

Cloud Wing UK Ltd

Land at Kempston Hardwick

Representations to the Bedford Local Plan
2040: Plan for Submission Regulation 19
Consultation

July 2022

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Report title: Representations to Bedford Local Plan 2040: Plan for Submission Regulation 19 Consultation

Date: 29 July 2022

For and on behalf of Avison Young (UK) Limited

1. Introduction

1.1 Avison Young ('AY') is instructed on behalf of Cloud Wing UK Ltd ('Cloud Wing') to make representations to Bedford Borough Council in response to the public consultation on the Bedford Local Plan 2040: Plan for Submission Regulation 19 Consultation. These representations have been submitted with the support of the landowner Arnold White Group Ltd (AWG).

Cloud Wing's Land Interest

1.2 Cloud Wing control an extensive area of land to the south of Bedford at Kempston Hardwick that it has promoted for a number of years as the 'Bedford Business Park'. Its land extends to approximately 222 Hectares (or 548 acres) and comprises of three parcels of land:

- Land north of Manor Road and east of the Bedford-Milton Keynes railway line (including the former Kempston Hardwick Brickworks)
- Agricultural land south of Manor Road and east of the Bedford-Bletchley railway line
- Agricultural land between A421 and the Bedford-Milton Keynes railway line

1.3 A Location Plan for the Site is provided at **Appendix 1**.



Figure 1. Site Location Plan

- 1.4 An outline planning application (ref 18/02940/EIA) for the Site was submitted by Cloud Wing UK in November 2018 for the following description of development:

"A commercial and industrial development providing up to 780,379 sq m of floorspace for B1, B2 and B8 uses and ancillary service uses (A1, A3, A4 & A5) and associated infrastructure including open space and landscaping".

- 1.5 An Illustrative Masterplan & various Parameter Plans have been submitted with the application to show how employment uses would be integrated within a network of green infrastructure. Further detail is provided within Section 6.

Purpose of Representations

- 1.6 Cloud Wing made representations to the last round of consultation on the Draft Plan consultation in September 2021. A copy of these representations is provided at **Appendix 2**.
- 1.7 The purpose of these representations is to update the representations made in September 2021 and comment on the soundness of the draft Plan and the modifications considered necessary to make the Plan sound.
- 1.8 For the Local Plan to be sound it must be:
- a) **Positively prepared** - provide a strategy which, as a minimum, seeks to meet the area's objectively assessed needs; and is informed by agreements with other authorities, so that unmet need from neighbouring areas is accommodated where it is practical to do so and is consistent with achieving sustainable development;
 - b) **Justified** - that is, an appropriate strategy, taking into account the reasonable alternatives, and based on proportionate evidence;
 - c) **Effective** - it must be 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; and
 - d) **Consistent with national policy** - enabling the delivery of sustainable development in accordance with the policies in this Framework and other statements of national planning policy, where relevant.
- 1.9 Cloud Wing and AWG support the principle of Policy HOU14 and the proposals within the Plan to allocate this land for development. For reasons that we explain in subsequent Sections of these Representations, the Plan for Submission is not sound as currently prepared, but it is capable of being made sound with modifications. There is no need for further consultation on the Plan; instead it should be modified and submitted for examination no later than January 2023 as required by the adopted Local Plan.

- 1.10 We also have questions over the legal compliance of the plan, particularly in terms of the Council's failure to produce a statement of common ground to demonstrate that it has complied with the statutory duty to co-operate in respect of strategic employment needs and the requirements of Section 33A of the Planning and Compulsory Purchase Act 2004.

2. Local Plan 2040 - Vision

- 2.1 In terms of the economy, the proposed vision for the Borough to 2040 focuses on the development of “*high quality commercial and office spaces*” and attracting “*high tech employment sectors, creative industrial and supporting existing retail centres*”. Underpinning this vision, ‘Theme 3’ talks about a ‘more prosperous’ Bedford. It states that the Council will “*Support a stronger local economy by building on the strengths of the emerging higher value clusters, to become a location for innovative businesses, with a strategically important employment site as a local innovation hub.*” It also talks about allocating land to “*provide locations for the delivery of high quality jobs*”.
- 2.2 The vision appears to be informed by the Council’s recent ‘Economic Ambitions Topic Paper’ (2022). This Paper sets out an aspiration by the Borough to shift away from large scale logistics developments towards facilitating employment development that will deliver a wider range of what are perceived to be ‘higher value’ jobs in “*non-Class B8 sectors*” with the aim of developing a “*more balanced, productive and, therefore, higher value economy*”.
- 2.3 This aspiration appears to be based on an overly simplistic analysis of the strengths, weaknesses, opportunities and threats to the economy of Bedford that is not grounded in evidence. The assessment is flawed in terms of its characterisation of the recent growth in demand for logistics space in the area as a ‘weakness’ or a ‘threat’ to the Borough (e.g. insufficient local workers to fill vacancies in logistics, reduction in jobs due to automation, logistics leading to a low-productivity economy) rather than a ‘strength’ or an ‘opportunity’ to be maximised.
- 2.4 The evidence shows that nationally the industrial and logistics sector is highly productive with Gross Value Added (GVA) per job currently at £58,000, some 12% higher than the average of all sectors. Its productivity is also predicted to grow at a faster pace, increasing by 29% between 2025 to 2039 compared to 18% across the UK economy as a whole¹. Therefore, the Council’s vision and evidence fails to recognise that the industrial and logistics sector could provide a significant opportunity to boost the productivity of the Borough, where its own evidence indicates that it lags behind nearby urban centres (Figure 2) and suggests that part of its aim is to

