

Local Plan  
Central Bedfordshire Council  
Priory House  
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Chicksands  
SG17 5TQ

**Date:** 12 August 2020  
**Our ref:** 15572/01/HS/SF/18683560v3  
**Your ref:**

Dear Sir/Madam

## **Central Bedfordshire: Local Plan Examination: Additional Consultation on Examination Documents**

### **Representations on Behalf of Prologis UK Ltd**

On behalf of our client, Prologis UK Ltd ('Prologis') we set out below our comments in respect of the additional Central Bedfordshire Local Plan Examination documents that are the subject of consultation. The documents present additional evidence for the Examination and Prologis welcomes the opportunity to consider and provide comments on this material.

Prologis is the promoter of both the Marston Gate Expansion site, as supported by the draft Plan's Policy SE2 and the Sundon Rail Freight Interchange (RFI) site (draft Plan Policy SE1). It is responsible for the production of two of the documents that are now the subject of further consultation, namely the Prologis Park Marston Gate Expansion Scheme Comparison Document (**EXAM 106**) and the Sundon Rail Freight Interchange Alternative Site Assessment (**EXAM 107**). These documents responded to a letter, dated 30<sup>th</sup> September 2019 (**EXAM 69**), from the Local Plan Inspectors that identified outstanding concerns regarding the two strategic allocations, and sought to address the identified shortcomings in the available evidence base. With regard to the Marston Gate allocation, the document submitted assesses the landscape and heritage implications arising from the draft allocation, with due regard to an enhanced package of mitigation measures (including a reduced scale of development at the site) that can be secured through an amended policy. For the Sundon RFI proposed allocation, EXAM 107 assesses all those sites which have the potential to accommodate RFI development, to act as an alternative facility to that proposed through the draft allocation.

It is hoped that this additional evidence can assist the Inspectors in their consideration of the soundness of the two strategic allocations, responding to the various matters that were discussed at the Examination and those that were subsequently referenced in the Inspectors' letter.

In addition to this new material, Prologis has considered the new evidence documents prepared by the Council. This representation has been prepared in respect of the Marston Gate allocation in the draft Local Plan and the comments below relate to this site and the issues associated with its assessment within the new evidence documents. This representation draws upon a Market Update Report, prepared by Savills, that

considers both the demand for, and supply of strategic warehousing across Central Bedfordshire and beyond, and as such updates a similar report that was submitted with Prologis' original Hearing Statement. Separate representations on this material, prepared by David Lock Associates, have also been prepared on behalf of Prologis in respect of the Sundon RFI allocated site.

Prologis' comments relate to the following new evidence documents:

- 1 Employment Technical Paper (**EXAM 112**);
- 2 Sustainability Appraisal (SA) of the CBC Local Plan – Supplementary Report and Appendices (**EXAM 115 and 115B**);
- 3 Employment Land Update (**EXAM 109**); and,

WSP has also provided input on all highways related matters and have submitted separate representations on behalf of Prologis in response to **EXAM 114**.

### **Employment Technical Paper (EXAM 112);**

EXAM 112 sets out the Council's response to the Inspector's letter dated 30 September (EXAM 69), focussed on those matters related to employment provision promoted within the draft Local Plan. Drawing upon existing and updated evidence, it justifies the Council's employment strategy, both with regard to the inclusion of strategic warehousing allocations within the Local Plan and the site selection process undertaken. It concludes that there is strong demand for strategic warehousing along the M1 and A1, with a very limited supply to meet this demand but comments that, mistakenly in Prologis' view, there is no obligation on the Council to provide for this sector, given its 'footloose' characteristic. With cross reference to the Supplementary SA (EXAM 115), it notes that overall, as the effects at the strategic SA level of assessment are so uncertain, it is difficult at this stage to conclude whether the social and economic benefits of allocating warehouse sites could outweigh the potential negative effects. As is rightly noted in EXAM 112, the SA is one piece of a wider evidence base that informs the plan. EXAM 112 concludes that only through the consideration of a particular site's sustainable attributes is it possible to conclude as to the merits of allocations in the Local Plan. Again with cross reference to the findings of EXAM 115 and in particular the sustainability employment site assessments undertaken within this document, it concludes that the Council's strategy to include for the needs of strategic warehousing is appropriate and furthermore, the proposed Marston Gate Expansion site allocation (amongst others) is fully justified. Specific details regarding the sustainable performance of the Marston Gate site are provided and a modified policy SE2 is set out.

Prologis support the overall findings of EXAM 112 and the Council's continued commitment to the Marston Gate Expansion allocation. However, whilst the Employment Technical Paper is supportive of the principle of additional strategic warehousing provision and specifically at the Policy SE2 site, it is considered that it underplays both the role of locations such as Marston Gate Expansion in Central Bedfordshire in meeting a clear need for additional warehousing accommodation, and the increasing importance of the sector for the local, regional and national economy.

Strategic warehousing is not 'footloose' as portrayed within this document, in the sense that it can go anywhere and so no one planning authority is obligated to plan for it, nor are the jobs created in anyway of less importance than others associated with alternative forms of employment floorspace. This distinction is particularly frustrating when consideration is given to the current economic climate and the relative performance of the various employment sectors as they respond to both an ongoing pandemic and Brexit. The essential role of strategic warehousing in maintaining the UK economy, and as a sustainable source of key employment opportunities should be recognised, and the value of the sector appropriately referenced within this document. Proper recognition of the economic importance of strategic warehousing would

influence the outcome of the comparative appraisal undertaken within this document and with EXAM 115 (i.e. that considers both provision and non-provision of allocations within the Local Plan). The balance between the benefits and disbenefits of provision for the sector explored in EXAM 115 would 'swing' firmly in favour of provision. Giving the appropriate weight to the socio-economic benefits of strategic warehousing within this document would thus provide further support to the Council's adopted approach that seeks to retain these allocations in the draft Local Plan. These matters are discussed in more detail below.

