification	The Site
<b>Level Site</b>	I&L units need to be uniform in their construction so as to enable unobstructed access by service vehicles, forklifts and for some company’s automated system that assist with sorting and packaging processes. Therefore, level sites devoid of obstacles and significant level changes are a critical requirement.	The entire site is relatively flat, but not without features.
<b>Access to Amenities</b>	In terms of worker amenities, modern units are increasingly providing these on site such as breakout spaces, external landscaped areas for relaxation, onsite cafés, gyms etc. In addition to this, a wider array of amenities in the immediate area that can service the needs of workers are also desired.	While some I&L occupiers will likely provide onsite amenities for workers, the wider area offers a range of additional amenities which can be accessed sustainably via the Mere oak Park and Ride facility immediately to the east of the site that provides a rapid public transport link to the centre of Reading. Further if the Grazeley Garden Town proposal was to be allocated at a future date this would provide an abundance of additional amenities.
<b>24hr Operation</b>	The desire of modern society for shorter delivery timeframes requires I&L occupiers to have incredibly efficient storage, packaging and distribution processes. 24 hour operations are an increasingly important part of this evolution, especially in response to the continued growth of online retailing. Sites located close to motorways with a level of separation from sensitive uses are typically more likely to facilitate 24 hour operations without causing unacceptable environmental nuisance. 24 hour operations also enable longer haul journeys to be undertaken overnight to avoid daytime traffic congestion.	The area of the Grazeley site earmarked for I&L uses is devoid of sensitive uses such as residential and is nearby to M4 Corridor, Green Park Industrial Estate and the Park and Ride. Further the site is in proximity of both Wokingham and Reading district centres and transport interchanges. This should facilitate supply chain linkages being formed amongst these different employment zones.
<b>Motorway / A-Road Access</b>	Access to motorways and A-roads is key for commercial occupiers, particularly for I&L companies. A direct motorway connection facilitates access to a greater number of customers within a reasonable drive time. It also enables HGV and LGV access without the need for them to travel along residential and rural streets which are not designed for these sorts of vehicles and the level of	The site is immediately adjacent to the M4 and A33 corridors, making it ideally located for I&L uses. The area earmarked for I&L uses is close to the motorway junction which means HGV and LGCs accessing the I&L premises will not disrupt the local road network and residents. The site’s location would allow for 24 hour operations.



	trips that can be generated by I&L uses. Motorway / A-road access is also important for car-borne commuters.	
<b>Market Access (within 1 hour drive time)</b>	I&L uses typically want to be within 1 hour drive time of their end customers and suppliers. While some companies may be happy with a long drive time catchment, 1 hour is considered optimal for the vast majority of I&L occupiers.	The subject site can reach over 7 million people within a 1 hour drive time, including the major conurbations of Reading, Oxford, High Wycombe, Swindon, Slough, Southampton, West London and Watford.
<b>Access to Intermodal Facilities (within 1 hour drive time)</b>	Freight arriving and leaving the UK needs to be sorted, packaged and distributed via a network of freight handling infrastructure (i.e. ports, freight handling airports, rail freight interchanges and motorways) and conveniently located I&L premises in order to reach end customers. As discussed, Savills Industrial Agents advise I&L occupiers ideally have a 1 hour drive time to their supply chain and customers.	The subject site is conveniently located close to a number of key freights handling infrastructure including Heathrow Airport and Southampton Port. A more detailed summary of key freight handling infrastructure located within a 1 hour drive time of the site can be found in <b>Section 4</b> .

**The Alternative Uses Potentially Suitable at The Site**

4.39. The sites potential use types were reviewed by Savills (May 2021) on behalf of CN due to the recent change in the Burghfield AWE DEPZ. As set out above the revised DEPZ now covers the entirety of the Grazeley site. This section will now detail potential alternative uses also deemed appropriate:

4.40. Solar Farm and Batteries

*Solar Farm*

The renewables market has been increasing in recent years and instead of power coming from a limited number of very large suppliers and being transmitted through the National Grid, much of it comes from smaller renewable sources that connect directly into the regional Distribution Network Operators.

Commonly the majority of solar developers will be funded by an investment fund or be in partnership with a fund, with some being self-funded off the back of their own portfolio.

*Batteries*

There is also a requirement for land to host batteries for renewables. Solar farm and batteries can be paired with data centres [see below] enabling a ‘greener’ development which would complement both the developer and Councils sustainability aspirations.

## 4.41. Data Centre

As the world has shifted to more on-line activity, the data centre market has been very active over recent years as it tries to accommodate the rising demand for storage capacity. Given the land available at Grazeley, the site could provide the right space currently required in the local area.

It is noted that the general appearance of data centres can be designed to blend coherently with the immediate area, for example with living walls. This means that if residential development ever was to occur at the remaining land at Grazeley due to a change in the DEPZ visual transition between the two land uses would be relatively seamless. Further when considering green credentials, data centres are well-placed to benefit from renewable energy sources due to their stable power consumptions, with many existing data centres using 100% renewable energy, resulting in lower carbon emissions.