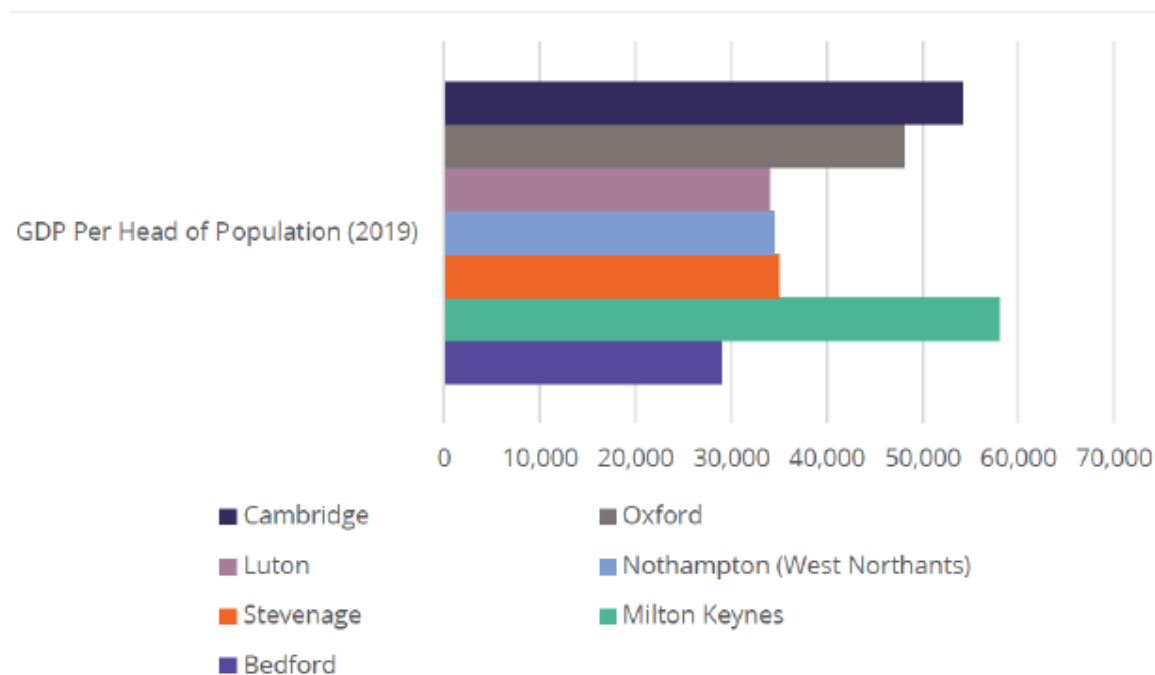


Figure 2. GDP per Head of Population (ONS, 2019) for Bedford & nearby urban centres

¹ BPF (2022) Levelling up - Logic of Logistics

reduce the productivity gap between Bedford and Cambridge. Other analysis also shows that local authorities with higher density of logistics have higher GDP per capita than those with lower logistics densities².

- 2.5 Cloud Wing is, therefore, concerned that the overall economic vision for the Borough and its overwhelming focus on 'innovation' uses appears to be driven by outdated and erroneous perceptions about the industrial and logistics sector, including: the contribution it can make to the wider economy and overall productivity; and the range and quality of jobs that this creates.
- 2.6 The Government in its recent 'Future of Freight Plan' (2022)³ notes that these "*negative perceptions of the industry*" need to be addressed and "*the availability of attractive, fulfilling jobs at all levels of the industry*" be promoted. It also confirms that the sector can make a significant contribution to levelling up between areas and acknowledges that there is "*increasing sophistication of roles in the sector with Professional and Associate Professional and Technical roles increasing by 331,000 since 2010*". It also confirms that the number of freight and logistics jobs have grown by 26% since 2010, nearly double the rate of the wider economy.
- 2.7 Indeed, recent reports published by leading bodies including the British Property Federation⁴ and Frontier Economics⁵, amongst others, demonstrate that:
- logistics facilities are a fundamental component of effective and efficient supply chains;
 - jobs in the sector are well paid, with average pay higher than the UK average;
 - industrial and logistics facilities support an increasingly diverse range of jobs, including a growing proportion of graduate, professional and associate professional roles such as software engineers in charge of automated systems, supply chain managers and data analysts, in addition to professional jobs in product design and research & development, in their wider supply chain;
 - other office-based roles (e.g. finance, administrative, research and development, sales and marketing, customer services) are also increasingly co-locating with production and logistics as it is convenient for these people to be closer to the operations, further increasing occupational diversity within the sector;

² Frontier Economics (2022) Impact of Logistics Sites in the UK

³ Department for Transport (June, 2022) Future of Freight: a long-term plan

⁴ BPF (2022) Levelling up - Logic of Logistics

⁵ Frontier Economics (2022) Impact of Logistics Sites in the UK

- the sector provides job opportunities that can support improved social mobility, including to those who are currently unemployed and career progression and promotion opportunities for workers with low levels of formal qualifications into managerial roles, which could help address Bedford's position as one of the more deprived centres within the Arc;
- logistics jobs provide workers with valuable skills and training, including an average of 41,100 new apprenticeships each year nationally, with this forecast to grow to 53,000 new apprenticeships annually; which is equivalent to over half a million apprenticeships over the next 10 years.

- 2.8 Bedford itself is also a prime location for logistics at the heart of the Golden Triangle (Figure 3⁶) and within the Oxford-Cambridge Arc ('the Arc'). At 30 miles west of Cambridge, 40 miles east of Oxford, 50 miles north of London and 98 miles east of Felixstowe. The Borough is extremely well connected to the strategic road network via the A421, which connects to M1 to the west and A1 to the east, which in turn provide connections to the M25. This is evidenced by the number of logistics occupiers that have been drawn to the area and which are actively seeking significant amounts of space.
- 2.9 On this basis, a vision which does not reflect the strengths of Bedford as a location of logistics and the opportunities this presents as a national and regionally significant growth sector, where there is significant market demand, is not justified. It also risks failing to meet needs of a sector that has been identified by the Government in its recent 'Future of Freight Plan' (2022) as *"critical to every supply chain into, across and out of the UK and is fundamental to our economic wellbeing."* This Plan specifically states that the planning system needs to fully recognise *"the needs of the freight and logistics sector now and in the future"*. This is a major oversight and risks Bedford failing to meet the needs of a sector which is fundamental to the effective functioning of the economy and conflicting with the Government's vision for the future of the sector.
- 2.10 Cloud Wing is also concerned that the overarching economic vision is overly reliant on attracting a significant scale of new innovation businesses to Bedford. This vision appears to be based on the assumption that Bedford would receive a 'trickle down' effect from the 'pent-up demand' from existing innovation hubs Oxford and Cambridge as a result of the improved connectivity (i.e. East-West Rail). However, there is no