### **Footloose Strategic Warehousing**

We appreciate that there has been much use of the term 'footloose' at the Examination with reference to the nature of strategic warehousing. EXAM 112 maintains this same nomenclature (see paragraph 4.1.3 and 5.4 as examples). The continued reference to the 'footloose' nature of warehousing is misleading as it is clearly not the case that such development can be successfully located wherever it is 'placed'. To some extent, this is recognised in EXAM 112 in that the need for access to the strategic highway network is referenced as a locational requirement, with the M1 and A1 (M) identified as key routes across Central Bedfordshire. However, 'footloose' tends to imply if the need for strategic warehousing is not catered for in Central Bedfordshire, it will simply be satisfied elsewhere. It is also mistakenly inferred /suggested that no one Council has responsibility for meeting this footloose demand. At the very least NPPF 2012 encourages Councils to be aspirational as well as realistic. It is perfectly appropriate Central Bedfordshire Council to respond to the market while plan making.

Moreover, in reality, the alternative options are limited – to the south, London's Green Belt extends into the authority's boundary and beyond that, London's industrial land supply is under pressure from alternative land uses (i.e. residential). The Secretary of State's recent intervention on the London Plan, removing the requirement for 'no net loss of employment' in previously protected SILs will only quicken this trend, and in any event, the size of land available within the London conurbation is rarely sufficient to enable provision of warehousing on a strategic scale. To the north, the area often referred to as the Golden Triangle (i.e. an area of the East Midlands between the M1, M6 and M42 renowned for its high density of distribution facilities) does not offer a realistic alternative. As we highlighted in the Savills' report dated May 2019 that was appended to our original Hearing Statement, this area tends to serve the Midlands in contrast to locations in Central Bedfordshire which typically seek to serve the M1 corridor and south, towards London.

### **Supply**

Contrary to the concept of a 'footloose' sector, there is an acute shortage of available buildings to meet the demand of occupiers looking to serve the London and South-East population. In last year's Savills Report, we identified around one year's worth of supply in the South East. This report has now been updated, and conclusions from this 2020 study add to the evidence regarding a lack of opportunities for the sector. It remains the case that there is just over a year's supply (1.13 years) of grade A space left in the defined Property Market Area ("PMA") and some of this floorspace is already under offer. Furthermore, in recent years there has also been an increase in less traditional occupiers of large warehouse schemes, notably data centres and more recently the UK Film and TV industry for film studio, ancillary prop storage and set building. Both sectors are taking up available warehouse space for the distribution industry further reducing capacity. Failure to provide opportunities through Local Plan allocations will prejudice the ability of the sector to meet the compelling need for accommodation, which is particularly inappropriate given prevailing policy priorities.

## **Policy and the Increasing Importance of the Sector**

*The importance of the industry is picked up in last year's PPG (Paragraph: 031 Reference ID: 2a-031-20190722, Revision date: 22 07 2019) and whilst we recognise the role of this document in terms of the preparation of this Local Plan, it still provides helpful guidance: "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)."*

It also stresses the locational requirements of warehousing, further debunking the 'footloose' idea:

*"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..."*

*"...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)."*

This recognition reflected the changes made to the NPPF, with the February 2019 document for the first time specifically referencing the value of the sector (one of only three sectors singled out for recognition). Paragraph 82 requires planning policies and decisions to recognise and address the specific locational requirements of the storage and distribution sector. Whilst we recognise this Examination is taking place under the transitional arrangements that does not negate the need to have regard to increasing importance of the sector whilst plan making. The latest NPPF requires authorities to make provision for the storage and distribution sector at a variety of scales and in suitably accessible locations. Again, the role of this document in the preparation of the Central Bedfordshire Local Plan is acknowledged but it must be the case that evidence documents supporting the Local Plan preparation should properly acknowledge the importance of the sector.

## **Recent Events and Ongoing Trends**

We would also highlight the implications arising from the current Covid-19 pandemic. To date, the UK has tended to operate with just-in-time supply chains, which is a very efficient system, but perhaps not as resilient as those with more capacity built in. In response to the pandemic, occupiers have reviewed their supply chain resilience, and are now seeking increased warehouse capacity to enable more inventory held, and positioned closer to the end user. Occupiers are calling for more on-shoring/near-shoring of production rather than such heavy reliance on distant countries, particularly China. This will only lead to an increase in demand for well-located warehousing but also increase the important role of such accommodation in the UK's future resilience planning.

This is of course in addition to the increases in demand arising from changed shopping habits, that again have further shifted in favour of e-commerce in recent weeks. With government enforced lock-down and self-isolation, there has been a massive uptick in demand for on-line groceries to the point where supermarkets simply cannot meet demand for delivery slots. It is expected that a lot of these new customers will be 'converts' to this way of doing their grocery shop and remain long term customers leading to additional requirements of logistics buildings where goods are delivered directly from either RDCs (regional distribution centres) or CFCs (customer fulfilment centres) effectively dedicated warehouses rather than stores.

It is well documented that e-commerce has revolutionised the UK logistics sector in recent years, with the proportion of on-line spending increasing threefold between 2008 (4.9%) and 2018 (17.9%) (ONS).

According to the ONS report, ‘*How our internet activity has influenced the way we shop*’, October 2019, more people shop online as internet use has increased. The report states that 87% of adults were daily users of the internet in 2019 (48% in 2008), and no doubt that is a result of more people owning smart phones and tablets which are usually on their person making purchases online highly convenient. It is reasonable to expect that the trajectory of growth for online retailing will accelerate post coronavirus, as people may have become even more reliant on internet shopping. This issue is explored further in an updated 2020 Savills Report, that is attached which evidences this trend.