A case study example of a new data centre in a location with similar credentials is provided in Bracknell. Plans were recently submitted for a c. 19 acre site in Bracknell for commercial units for B1c, B2 and B8 use, in a joint venture between Credit Suisse Asset Management, Chancery Gate and Hines to build a 350,000 sq ft data centre. The site is situated on an existing business park with close access to the A329, M4 and M3.

### *Traditional and Cloud Data Centre*

The UK, Germany, France, Sweden and the Netherlands are the best-graded countries as they have solid network infrastructure in place, large data consumer pool, high cloud penetration rate from both end-users and enterprises, and good connectivity.

Germany, the UK, the Netherlands and France have the highest number of co-location data centres according to Cloudscene, The four countries account for 74% of the data centre investment volume accumulated between 2014 and 2020, with the UK alone, attractive most investor interest (40%).

- 4.42. Savills believe the above uses could be suitable on site subject to technical assessment. Notwithstanding this, due to the growth and demand of the I&L sector set out in **Section 4** and the lack of suitable supply and assessments shown in **Section 3** alongside the suitability of the site demonstrated in Table 2 that I&L is the optimal way forward for the land at Grazeley.

## 5. Conclusion

- 5.1. This representations document responds to the WBC Regulation 18 Preferred Options Consultation and promotes the land at Grazeley on behalf of CN for I&L development.
- 5.2. **Section 2** of the report provides a background to the site at Grazeley and the Garden Town Proposal for 15,000 dwellings allocated in the previous Regulation 18 Consultation in 2020.
- 5.3. It is at **Section 3** 'The Evidence Base' that this representation document begins to explore the employment land need in Wokingham. The Central Berkshire FEMA EDNA indicates an industrial land need of 33.0 ha in Wokingham [a total need of 212.6 ha in the wider FEMA] whereas the Wokingham ELNS notes a need of just 15% of the identified need in the EDNA (5 ha). It is considered that neither of these quantum's can be considered robust due to pitfalls set out at Paragraphs 3.45 to 3.47 and summarised below:
- The regional data presented in the Central Berkshire FEMA EDNA is dated. The data used in the study is from 2012, and research reveals the need for statistics from the previous 5 years due to change in patterns of demand due to recovery from the Global Financial Crisis; the growth of e-commerce and; the impacts of COVID-19 [see Paragraph 3.19]. Notwithstanding this, the EDNA is considered more robust than the ELNS due to the wider study area allowing realistic I&L demand predictions and thus its exclusion from the LPU evidence base is seen as a significant flaw.
  - The evidence produced by Wokingham in the ELNS it is deemed to be inappropriate by nature as it focuses specifically on the locality of Wokingham opposed to the regional context necessary for industrial development. This approach ultimately would result in the underestimation of the future land requirements for I&L uses and is inconsistent with national policy.
- 5.4. It is therefore concluded that the LPU has insufficient employment data with minimal new evidence being produced and the previous evidence base relied upon being flawed. Ultimately the WBC LPU has been too 'light touch' and greater work is required to produce a robust evidence base. Based on the market trends set out in the following section and the intel provided by Colliers on industrial requirements indicating a total demand for 122 ha, it is anticipated that this review would likely result in the need for additional allocations on top of the shortfall currently identified in the Central Berkshire FEMA and Wokingham itself as indicated at Paragraphs 4.13 to 4.20.
- 5.5. At **Section 4** the trends of I&L are set out, demonstrating the probability of the sector and the positive future trends due to factors such as online shopping, COVID-19 and BREXIT. This is evidenced by the following ONS finding: the sector now employs around 3.4 million people in England and represents 14% of the total economy in GVA terms, or £268 billion [ONS Annual Accounts].



- 5.6. We consider the land at Grazeley the ideal location to help both Wokingham and the wider Central Berkshire FEMA region meet their industrial land requirements. Firstly, due to the fact that the site poses the attributes we consider are required to produce a successful I&L site (e.g., motorway access) set out in Table 2. In regard to the DEPZ, as set out by the Nuclear Specialists Katmal Limited precluding land within a DEPZ from analysis results in economic and social penalty from lost opportunity and the need to site necessary development in areas less well suited. Thus, I&L development on Grazeley is considered appropriate subject to appropriate plans and mitigation due to low human presence on site.
- 5.7. Further support for the land at Grazeley as an optimal location for I&L development is provided by the following quotes taken from the Central Berkshire FEMA EDNA Study:
- *“The FEMA also accommodates a reasonably strong industrial market which is generally characterised by good levels of demand and low levels of supply and availability. The key locations for industrial activity include Reading (and its surrounding hinterland which takes in adjoining Wokingham Borough and West Berkshire District) and Bracknell both of which benefit from excellent strategic road access and a large critical mass of industrial occupiers and sites” [Key finding 8].*
  - *“Reading faces particular constraints to accommodating new development due to its tight administrative boundary ... consideration will need to be given to providing for this accommodation within the western parts of the Wokingham Borough (i.e., in locations benefiting from proximity to Reading and strong strategic transport accessibility) in future” [page 66, Paragraph 5.12].*
- 5.8. Ultimately due to the reasons above we consider Grazeley to be the ideal location for I&L development.

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