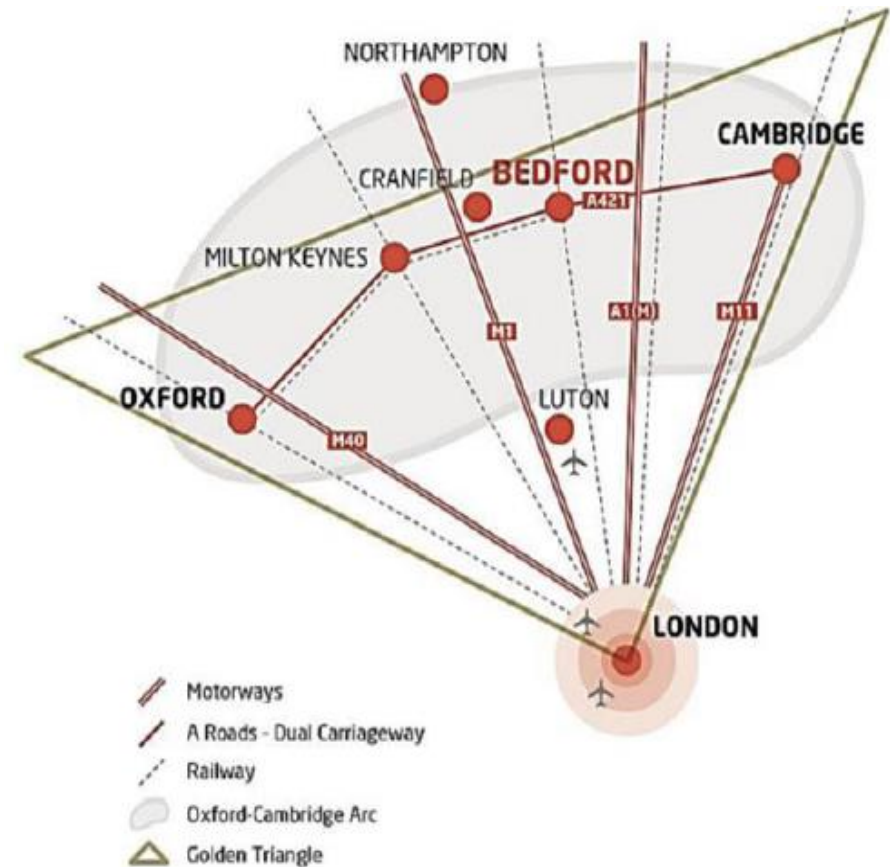


Figure 3. Golden Triangle

⁶ Local Plan 2030, Bedford Borough Council (2020)

apparent strategy for how the Borough would attract the scale of innovative businesses to the Borough and how it would become a “*globally competitive location*” for innovation as suggested in its evidence.

- 2.11 The Council’s evidence refers to a relatively small number of examples of innovative businesses located in the Borough but many of these appear to have been operating in the Borough for some time. There does not appear to be a strong anchor within Bedford or a particular strategy proposed that would generate the scale of interest solely in innovation uses that is envisaged and change historic trends.
- 2.12 Rather than positively and proactively encouraging sustainable economic growth and create an environment in which businesses can invest, expand and adapt, Cloud Wing is concerned that the Plan’s overreliance on innovation uses could fail to build on its strengths and undermine the delivery of sustainable economic growth contrary to Paragraph 81 and 82 of the NPPF.

Changes Sought: The overarching economic vision for the plan should be amended to recognise the need for growth in a variety of sectors, including innovation, industrial and logistics and that reflects the strengths of the Borough and opportunities available.

3. Amount of Employment Growth – Policy DS4(S)

- 3.1 Draft Policy DS4(S) proposes to make provision for up to 26,700 jobs to support the Council's ambition to create a high-value, highly skilled economy, expanding on its current strengths and developing into a location where innovative business can thrive. The supporting text confirms that, in order to achieve this level of jobs growth, the Council's Employment Land Study (2022) identifies a requirement for between 118Ha and 142Ha of employment land to be planned for, in addition to the existing available supply of employment sites.
- 3.2 Cloud Wing considers that the Council's Employment Land Study and, therefore, the scale of employment growth set out in Policy DS4(S) significantly underestimates the scale of employment land needed in the Borough to cater for growing demand, particularly in the industrial and logistics sector. It, therefore, fails to identify and meet objectively assessed employment needs and is, therefore, unsound.
- 3.3 The starting point for understanding both the economic opportunity for growth, and the need to provide additional land to accommodate this, is to consider recent economic trends which are driving growth, and the existing and emerging policy context at a national, regional and local level.
- 3.4 This section sets out the national, regional and local context, highlighting the scale of ambition within the region for economic growth and prosperity. It also considers recent economic trends and why these suggest that there is a need for a more ambitious approach to planning for economic growth in the Borough.

National Context

- 3.5 At a national level, the NPPF (2021) provides a positive context for plans to proactively encourage investment and economic growth and provide new employment land which meets the locational requirements of different sectors.
- 3.6 Furthermore, the National Planning Policy Guidance (NPPG) requires policy-making authorities to prepare a robust evidence base to understand existing business needs. As part of this, the NPPG recognises that there are different characteristics for different sectors that need to be considered in formulating planning policies and it recognises the critical role of the logistics industry in enabling an efficient, sustainable and effective supply of goods for consumers and businesses, as well as contributing to local employment opportunities.

'Better Delivery: The Challenge for Freight' & 'Future of Freight Plan'

- 3.7 The logistics sector is a major contributor to the UK economy, employing over 2.7 million people and contributing over £124bn of GVA -10% of the UK's total economic output. It underpins how our economy and society functions – delivering component parts to businesses, stock to shops, supplies to hospitals and products directly to our homes. However, land supply has not kept pace with demand and now acts as a major barrier to growth and prosperity.