### **The Importance of Central Bedfordshire to the Industry**

Within this context, we would comment that Central Bedfordshire, and Junction 13 of the M1 in particular is extremely well located from a logistics perspective. In addition to the M1, which is of course an important arterial route running north-south through the centre of the country between London and Leeds, it also benefits from an East/West route linking the M40 with the A1 via the A421 and in time this is likely to feature strongly as part of the Oxford-Cambridge Arc. The majority of the UK can be reached within a four-and-a-half-hour HGV drive time, and the two largest conurbations (London and Birmingham) can both be reached within approximately one hour. As existing logistics parks already demonstrate, including the success of the existing Marston Gate phases and Magna Park Milton Keynes just further north, Junction 13 of the M1 is a strategically important location for these types of occupiers. The already high demand for strategic warehousing in this part of Central Bedfordshire as referenced above and evidenced in the attached Savills Report, will increase further, and as above, it is not the case that this demand can be easily satisfied elsewhere, should the Local Plan not cater for this strategically important sector.

We are concerned, therefore, that the Document’s ‘footloose’ reference (for example 5.4.2) and subsequent assessment of the implications arising from the inclusion of the strategic warehousing allocations underplays the increasingly important role of both the sector and Marston Gate as a strategic location incorrectly assumes that the needs of the sector can be met elsewhere should the allocations not be retained. If the principle that no authority needs to plan for logistics that serve markets beyond their administrative boundaries takes hold, the plan-led system would be failing the logistics industry at the very time when it is most needed. Thus removing the allocations within the draft Local Plan would inevitably reduce the capacity of the sector to meet needs at a time when the importance of the sector to the UK’s economic resilience is increasing – a position recognised with recent Government policy priorities. Central Bedfordshire Council’s and the Local Plan’s approach to strategic warehouse allocations should not be considered as unnecessary or some ‘luxury’ but rather a necessary response to clear market and policy requirements.

### **Urgency and the Value of Warehousing Jobs**

Paragraph 5.4.6 notes that the warehousing demand within Central Bedfordshire is strong and far in excess of any jobs forecast-derived estimate. *“The plan strategy currently addresses this by allocating up to 140ha of land for strategic warehousing on sites considered to be qualitatively suitable. It is considered that additional supply will be required in the longer-term, which can be addressed through the early partial Local Plan review that the Council has already committed to”.*

The submitted Savills Report supports these findings, evidencing a strong demand for strategic warehousing, coupled with a limited supply. The reference to an early review of the Local Plan for additional provision of employment floorspace is acknowledged and welcomed, but EXAM 112 clearly identifies that demand exists today, and furthermore, this demand is increasing as the UK economy looks to respond to a different set of prevailing economic circumstances. The early review of the Plan should not be an opportunity to delay provision of sites for this important sector in the Draft Local Plan, as the fast pace of change is evident, requiring an immediate response.

Paragraphs 5.4.9. – 5.4.16 reference the findings of the Supplementary Sustainability Appraisal (EXAM 115) that considers the two options of providing or not providing land to meet some of the “footloose” requirement for strategic warehousing. It cross refers to the Appraisal, noting that if the Council was not to make any provision for warehousing through the Local Plan, there would be a minor negative effect on support for the regional and local economy and would also reduce the number and range of job opportunities that would otherwise be made available.

We respond to EXAM 115 below, but would note that these findings are undermined by the incorrect assumption that the sector is ‘footloose’, with the simple ability to relocate elsewhere. As above, this is not the case, with the non-provision of the allocation resulting in a clear and obvious reduction in the region’s warehousing capacity. The associated loss of opportunity for jobs losses will be real and the assumption that they would be provided elsewhere is replaced but also, the contribution of the proposed allocations towards the maintaining an efficient, sustainable and effective supply of goods for consumers and businesses will be lost to both the area and beyond. To suggest this would represent a ‘minor negative effect’ to be considered in any planning balance argument misrepresents the importance of the sector and the role of the proposed allocations in maintaining and supporting the efficient operation of the local and regional economy.

## **Consideration of Marston Gate and Post Examination Modification to Policy SE2**

### *Commentary on Marston Gate Allocation*

Section 6.4 of EXAM 112 provides an overview of the allocation at Marston Gate, responding to the comments of the Inspectors following the previous Hearing sessions. It notes the previous discrepancies between the original SA and the appraisals undertaken by Officers in the Employment Site Assessment process both of which LUC reviewed. LUC note that there is a distinct difference in the level at which these assessments were carried out with the SA providing a high-level assessment looking at the principle of development instead of the very detailed analysis in the Employment Site Assessment. EXAM 112 concludes that the later work was undertaken by “*technical specialists with an overall objective to preserve the landscape and as such, it does have a particular emphasis on the negative impacts*” (para 6.4.3). Furthermore, the document highlights that the Employment Site Assessments “*... was not based on objectives that have been fully scoped and considered against a robust baseline*” (para 6.4.5). Overall, in respect of the two assessments, it concludes that “*...the approach within the SA is considered to be more balanced and consistent approach, rather than a restrictive approach*” (para 6.4.5).

Prologis agrees with this overview of the relative merits of the two assessments. We comment on the detailed findings of the Supplementary SA below in our review of this document, but with regard to landscape, we consider this document takes the right high-level assessment as well as a far more balanced view on potential development impacts than the previous Employment Site Assessment work. EXAM 115 acknowledges the sensitivity of the landscape across Central Bedfordshire as a whole; the clear and obvious impact of existing infrastructure (i.e. the A1 and M1 corridors) on landscape quality; the potential for development proposals to contribute positively towards Character Area objectives through careful master planning; whilst also understanding that strategic warehousing development will unavoidably involve the creation of large buildings.

