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**Your ref:**  
**Our ref:**  
**Date:** 27 February 2023

Dear ██████████,

West Berkshire Local Plan Review 2022-2039 Proposed Submission (Regulation 19)  
Consultation and Duty to Co-Operate Employment Land – Formal Request for support in  
meeting employment land needs

With regard to your local plan consultation and further to your email request letter of 13 January 2023, which we note was also similarly sent to a number of other neighbouring local planning authorities within the counties of: Berkshire, Buckinghamshire, Hampshire, Oxfordshire and Wiltshire, this letter provides our formal response. We welcome opportunities to engage and collaborate with West Berkshire Council (WBC) on strategic planning matters, policies and cross boundary issues as relevant. We note that West Berkshire has a number of planning constraints which restricts potential site allocation options, particularly that 74% of the district is AONB.

Our adopted Test Valley Borough Local Plan covers the period 2011 to 2029, and we are currently in the process of preparing a new Local Plan that covers the period 2020 to 2040. We undertook public consultation on our Regulation 18 (Stage 1) Draft Local Plan 2040 for Test Valley Borough earlier this year. TVBC will share information with WBC in due course on matters such as the proposed locations for housing and economic development, as we prepare our Regulation 18 (Stage 2) Plan for consultation timetabled for Quarter 3 of 2023, as relevant.

As part of our evidence base we have the Economic, Employment and Commercial Needs (including Logistics) Study 2021, (Stantec), which was commissioned on a sub-regional basis by the Partnership for South Hampshire (PfSH) and extended to provide Borough-wide coverage of Test Valley. As this used a predominantly past trends based methodology to forecast future needs, an additional Test Valley Employment Needs Further Analysis Study 2022 (DLP) was also commissioned by the Council which is currently being finalised. The initial findings are that the economic relationship with West Berkshire is relatively weak and we are not in the same FEMA. A Test Valley Economic Assessment Study 2023 is also currently underway.

We have considered your request regarding employment land needs, taking account of your current draft West Berkshire Local Plan Review 2022-2039 Proposed Submission (Regulation 19) Consultation and its associated evidence base and topic papers etc., as relevant. This has included specifically the content of: *Berkshire Functional Economic Market Study 2016* and the *West Berkshire Employment Land Review 2020 and Addendum 2022*.

*Berkshire Functional Economic Market Study 2016*

This concludes that that Western Berkshire FEMA comprises West Berkshire district with the key centre of Newbury. This area is characterised by having a relatively self-contained Travel to Work Area (TTWA) and tends to operate within a westward facing commercial property market constituting a key node at the western end of the M4 corridor. Whilst there is some synergy in travel to work and property market terms between Newbury and Reading, these linkages are not considered sufficiently strong to include West Berkshire within a Central Berkshire FEMA.

The Newbury TTWA comprises the majority of West Berkshire, as well as parts of Wiltshire, Basingstoke and Deane and Test Valley. For Test Valley this is the northern most part of the Borough around Linkenholt, Vernhams Dean and Faccombe which is very rural and within the AONB.

There is therefore not a strong commercial property market linkage with Test Valley and the Housing Market Area also suggests very limited overlap with Berkshire.

*West Berkshire Employment Land Review 2020 and Addendum 2022.*

Based upon the latest figures in the 2022 Addendum we note that there is deficit of 50,816sqm offices and 32,409sqm (9.4ha) industrial. It is not clear however whether these relate to Newbury or the edge of Reading.

The conclusions of the Addendum and considered relevant:

For offices, the overall balance is not a concern in the short term. In the medium to longer term, the gap should be filled by seeking to maximise the potential for new office provision through redevelopment schemes, of existing retail and offices uses within Newbury town centre. It could also be met through mixed use allocations to include an element of housing and employment. The floorspace requirement should be seen in the context of the whole plan period to 2039 and it be demonstrated how it could be accommodated with reasonable prospects of delivery.

For industrial, there is a pressing need to frontload the plan with a readily available pipeline of space. Therefore as much as possible of this overall need should be allocated on easily deliverable sites. There are a number of potential sites in the HELAA, but the majority of these are subject to constraints and policy considerations and none of these are in Newbury, which is an imbalance that should be addressed. If all other options fail to meet demand consideration should be given to providing new industrial floorspace as part of potential large housing allocations, albeit this would only deliver smaller and lighter units, but these are in demand, and viable in the East (Reading market area), although less so elsewhere.

Significantly, it does not recommend seeking to meet any shortfall outside of West Berkshire.

In conclusion, we are unable to assist in meeting your shortfall in employment land and floorspace. However, crucially taking account of the findings and recommendations of your evidence base we consider that in any event, for us to do so would not be an appropriate response or suitable solution in planning terms to meet your unmet employment land needs, given that we are within a different FEMA and there is a low level of economic interaction between West Berkshire and Test Valley, in both commuting/labour market terms and in the operation of the commercial land and property market. Any additional provision in Test Valley would not therefore be an appropriate alternative for your own local arising need which would otherwise have been accommodated within West Berkshire itself.

I confirm that the content of this response has been discussed with, and agreed by our Planning Portfolio Holder, Councillor Phil Bundy.

Notwithstanding this response on the specific issue of your shortfall in meeting employment land needs, we look forward to continuing our engagement on our emerging local plans. This letter should also be considered as our formal response to the West Berkshire Local Plan Review 2022-2039 Proposed Submission (Regulation 19) Consultation. We have no further comments.

Yours sincerely,

David Bibby  
Principal Planning Officer (Strategy)  
Planning Policy and Economic Development