- 3.8 Recognising the critical role that logistics has in supporting the national economy, the Government asked the National Infrastructure Commission (NIC) for advice on how to tackle various industry issues whilst continuing to support UK growth. The result was NIC's 'Better Delivery: The Challenge for Freight' report which was published in April 2019. The report states that whilst the availability of land for freight distribution centres and other infrastructure is crucial for the efficient operation of the sector, it is often a forgotten element of spatial planning, resulting in a system with insufficient, or sub optimally located space from which to run efficient and low congestion operations.
- 3.9 It states that locating depots and warehouses in places which minimise the distance from the distribution point to the first delivery address allows for the more intensive, optimised use of vehicles and confirms that the most effective way of managing freight's impacts on congestion, while allowing efficient operations, is by planning for the needs of freight at an early stage of statutory planning processes.
- 3.10 The report made a number of recommendations which the Government responded to in August 2021 and largely endorsed recommendations that there is a need to look further into freight's representation in the planning system through the development of the 'Future of Freight' Plan.
- 3.11 The Department for Transport published its 'Future of Freight Plan: a long term plan' in June 2022. This sets out a vision for a freight and logistics sector that is "*cost-efficient, reliable, resilient, environmentally sustainable and valued by society.*" It recognises the sector as a vital pillar of the UK economy and identifies a series of key priorities and proposals aimed at achieving a stronger logistics sector.
- 3.12 One of those priority areas is around planning and addressing existing challenges in bringing forward logistics development and the fact that demand for space is consistently outstripping supply. It seeks to achieve a planning system which "*fully recognises the needs of freight and logistics sector now and in the future and empowers the relevant planning authority to plan for those needs*" (Our emphasis). It proposes to deliver the following proposals:
- Work with the sector to support a programme of engagement with local planning authorities to provide an understanding of the wider economic benefits of freight infrastructure
 - Review and amend Planning Practice Guidance to better support freight and logistics
 - Publish a freight specific call for evidence to understand what is working well and not so well to identify appropriate interventions, including potential updates to national planning policy
 - Consult on updated guidance for Local Transport Plans
 - Engage with the review of National Networks National Policy Statement
 - Engage with the Planning Reform programme informed by the call for evidence
- 3.13 The Plan states that it will succeed when there is:

"an increase in site allocations for freight and supply infrastructure being adopted in Local Plans to reflect the needs of the sector, alongside more robust and agile policies, where needed to meet specific needs"

and

"authorities are more aware of freight industry needs when devising planning policies ... that pro-actively plan for and speak to the change needs of the sector".

- 3.14 In terms of people and skills it talks about a need to improve training and employment options across the sector, address awareness and negative perceptions of the industry and promote the availability of attractive, fulfilling jobs at all levels. It also proposes a series of actions to support the aim to achieve net zero carbon freight system by 2050.

Building Back Better

- 3.15 At a national level, the Government has recently set out its national strategy for how to 'Build Back Better'⁷ in response to the COVID-19 pandemic and recent challenges that the economy has faced. This sets out plans to support economic growth through significant investment in infrastructure, skills and innovation and support for high growth businesses, including in research and development, that make a significant contribution to employment and allow technology and best practice to diffuse through the economy to the benefit of all.
- 3.16 The Build Back Better agenda also makes reference to a number of high-profile "pathfinder projects" which will be central to delivering the economic growth envisaged.
- 3.17 In addition to the Government's ambitions to 'build back better' and for the UK to become a hub of innovation, as a business ecosystem that supports the creation and growth of businesses, there have been major economic shifts in the UK in recent years which should be central to planning for future employment needs. These are considered further in the following sections. Linked to this, the UK Innovation Strategy⁸ talks about the critical importance of manufacturing and logistics are critical elements of an R&D ecosystem, particularly for supply chain efficiency and resilience.
- 3.18 Furthermore, recent planning decisions issued by the Secretary of State confirm that the Government considers that very substantial weight may be afforded to the need for employment land and economic benefits of logistics development in terms of their job creation and other economic benefits, including addressing local needs and specific locational requirements in the logistics sector⁹.

⁷ Build Back Better: our plan for growth. HM Treasury Policy Paper (March 2021) <https://www.gov.uk/government/publications/build-back-better-our-plan-for-growth/build-back-better-ourplan-for-growth-html>

⁸ Department for Business, Energy and Industrial Strategy, UK Innovation Strategy (July 2021)

⁹ Various see: Wingates, Bolton (APP/N4205/V/20/3253244), Junction 25, Bolton (APP/V4250/V/20/3253242) & Parkside, Newton Le Willows (APP/V4250/V/20/3253242)

Covid-19

- 3.19 The Covid-19 pandemic has fundamentally changed the way that the UK population and economy operates and has rapidly accelerated trends that have been slowly shifting business and consumer behaviour over the last few years.
- 3.20 The pandemic has, for example, driven a significant change in shopping habits. The UK already had the highest proportion of online sales in the world and the lockdowns associated with Covid-19 have accelerated this trend with a rapid increase in online sales. According to the ONS, internet sales as a percentage of total retail sales rose to 28% in 2020 peaking at 36.5% in February 2021. Whilst online sales dropped to 25.3% in January 2022, this is still higher than prior to the pandemic (19.8% in Feb 2020) and some are forecasting that online sales could continue to grow to 37% by 2025¹⁰.
- 3.21 On the basis that for every extra £1bn spent online, a further 775,000 sq ft of warehouse space is needed to meet the new demand¹¹, based on market advice from Cloud Wing's agents Savills in June 2021, by 2025 there could be a need for an additional 63.9m sq ft of warehouse space across the UK. As such, the occupier profile of warehouses has significantly changed in recent years, with online retailers increasing their warehouse occupancy by 614% from 2015¹².
- 3.22 Other recent research by Turley suggests that at least 73 sq ft of warehouse floorspace is needed per home in the UK to meet even pre-pandemic levels of consumer demand¹³. It is noted that this figure does not account for geographical differences or more recent economic trends since 2019 and is, therefore, likely to be an underestimation of real demand, particularly in the strategic location of Bedford when taking into account the growth ambitions for the wider region.