In terms of the commentary provided on the Marston Gate site within EXAM 112, we note that paragraph 6.4.13 states that the Supplementary SA concludes that development at the site would have a negative impact on two SA objectives (i.e. soil quality and heritage assets). We comment on these scores in more detail below but would highlight that the SA actually scores the site a ‘blue’ neutral impact (with some uncertainty) on heritage assets.

### *Modified Policy SE2*

This section concludes with reference to modifications to policy SE2, that propose to incorporate a specific height threshold for development across the site, along with a requirement for any application coming forward at the site to incorporate a number of significant design features to help assimilate the development into its setting. These include the use of multi barrelled roofs, the adoption of a muted colour palette and the provision of additional landscaping. It is confirmed that these proposed changes to the Policy SE2 are acceptable to Prologis, and we discuss the positive implications of these changes below, with reference to the assessment undertaken of the site's suitability, within EXAM 115.

Similarly, Prologis note the reference in the policy to the need to optimise the sustainable benefits arising from the proximity of Ridgmont Station to the Marston Gate Expansion site. Again, Prologis welcome this clarification, noting that the planning application for development at the site already makes provision for improvements to the station environment, car park and public transport interchange facilities. The proximity of the Station is a unique characteristic of development at this location and along with the existing sustainable transport initiatives employed at the Marston Gate site which offer the opportunity for enhancement through 'economies of scale', there is an opportunity to create a development that benefits from real sustainable accessibility choices. These policy changes to Policy SE2 are therefore supported.

The amended Policy detailed in EXAM 112 continues with reference to the historic environment, identifying those historic assets located within the surrounding area. It requires any development proposal forthcoming at the site to demonstrate that any negative impacts on the significance of the designated heritage assets have been avoided, and if this is not possible, mitigated. It also sets out a requirement for the submission of a design code to capture specific details such as required siting; scale, colour and massing of the buildings and any landscaping proposals.

As NPPF 2012 [129] advises and to assist the consideration of potential historic impacts of proposed development outlined in Policy SE2, within the context of the proposed changes to the policy, Prologis has submitted to CBC EXAM 106 "Prologis Park Marston Gate Expansion Scheme Comparison Document", which set out and demonstrates the changes to the proposed modified development parameters for the Marston Gate Expansion site and compares them with those in the submitted scheme. The document also looks at the additional measures that have been developed to further mitigate the proposed development on the allocated site. Appendix A of this document includes a table that describes the various historic assets that may be affected by development, the significance of each asset, and finally an assessment of effects, undertaken in accordance with Historic England's GPA3 ("*The Setting of Heritage Assets*" - Second Edition; December 2017). This assessment includes consideration of the proposed mitigation measures that are now suggested by policy (i.e. the use of multi barrelled roofs, the reduced height of buildings across the site, the use of a sympathetic colour palette, and the provision of additional landscaping). The full details of this assessment are not repeated here but the following conclusions require highlighting:

- there would be no negative effect to All Saints Church, Segenhoe (Scheduled Monument and Grade II\* listed building), which was not inter-visible even to the previous higher scheme, or to the now derelict 'The Round House, Brogborough Park Farm' (Grade II listed building) which again has no inter-visibility with the site, or to the Aspley Guise Conservation Area which also has no inter-visibility; and,
- Low levels of harm (i.e. negligible, negligible to minor adverse and minor adverse levels based on EIA) are predicted in relation to the setting of heritage settings for the five remaining named designated assets and to certain local conservation areas.

We would question, therefore, the need for the amended Policy SE2 to make specific reference to All Saints Church, Segenhoe or the Round House, Brogborough Park Farm as a potential source of effect given the lack of inter-visibility. Low levels of harm (i.e. negligible to minor adverse) are predicted to all other assets

suggesting that significant impacts can be completely avoided and that conflict between the asset's conservation and the proposed development is minimised as NPPF at 129 advises.

The amended policy also requires that "Any future development at SE2 must demonstrate that any negative impacts on the significance of the designated heritage assets identified in this policy, including through development in their settings, have been avoided and if this is not possible, mitigated...". Prologis welcomes the inclusion of an additional reference to heritage assets and the associated need to guard against negative impacts. However, there is a concern that the current wording of the policy is not consistent with NPPF 129 which refers to minimising conflict. The current policy could be interpreted to require mitigation to be complete i.e. development would only be considered acceptable where there is no residual harm resulting. This level of protection is clearly not intended, nor supported by any relevant policy. We also note, for example, paragraph 134 of the NPPF (2012) confirms that "*Where a development proposal will lead to less than substantial harm to the significance of a designated heritage asset, this harm should be weighed against the public benefits of the proposal...*" i.e. *there are circumstances where other benefits of a proposal justify a level of harm*. We would therefore suggest that the policy is amended to include the phrase "minimised". Thus the principle of minimising all negative impacts is encouraged, but the suggestion that mitigation must avoid any or all residual harm, however inconsequential, is removed. The above minor amendments to the suggested policy would better reflect the policy tests of the NPPF and the nature of potential impacts arising from development at the allocation site; the Supplementary SA's consideration of the site as a neutral impact on heritage assets; and the comments of the Inspectors in their letter dated 30<sup>th</sup> September 2019 (EXAM 69) which made no specific reference to heritage concerns.