¹⁰ The size and make-up of the UK warehousing sector – 2021. Savills (June 2021) <https://pdf.euro.savills.co.uk/uk/commercial---other/uk-warehousing-sector---2021.pdf>

¹¹ The size and make-up of the UK warehousing sector – 2021. Savills (June 2021) <https://pdf.euro.savills.co.uk/uk/commercial---other/uk-warehousing-sector---2021.pdf>

¹² The size and make-up of the UK warehousing sector – 2021. Savills (June 2021) <https://pdf.euro.savills.co.uk/uk/commercial---other/uk-warehousing-sector---2021.pdf>

¹³ Playing to Our Strengths Turley (2021)

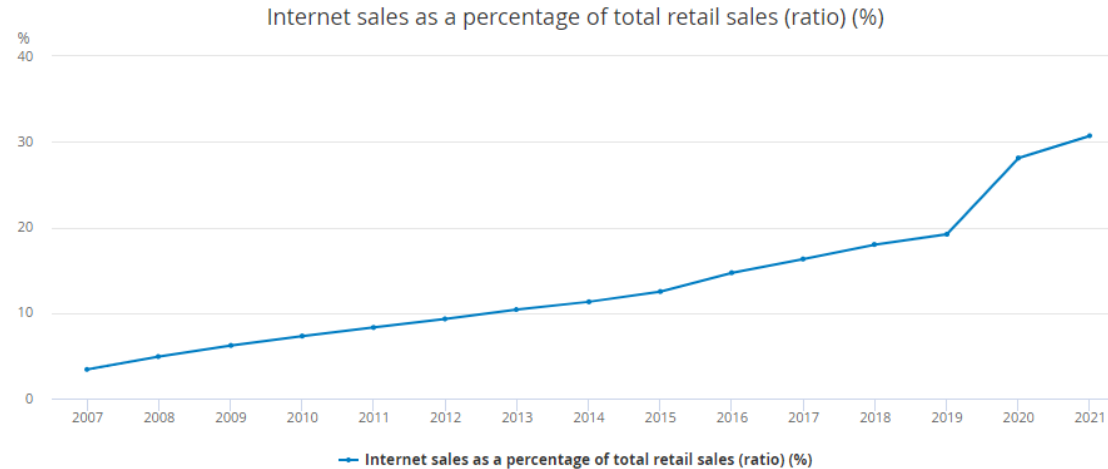


Figure 4. Internet sales as a % of total retail sales (ONS)

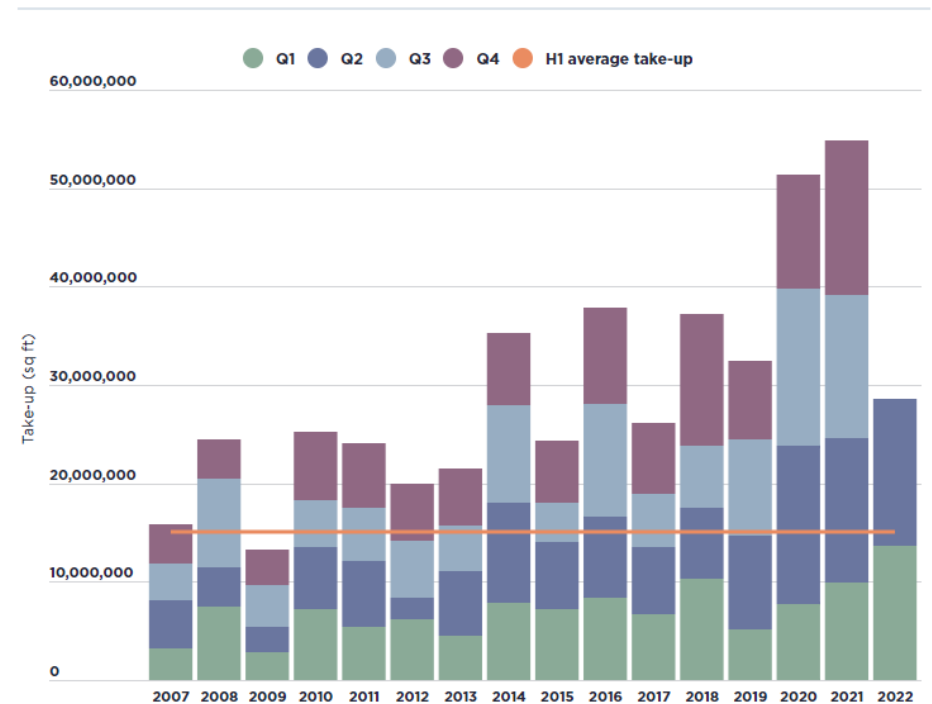
Brexit

- 3.23 In addition to an acceleration in e-commerce activity, the demand for logistics space has also been driven partly by Brexit which has resulted in increased needs in the food, third party (3PL), pharmaceutical and healthcare sectors – all of which require additional capacity for storage and distribution of inventory.
- 3.24 Brexit has also driven demand from new occupiers. European distributors and retailers, who pre-Brexit serviced the UK market from the continent, are now actively seeking warehouse premises to create a UK hub.
- 3.25 There was also unprecedented disruption in global supply chains in 2020 / 2021. As a result, logistics companies, retailers and manufacturers have been mitigating for this by increasing inventory levels closer to home. A recent survey in December 2021 found that 46% of occupier respondents expected to take more warehouse space over the next two years, partly as a result of Brexit and other supply chain disruption¹⁴.