## **Sustainability Appraisal of the CBC Local Plan – Supplementary Report (EXAM 115) and Appendices (115B);**

### **Strategic Warehousing Allocations**

As above, EXAM 115 considers the option of not accommodating the strategic warehousing 'footloose' needs within the Local Plan. As noted previously, the document concludes that Option 2 (i.e. non-provision) would have negligible effects on all but one of the Sustainability Appraisal (SA) objectives, with exception being a minor negative effect against SA objective 4: Employment. The document concludes that this is due to the lost opportunity to contribute towards regional and local economic development and associated jobs. We comment above that this conclusion underplays the negative effect of non-provision – it inappropriately assumes strategic warehousing is 'footloose' i.e. the inference is this can be provided via an allocation in another unnamed plan; it underplays the role of the sector in the UK economy contrary to recent Government policy pronouncements; it gives limited consideration to the nature of prevailing demand and supply; and, it fails to appropriately acknowledge the strategic importance of Central Bedfordshire to the distribution sector, given its location close to important markets and the efficient nature of the strategic highway network.

We also note and challenge the conclusion made in respect of both the numbers of jobs typically associated with warehousing, and the labour catchment area for such strategic sites. Page E3 of the Appendix document states that the jobs per square metre likely to be created in strategic warehouse would be below that associated with more 'normal' employment sites. This tends to suggest strategic warehousing sites will not make a sizeable contribution to Central Bedfordshire's job market. However, the Marston Gate Expansion site is estimated to generate in the region of 2,027 jobs across a range of employment opportunities, which represents an attractive proposition, and any comparisons with the job creation potential for other business uses should properly have regard to the actual likelihood of those jobs forthcoming in the current economic climate. Theoretical comparisons between land uses isolated from an area's attractiveness to a particular business sector is of limited value.



It is also the case that the job opportunities at the Marston Gate Expansion site can be delivered quickly. The market demand is evident, and the site allocation is attracting specific occupier interests. With an allocation in the Local Plan, it is anticipated that the site would be progressed immediately, delivering on employment early in the Local Plan period – at a time when these new jobs are likely to be in particularly short supply. Page E3 continues with comment that the economic benefits of strategic warehousing for the Plan area can be lessened given the likelihood of employees traveling from beyond the local catchment to the sites, given their typical convenient locations on motorway junctions. This is a very simplistic interpretation of employee travel to work characteristics with warehousing schemes just as likely to recruit locally. It is also noted that the neighbouring Marston Vale allocation has the potential to deliver 6000 new residential units in close proximity to the Marston Gate Expansion site. The proximity of the two creates clear synergies for both proposed allocations, with the warehousing site providing new jobs for the new residents, and the housing providing a potential new accessible workforce for the employment site.

Both the job creation characteristics of strategic warehousing and their role in supporting local employment strongly suggests that the SA underplays the employment benefits of providing land for strategic warehousing whilst underplaying the disbenefits of non-provision. Whilst not a criticism of the document, it is also noted that this 'effect score' does not reflect the increased importance of the industry to the UK's resilience strategy, and the increasingly important role distribution warehouses play in maintaining an efficient and constant supply of goods during unpredictable trading conditions, such as those experienced in recent months. As above, rather than a minor negative effect, the real implication of non-provision should be recorded as a much higher negative impact.

It is noted that the effects of Option 1 (i.e. the retention of the allocated sites within the Plan) are generally positive in relation to the social and economic SA objectives, as warehousing sites would provide employment opportunities and potentially help to address inequalities. Again we would stress that this underplays the real benefits of the allocations.

We note that the effects of Option 1 on the environmental SA objectives are generally recorded as negative. One of the reasons given relates to the likelihood of developments requiring employees to travel to work via car with the associated impacts on air quality and greenhouse gas emissions. The document acknowledges that the nature of these negative effects are uncertain until the location and design of sites are known, and mitigation proposals are detailed. We would agree that the high-level nature of this assessment necessarily avoids site specific criteria that potentially exist to help mitigate these impacts. This criterion for example, could easily result in a positive impact should the allocation be located in close proximity to railway station, or involve provision of new employment floorspace at a location that already benefits from a fully operational and successful Travel Plan. Both such characteristics apply to the Marston Gate Expansion SE2 site. Equally, the close proximity of The Marston Gate Expansion site to the Marston Vale allocation will also create opportunities for a positive impact associated with travel to work characteristics with residents able to make the short trip between the two sites sustainably. The SA concludes that as the effects at the strategic level of assessment are so uncertain, with the likely effects depending largely on the specific sites to be allocated, it can be concluded that the decision on whether or not to allocate sites will depend on the individual site assessments, alongside other evidence. *“If sites perform poorly it may be preferable not to make allocations for strategic warehousing”* (paragraph 5.63). We would contest this conclusion, noting the above underplaying of the value of the allocations to the social and economic SA objectives. If these effects are appropriately adjusted, this balance tips firmly in favour of the inclusion of the allocations. It remains the case that site selection criteria should properly evaluate employment site options, but the principle of provision of additional strategic warehousing allocations within Central Bedfordshire should be strongly supported.

## **Employment Site Assessments**

The original SA Report included an appraisal of three alternative strategic employment sites (including both Marston Gate and Sundon RFI). EXAM 115 appraises a further 13 alternative employment site options (i.e. all those that had previously passed the strategic site assessment stage in the Strategic Employment Site Assessment Technical Document. It is noted that these alternatives were previously omitted from the SA process on the basis that they had been assessed in more detail in the Strategic Employment Site Assessment Technical Document and discounted for not meeting specific criteria that the Council considered necessary and appropriate for the delivery of strategic, stand-alone warehousing and distribution uses.

EXAM 115 concludes that *“The best performing in SA terms was Cranfield University Campus and Airfield, followed by Land at Ridgmont (M1 Junction 13). The Cranfield site offers an opportunity for development on a brownfield site, in a less constrained area in landscape terms as it is in the northern part of the M1 corridor, away from the AONB and is also outside of the Green Belt. Land at Ridgmont is also away from the AONB and performs well in relation to sustainable transport as it is adjacent to the railway station at Ridgmont. This is important because the SA work undertaken in relation to the principle of allocating strategic warehousing highlighted the fact that most people are likely to travel to and from such sites via car - the close proximity of this site to a railway station means that there should be better opportunities for people to travel to and from work via sustainable transport than there may be at many sites for strategic warehousing. However, it is recognised that most of the operational movements associated with such warehousing development will be HGVs using the road network”*.

We support the findings of the SA in terms of this comparative assessment of employment site sustainability credentials and agree that that proximity of the railway station to the Marston Gate site delivers significant opportunities for sustainable public transport access. We would also add (as above) that the existing Marston Gate site adjacent to the allocation (which is owned by Prologis) offers the opportunity to ‘piggy back’ on the existing employee travel plan, with the ability to share initiatives to the betterment of their scale, scope and effectiveness. In terms of the detail of the assessment undertaken, with the various employment sites assessed against the 14 SA objectives, we would make the following observations.

### *Objective 6. Highways and Air Quality*

The SA concludes that development at the Marston Gate Expansion site will have a minor negative effect on this objective, acknowledging that some of these effects are uncertain and will be dependent upon the potential for mitigation to be achieved. The Appendix document (Page G31) references the need for infrastructure improvements whilst at the same time noting the positive role of the nearby railway station.

Whilst recognising the SA is a high-level assessment, it is worth noting that making a planning application for development at this site, has led to it substantive traffic modelling work already being undertaken to which has in fact removed some of the uncertainties referenced in this document. As detailed in our original Hearing Statement and provided in Appendix 3 to this document, the application proposals are accompanied by a package of highway improvements, that will positively impact upon both the capacity and safety of Junction 13 of the M1 motorway, and the junction of Bedford Road with the A507 (Salford Road) noting that improvements to this later junction will have knock-on benefits for the efficient functioning of the motorway junction. This package of work has been agreed with both the Highways Agency and Central Bedfordshire Highway Authority and it is accepted that with its implementation, and with due consideration to the traffic generation associated with the development of the proposed site, there will be a net improvement to highway conditions – both road capacity and safety will improve. (Noting that this traffic modelling work also assesses a larger development than would be compliant with the modified Policy SE2).

The delivery of these highway benefits is dependent upon development at the allocated Marston Gate Expansion site coming forward. It is estimated that the total costs for these works is in the region of £3million and Prologis is committed to the implementation of these works, at its own cost, prior to occupation of any distribution development at the site.

It is also noted that the highway modelling work undertaken has demonstrated that these works will be required, regardless of the development of Marston Gate Expansion site to enable the future efficient functioning of the two junctions. In the event of the site not being allocated in the Local Plan and therefore not progressed, there will be an obligation upon the promoters of Marston Vale to implement these works (or a package of similar improvements) at their cost. Equally, other development proposals in the area will be obliged to initially deliver improvements similar to that proposed to protect the efficient operation of the junctions, before any consideration is given to additional traffic flows associated with their own development proposals and additional works required to mitigate that increase.

Returning to the SA scoring, given the above and the more detailed work available upon which to draw conclusions, it should be the case that the Marston Gate Expansion site secures a minor positive effect, with the uncertainty (?) reference removed. We consider that such a score would more accurately reflect the SA's criteria scoring definition (See Page 16 of the SA, "*the development at the site has the potential to enhance the highways network, which will reduce levels of traffic*"). Through the implementation of the agreed package of highway improvements associated with the development of the Marston Gate site (policy SE2), such improvements will be secured.

#### *Objective 14 Historic Environment*

EXAM 115 concludes that the allocated Marston Gate site will have a neutral effect on the Historic Environment, with an element of uncertainty (i.e. a Blue ? score). Referring to the definition of criteria provided in Table 3.3, we note that a 'blue' score is achieved where "*Development at the site will have no significant effect. This may be because there are no heritage assets within the influence of the proposed development or that mitigation measures are considered to reduce negative effects with the potential for a residual neutral effect*".

The assessment undertaken with Appendix G to the SA (EXAM 115B) of the Marston Gate Expansion site confirms that "*There are limited heritage assets in the area. The nearest Conservation Areas and Listed Buildings to the south of the junction are approximately 1km away. There is a Listed Building adjacent to the south of the site. Approximately 1.5km north of the motorway there is also a Scheduled Monument. Development at the site may have an effect on the setting of the heritage assets, and therefore mitigation measures may be required.*" It continues: "*Mitigation is provided through relevant Local Plan policy relating to built heritage which should ensure development does not lead to any significant effects. There are several, small Archaeological Notification Areas in the site. Development could investigate and record heritage assets of archaeological significance in accordance with Local Plan policy relating to archaeology, resulting in increased archaeological knowledge of the local area, however likely neutral effects with some uncertainty at this stage*".

In response, we would clarify that the "*Listed Building adjacent to the south of the site*" is the Grade II Ridgmont Station, which more accurately, is located approximately 180 metres from the site boundary, beyond the existing warehousing of Newton Trailers. We would also comment that the Scheduled Monument (i.e. the Ringwork at the Roundhouse) is located 0.9km from the site boundary.

Given these clarifications, we consider that the heritage appraisal undertaken, both in terms of the approach adopted and the conclusions reached, appears to be well balanced and its conclusions are supported. As above, EXAM 106 '*Prologis Park Marston Gate Expansion Scheme Comparison Document*' provides at

Appendix A, a table that considers potential heritage impacts of development at the site. This assessment includes consideration of the proposed mitigation measures that are now required by the amended policy (i.e. the use of multi barrelled roofs, the reduced height of buildings across the site, the use of a sympathetic colour palette, and the provision of additional landscaping). Consistent with the findings of the SA, this assessment concludes that development at the site will not have a significant effect. Again, consistent with EXAM 115's scoring criteria, EXAM 106's assessment acknowledges the significant distances between the various heritage assets and the allocation site boundary that results in limited intervisibility. It also acknowledges the clear influence of existing infrastructure (both the M1 motorway and warehousing and other built development) on the wider area; and the particular nature of each heritage asset and how it relates to the allocation site with development incorporating mitigation now promoted by the amended policy.