¹⁴ 2021 Logistics Census Results: The Sector's Highest Ever Recorded Take-Up. Tritax Symmetry (December 2020) <https://tritaxsymmetry.com/wp-content/uploads/2020/12/Property-Week-Logistics-Census-Results-2020-04-Dec-20.pdf>

- 3.26 More widely, even low performing sectors have seen a need to continue to demand space. All elements of the industrial / logistics market have been challenged by the need to operate within social distance guidelines (making space less productive) and also increased stock storage requirements – either through mounting backlogs or a desire to hold more contingency stock.
- 3.27 Whilst the UK is now returning to normal, it is expected that the demand for space will remain and continue to grow in the coming years. As such, more fulfilment and distribution facilities will be needed to support this shift and continue to serve consumer demand for home delivery¹⁵.
- 3.28 These changes have resulted in a significant increase in demand for warehouse space in key locations. As such, in the first half of 2022, despite the economic uncertainties, rising inflation and the war in Ukraine, the UK has still seen the highest levels of transactions for warehousing space on record of 28.6m sq ft¹⁶ with exceeds the H1 long-term average by 90% (see Figure 5). Demand is therefore outstripping supply.
- 3.29 In addition to the quantum, the type of warehousing unit sought is also changing. The trend now is largely towards bigger warehousing units, with a 242% rise in demand for units over 1m sq ft¹⁷ since 2015.
- 3.30 Furthermore, of the space transacted in the first half of 2022, 54% was build-to-suit, 24% was speculatively developed space, and 21% was second hand, which demonstrates a growing preference towards newly developed, higher quality space with better ESG credentials and lower running costs¹⁸.

Take-up 90% above the long-term H1 average



Source: Savills Research

Figure 5. Warehouse Take-up Long-term Average (Savills)

¹⁵ The size and make-up of the UK warehousing sector – 2021. Savills (June 2021) <https://pdf.euro.savills.co.uk/uk/commercial---other/uk-warehousing-sector---2021.pdf>

¹⁶ Spotlight: Big Shed Briefing. Savills (July 2022)

¹⁷ The size and make-up of the UK warehousing sector – 2021. Savills (June 2021) <https://pdf.euro.savills.co.uk/uk/commercial---other/uk-warehousing-sector---2021.pdf>

¹⁸ Spotlight: Big Shed Briefing. Savills (July 2022)

- 3.31 The demand for space is diverse, with 18% of take-up in H2 2022 by online retailers, 25% by third-party logistics (3PLs) and approx. 24% by the manufacturing and automotive sector¹⁹.
- 3.32 Given the rise in demand and high level of take-up, applying the overall annual take-up from 2021 (55.1m sq ft)²⁰ to the existing supply at the end of H2 2022 (18.4m sq ft)²¹, there would only be c. 4 months supply left within the whole of the UK.

New Growth Sectors & Changing Demands

- 3.33 In addition to e-commerce, a range of manufacturers and production businesses rely on 3PLs to deliver goods to business customers or supply component parts to themselves. The growth of 3PLs is a reflection of how those businesses produce goods and it is important that the logistics industry is recognised for its value as an enabler, facilitator and catalyst of growth.
- 3.34 Demand for large scale industrial and logistics space is also being generated by other emerging growth sectors, which are competing for space but which are not necessarily reflected when forecasting future needs based on past trends. Those emerging growth sectors include:
- battery storage;
 - data centres;
 - vertical farming;
 - modular construction factories;
 - film, TV & media production;
 - green technologies; and
 - giga-factories.
- 3.35 Consumer expectations for same-day or next-day delivery are also reshaping the operating models of logistics companies and are generating requirements for more regional and local storage space to meet demands, including increasing space in suitable locations for the 'last mile' to the end point delivery.
- 3.36 The logistics sector is also rapidly becoming conscious of their environmental and social impacts and is actively seeking space with higher energy performance standards, that supports their businesses' sustainability ambitions and, in the case of 3PLs and manufacturers, those of the clients that they serve. This is further driving demand for new space to allow businesses to re-locate to more efficient buildings.

¹⁹ Spotlight: Big Shed Briefing. Savills (July 2022)

²⁰ Spotlight: Big Shed Briefing. Savills (January 2022)

²¹ Spotlight: Big Shed Briefing. Savills (July 2022)

Summary

- 3.37 In line with national planning guidance and the strategies to build back better from Covid-19, it is increasingly important that spatial planning at a regional and local level takes into account both the changing requirements of industrial and logistics developers and occupiers in terms of the type, size, quality and location of facilities needed to meet a growing demand within this sector, whilst also factoring in the emphasis nationally on innovation and research and development to the future prosperity of the UK and delivering cohesive business ecosystems that support the creation and growth of businesses and a variety of employment.

Regional Context

Ox-Cam Arc

- 3.38 At a regional level, Bedford is located at the heart of the Golden Triangle and within the Oxford-Cambridge Arc ('the Arc'). The Arc is being promoted as the World's Premier Growth Corridor as well as an exemplar of sustainability and the approach for the Arc is to be bold, visionary, pro-development and action-orientated.
- 3.39 The National Infrastructure Committee ('NIC')s 'Partnering for Prosperity' Report (2017) sets out the overriding vision for the Arc and, in terms of employment growth, states:
- "the area could support around 335,000 new jobs to 2050, increasing economic output by around £85bn per annum (2011 prices). However, by meeting future needs and removing the constraints to growth arising from the area's housing shortage, the area could sustain a transformational level of growth, supporting around 1.1m new jobs and increasing economic output by £163bn per annum". (Our emphasis)*
- 3.40 To achieve this scale of employment growth, the report identifies a series of opportunities for growth particularly centred around the proposed East - West Rail improvements and Expressway schemes²². Such opportunities include unlocking growth in and around Bedford and focusing development on a small number of key nodes in the Marston Vale.
- 3.41 The ambition for the Oxford-Cambridge Arc is well documented and is focused on unlocking investment, driving economic growth and promoting world class research, innovation and technology assets, as set out in the Oxford-Cambridge Arc Economic Prospectus (2020).
- 3.42 In 2021, the MHCLG set out plans to prepare a Spatial Framework for the Arc to cover the five counties of Oxfordshire, Northamptonshire, Buckinghamshire, Bedfordshire and Cambridgeshire. As set out in the 'Planning for Sustainable Growth in the Oxford-Cambridge Arc' (2021) the new

²² It is noted that Oxford to Cambridge expressway has been cancelled but that alternative plans for improving transport in the region are in discussion:

Framework will plan for growth in the Arc area, setting policies on the economy, the environment, transport, infrastructure and housing. The intention is that the Framework will have the status of national planning and transport policy.