It is acknowledged that the assessment in EXAM 106 identifies some minor effects on heritage assets which should be given considerable weight in the overall planning balance at the plan making stage, but these sit alongside other neutral and negligible effects that overall, demonstrate that the allocated site can be brought forward without significant harm on any heritage asset. With such limited residual harm resulting and consistent with paragraph 134 of the NPPF (2012) referenced above, it is totally appropriate that the clear and compelling socio economic public benefits associated with the delivery of strategic warehousing at the site should be secured through the site's allocation. Conclusions regarding the limited nature of the harm to heritage assets in the vicinity of the allocated site appears consistent with the feedback received from the Inspectors in their letter to Central Bedfordshire Council dated 30th September 2019 (EXAM 69). The letter provided comment on the proposed allocation of the Marston Gate Expansion site. As above, there were no comments made in respect of the impact of the allocation on the historic environment, despite the allocation's heritage context being the subject of considerable debate at the Local Plan Hearing Sessions.

### *Objective 13 Landscape*

EXAM 115B, in its assessment of the Marston Gate Expansion site, acknowledges that the site lies outside of particularly sensitive landscape (i.e. the AONB). It also recognises that the site lies completely within the Bedfordshire and Cambridgeshire Claylands National Character Area, with development within this Area having the potential to create high quality green and landscape regeneration. The site also sits within the more local Salford-Aspley Clay Vale Landscape Character Type where there are visually sensitive features including the views to the Greensand Ridge and Woburn, and landscape sensitive features include hedgerow patterns and remnant areas of deciduous woodland. The document notes that the landscape strategy for Salford-Aspley focuses on conserving the tributary valleys associated with the Great Ouse and enhancing/renewing landscape character. It concludes that development at the site can contribute to delivering on these landscape objectives, with a positive effect. Overall, the site scores a positive green (with some uncertainty remaining at this stage).

It is noted that 7 other employment sites received the same score. Here, the assessment concludes that the Council has not identified specific landscape sensitivities which might otherwise limit the development potential. *"It is expected that development at these locations could help respond positively to the landscape strategies of the relevant landscape character areas."* (Paragraph 4.138). Six others score a major negative, which is justified with reference to a site's proximity to particularly sensitive landscape (e.g. AONB) or particular site characteristics. Two receive neutral scores where development of a limited scale may be considered acceptable. All sites have a level of uncertainty (i.e. a '?') adjacent to the score that the document explains reflects the need for more detailed site assessment work to confirm conclusions.

Prologis support the findings of the SA against Objective 13, noting the consistent approach adopted for the consideration of all employment sites. (For completeness, it is noted that whilst the majority of the site falls

within the Salford-Aspley Clay Vale Landscape Character type, a small area towards the north of the allocation also falls within the Mid Greensand Ridge Area Character area – this is not considered to affect the conclusions reached in the SA). The provision of strategic warehousing will inevitably have some effect on local landscape characteristics wherever it is placed but equally, the development of certain sites can contribute positively towards prevailing landscape objectives. It is appropriate for the EXAM 115 to acknowledge this and assess sites accordingly. For completeness, it is noted that Figure A13 of EXAM 115 identifies an Area of Great Landscape Value, however this designation relates to Policy CS3 of the former Mid Bedfordshire Local Plan. This policy has been superseded and as such the Area of Great Landscape Value is no longer a relevant designation.

In terms of the assessment of the Marston Gate Expansion site, and considering potential performance against the objectives of the various Character Areas (both national and local) that cross the site, it is noted that:

- The site sits adjacent to the M1 and A507 transport corridor (that is elevated in parts) at a location distinct from its surrounds, separated in terms of function and form for the rural villages distant to the south;
- The majority of site sits within base of Vale, alongside the infrastructure corridor, so limiting its effect on any longer views;
- The rise of the site to the north and east can be offset with the accommodation of shorter buildings to the rear with the site allowing for the accommodation of a form of development that respects its setting. The highest parts of the site offer themselves to the creation of substantial landscaping areas, with the potential for large areas of tree planting at its most prominent location;
- The site creates the opportunity for a wider planting scheme, to create strong woodland buffers around the periphery, linking to existing woodland tracts along the boundary with M1 corridor and railway;
- Development at the site can be secured with the enhancement of existing recreational routes and facilities, with the opportunity to improve connectivity between Greensand Ridge and John Bunyan Trail. The Water Way route that passes along the western boundary can be safeguarded within any design; and,
- Development can be achieved without new roads or diverted traffic through rural areas, with quick and efficient links to the motorway achievable.

Whilst the concept of a positive landscape effect of development may not be the obvious conclusion to reach, its validity is perhaps best illustrated with regard to the objectives for the Marston Vale Forest. Existing planning policy seeks the provision of 30% tree cover across any redevelopment site with the Forest Area. It is only through the development of the site that such an objective has any potential to be satisfied. Similarly, the above characteristics of the site ensure that the Marston Gate Expansion allocation has the potential to deliver positively on landscape objectives for its prevailing Character Areas and as such, the conclusions of the assessment undertaken against Objective 13 can be endorsed.