- 3.43 Following this, the 'Creating a Vision for the Oxford-Cambridge Arc' document was published for public consultation in July 2021. This is the first stage in preparing the Spatial Framework for the Arc and seeks to obtain views to help create the vision and guide the future of growth of the area to 2050. Two further rounds of consultation were due to take place in Spring and Autumn 2022, with publication and implementation of the Spatial Framework targeted for 2023.
- 3.44 It is understood that BBC is advancing its Local Plan 2040 ahead of the Arc Spatial Framework to avoid a scenario whereby Bedford has an out-of-date Local Plan. As a result, the Council is focused on meeting its own growth requirements in the absence of the Arc Spatial Strategy being finalised. However, by not considering the wider regional growth ambitions, there is a risk that Bedford fails to positively plan for the level of growth required within the Borough to meet strategic needs and contribute towards meeting the wider goals of the Oxford-Cambridge Arc.
- 3.45 This may also impact Bedford's ability to influence the direction and shape the vision for the Oxford-Cambridge Arc. This is in contrast to the approach taken by other authorities within the Arc, including Oxfordshire who have previously consulted on a new Local Plan (Oxfordshire Plan 2050) which specifically set out that part of its purpose is to influence and shape the future of the Arc.

South East Midlands Local Enterprise Partnership

- 3.46 In addition to the above, BBC also forms part of the South East Midlands Local Enterprise Partnership (SEMLEP) which is a multi-authority group that covers Bedford, Central Bedfordshire, Luton, Milton Keynes and Northamptonshire. This area is a rapidly-growing £50bn economy at the nexus of London, Birmingham, Oxford and Cambridge.
- 3.47 SEMLEP works closely with the other Local Enterprise Partnerships across the Oxford-Cambridge Arc.
- 3.48 The South East Midlands Local Industrial Strategy ('LIS') was published in July 2019. This predates the recent and rapid economic shifts in and changing face of the industrial and logistics sector. This emphasises the opportunities in this area to fuse productivity-led growth with sustainability by enhancing renewable energy use, connected transport solutions and greener vehicles, buildings and design principles. It also notes the need to develop a pipeline of quality employment land and premises. It acknowledges the strength of the area as an "*unrivalled location*" for logistics and sets out measures to increase productivity within the sector.
- 3.49 SEMLEP has also published an Economic Recovery Strategy for the South East Midlands which sets out the actions being taken by way of a response to ensure the ambitions within the LIS can still be met. This highlights that the national trend towards online retail (discussed in further detail below), has been reflected in strong demand in the SEM for logistics premises over 2020 and in early 2021. As such, one of the key goals of the SEM is to work with local partners to expand the innovation capabilities, sustainability and productivity of the local logistics and manufacturing sectors.

3.50 It is understood that SEMLEP has recently commissioned its own 'Logistics Study' that is currently being carried out by Icen. The aim of this study is understanding the future demand for and supply of logistics premises and strategic warehousing across the South East Midlands and allowing SEMLEP and authorities partners to proactively plan for the needs of the sector to 2050, alongside the needs of other sectors.

Market Context

3.51 Take up in the South East (which includes Bedford) in 2021 reached 7.34m sq ft, whilst slightly down on the record levels in 2020, 2021 was the fourth year in a row where take up has exceeded 7m sq ft (Figure 5²³) and reflects a greater number of transactions for smaller units. Savills' view is that the shift to smaller units and fewer 'build-to-suit' units over the last 12 months is linked to immediate requirements from occupiers seeking to mitigate supply chain issues by increasing their inventory levels quickly.

3.52 This trend may also reflect the relatively high proportion of space that is available in smaller units compared to larger units. In particular, it was notes that MH Star, a Chinese e-commerce company, took the entirety of G Park Bedford which totals 534,000 sq ft across three units, such is the lack of supply in the larger size bands in the area²⁴.

3.53 Savills suggest that demand is from a range of occupiers including retailers, 3PLs, parcel delivery companies, data centres and film studios with the preference being for good quality space.

3.54 Savills confirmed that the level of supply within the region has remained broadly stable but has fallen to 3.94m sq ft across only 25 units, with 43% of this supply being located within London²⁵. Vacancy rates are low at 2.89%. Based on the 2021 take-up levels, this equates to just 6.5 months' worth of supply. Furthermore, only approximately half of the space available is Grade A. There are only 22 units under