This assessment does not have regard to the mitigation sought by the amended policy SE2 as set out within EXAM 109. As above, this secures a maximum height parameter for development at the site, as well as the incorporation of design characteristics that will further ensure any development forthcoming at this location best assimilates into its surrounding landscape. The policy defines these measures to include the use of multi-barrel vaulted roof profiles which replicate those within the existing Marston Gate site but with a softened roof line. This will also mean that the effective 'visual' height is lower with lower eaves without parapets. In addition, the policy stipulates the use of colour banding, darker shades at lower levels to add

gravitas to the base of the building, with colours lightening up the elevations to aid with reducing the visual impact. The colour palette will consist of browns, greens and greys to aid with tying the buildings back to the surrounding landscape. Finally it requires the use of targeted off site planting to aid with mitigating key views.

In order to test the positive impact of these new policy requirements, Prologis has prepared EXAM 106 which provides an updated visual assessment for the site. It considers the comparative impacts of the scheme that is currently the subject of a planning application against a scheme that incorporates the mitigation measures as stipulated by the modified policy. A number of key views have been selected and fully rendered montages produced that show the development 15 years after completion, to assist with this comparison. The full conclusions of this document are not repeated here but in summary:

- 1 The reduction in height secured by the amended policy will reduce the proportion of development visible in views and ensure that a greater proportion of the development sits below the skyline of the surrounding ridge line. It will also reduce the visibility of the proposed development when viewed from heritage assets in and around Segenhoe and Ridgmont. When viewed from the surrounding ridge line, the reduction in building height will ensure that a greater proportion of intervisibility will be maintained to the ridge line beyond the development;
- 2 The use of a muted colour palette, in addition to the variation of colour and texture along building elevations and a softened roof line, will dramatically reduce the prominence of the development when viewed from the surrounding landscape. This will be particularly effective when the development is viewed from more elevated ground on the surrounding ridge line.
- 3 The potential for off site planting will provide a screen to the development when viewed from the upper levels of Segenhoe Manor.
- 4 The required use of a curved roof design will soften the roof line aesthetically and reduced the effective 'visual' height when compared with a traditional pitched roof design.

These conclusions further support the approach taken to landscape assessment within EXAM 115 and in particular, the conclusions reached with regard to the relative performance of the Marston Gate Expansion site. To confirm, Prologis welcome the addition of the design criteria to Policy SE2 and consider that it creates an appropriate policy context for the future development of the site.

## **Employment Land Update EXAM 109**

EXAM 109 provides an update on the potential supply and demand for employment land across the Borough, reflecting on the implications of recent take up of land by business occupiers. It concludes that the Council's minimum 24,000 Local Plan job target remains appropriate, and reports on a shortfall of 27ha of allocated employment land (excluding land for strategic warehousing) to meet this target. It confirms that no account has been taken of the current pandemic (paragraph 1.9). Reference is made to the strong demand for strategic warehousing; the increased support for this sector in the PPG; recent take up of warehousing developments; and the Council's approach to meeting predicted demand through the proposed allocations. It concludes that *"...with the proposed allocations for the strategic warehousing there would appear to be sufficient land supply for strategic warehousing based on a very buoyant and arguably untypical recent past assuming a review in 5 years is available to top up the supply as needed and justified by the evidence at this time"* (paragraph 3.5.4).

Prologis has submitted evidence with this representation that is consistent with the findings of EXAM 109 regarding the nature of both demand and supply for strategic warehousing within Central Bedfordshire. Our assessment, presented in the Savills Market Report 2020, suggests a high demand and lack of supply across

the wider catchment of the South East with as little as a year's supply currently available, and much of this currently under offer. However, we would contest the suggestion that the recent trends in demand for warehousing may be unrepresentative of the future and there is potential for a 'cooling' of demand (paragraph 3.6.3 of EXAM 109). As referenced in length above, the demand for floorspace has strengthened further in recent months, with the combined influence of COVID and Brexit, and the associated requirements for additional on-shore capacity and resilience within the distribution supply chain. This, combined with the increase in on-line shopping (again a trend significantly strengthened by attitudes during the pandemic) will only increase the demand for strategic warehousing further. These findings further reinforce the Council's strategy to include for the needs of strategic warehousing within the Local Plan and remove any concern regarding the extent of the allocations made – evidence in contrast points towards a need for greater provision rather than less.

It is acknowledged that EXAM 109 deliberately takes no account of the pandemic in terms of its likely effects on demand for employment floorspace (it was published in May 2020 when perhaps there was greater uncertainty) but we would suggest that there is now some more clarity regarding the implications arising. As above, whilst there are those business sectors such as strategic warehousing that will experience a long-term increase in demand for services, in contrast, others are unfortunately set for decline, as the economic impacts of the prolonged lockdown have effect. Job losses are predicted across a broad spectrum of businesses and whilst quantifying the nature of any economic downturn is fraught with difficulties, it is clear that Central Bedfordshire, as elsewhere, is set for a prolonged period of economic underperformance. Its Local Plan strategy, therefore, to specifically cater for the distribution sector through strategic warehousing site allocations is likely to be particularly important to the Borough's economic performance (in terms of meeting job targets) over the early part of the plan period.

## **Concluding Comments**

As an overview, Prologis supports the conclusions of the various new evidence documents produced by the Council with regard to the proposed allocation of the Marston Gate Expansion site, through Policy SE2. The combination of the documents provide evidence to support the Council's strategy to include for the needs of strategic warehousing in the Local Plan, and furthermore, allow for the continued inclusion of the proposed Marston Gate Expansion site allocation, with a recognition that it is one of the two best performing locations when considered against sustainable development objectives.

Prologis look forward to working with the Council as the Local Plan progresses, to secure both its inclusion as a key allocation with the Plan alongside the significant economic benefits that development at this location will deliver.

Yours faithfully

  
**Hugh Scanlon**  
Senior Director