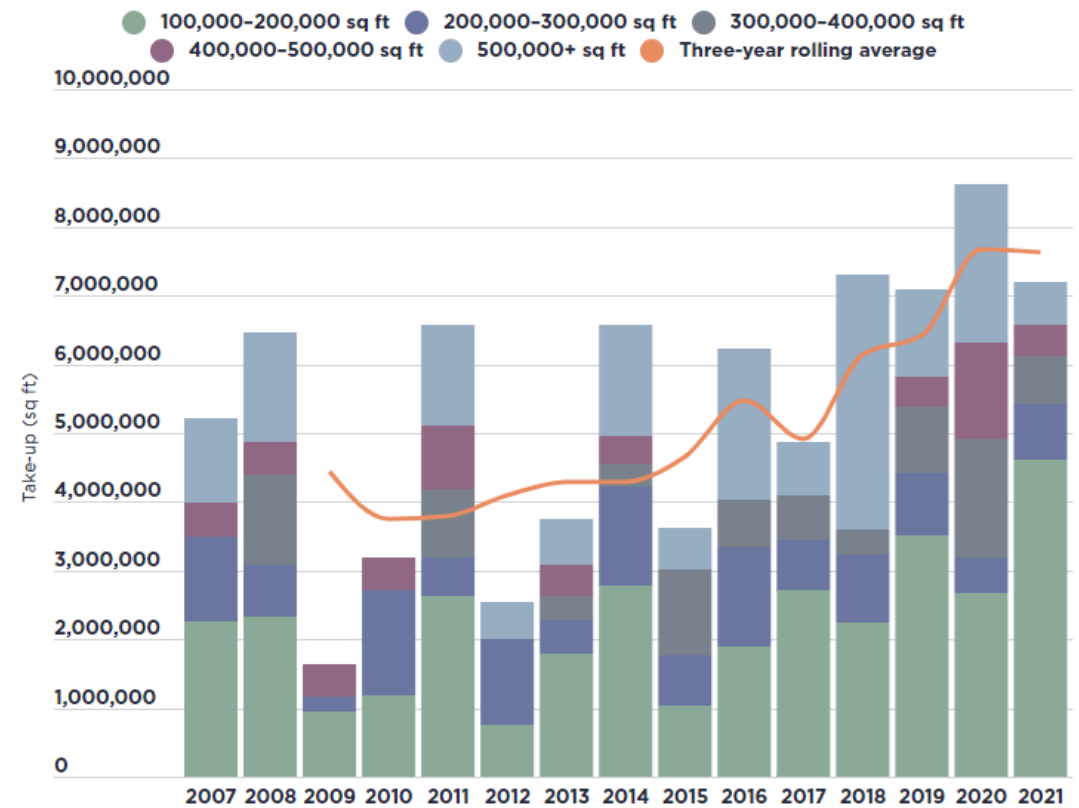


Figure 6. Warehouse take-up in London and the South East.

²³ Savills (2022) The logistics market in London and the South East https://www.savills.co.uk/research_articles/229130/323883-0

²⁴ Savills (2022) The logistics market in London and the South East https://www.savills.co.uk/research_articles/229130/323883-0

²⁵ Savills (2022) The logistics market in London and the South East https://www.savills.co.uk/research_articles/229130/330511-0

construction in the region totalling 3.57m sq ft (a further 6 months' of supply), most of which are under 200,000 sq ft²⁶. This lack of available space can stifle demand, particularly given the preference of occupiers towards higher quality units.

Summary

- 3.55 Therefore, at the regional scale there are ambitious plans for significant economic growth and development within the South East Midlands and across the Oxford-Cambridge Arc, across a range of sectors to meet these goals. There is also a recognition at a regional level of the need to understand the future demand for and supply of logistics premises and strategic warehousing across the South East Midlands to ensure this can be appropriately planned for, alongside the needs of other sectors. This should be taken into consideration alongside the particularly strong market demand for logistics space, the lack of existing supply that is suitable to cater for occupier's requirements and limited development opportunities in the pipeline.

Local Context

- 3.56 Bedford's current Local Plan was adopted in January 2020 and sets out a plan for Bedford up to 2030. The adopted Local Plan does not plan for an increase in the existing employment land supply as the supporting evidence, at the time, suggested that the existing supply was sufficient to meet future needs. This amounted to a minimum of 6,900 net additional jobs to be provided up to 2030, with the main focus around the urban area of Bedford and Kempston and on the employment sites that were already allocated.
- 3.57 Notwithstanding this, Policy 72S of the adopted Local Plan recognised that there may be unanticipated demand for additional employment land and therefore supported new high quality windfall development subject to meeting a number of criteria, including being close to the strategic transport network. The limited supply of available employment land for development indicates employment land has been taken up at a faster rate than anticipated at the time the adopted Plan was prepared. This is the context in which Cloud Wing's outline planning application has been prepared and submitted.
- 3.58 To support the emerging Bedford Local Plan 2040, the Council has undertaken a study to consider Bedford's position in the wider area, the pattern of employment in the Borough and the need for additional employment land. This is contained within the Bedford Employment Land Study (2022) which forms an evidence base document to the draft Local Plan 2040 and sits alongside its Economic Growth Ambitions Paper (2022).

Employment Land Evidence

- 3.59 Our previous representations to the Local Plan process highlighted the strength of the logistics and distribution market within Bedford and the wider South East Midlands sub-region and the lack of recognition/weight placed on this in the draft Local Plan and its evidence base. In summary those representations set out the following:

²⁶ Savills (2022) The logistics market in London and the South East https://www.savills.co.uk/research_articles/229130/330511-0

- The draft Local Plan and its evidence base failed to consider the strategic market trends in the logistics sector and take them into account appropriately when forecasting future needs.
- The approach to market analysis contained misunderstanding of the data that led to a series of inaccurate conclusions being drawn on the strength of the office, industrial and logistics markets locally.
- Floorspace requirement projects suffered from a number of technical issues that undermined their robustness and ability to produce a sound Plan for economic growth in terms of defining land requirements.
- The data used is considerably out of date and fails to capture recent fundamental shifts in the local, regional and UK economy that are reshaping the nature of work, employment space needs and sectoral growth prospects meaning the Plan sets a direction of travel that is outdated and therefore not 'sound'.
- The land provided does not take into account both quantitative and qualitative needs of the logistics sector satisfactorily and therefore leaves the borough woefully under provided for in terms of future land availability.

3.60 Unfortunately, the updated evidence and draft Local Plan have not addressed these, meaning there remain issues with how demand is understood and planned for over the Plan Period. Critically much of the underlying evidence remains out of date and not reflective of current conditions or future growth prospects, undermining the robustness of the plan.

3.61 Critically, we do not believe that the current assessment of future needs presented in the ELR to support the draft Local Plan fully takes into account the economic growth needs of the borough. Critically the NPPF recommends three mechanisms for assessing future employment needs, namely:

- Employment forecasts
- Past trends
- Market signals

3.62 To a greater or lesser degree the ELR relies on each of these to inform future needs, however we do not believe this has been done in a robust, consistent or appropriate manner to allow the draft Local Plan to be considered to meet the tests of the NPPF.

Demand Forecasts

3.63 Whilst the ELR was updated in the first part of 2022, with a number of new or revised elements included, these extend to:

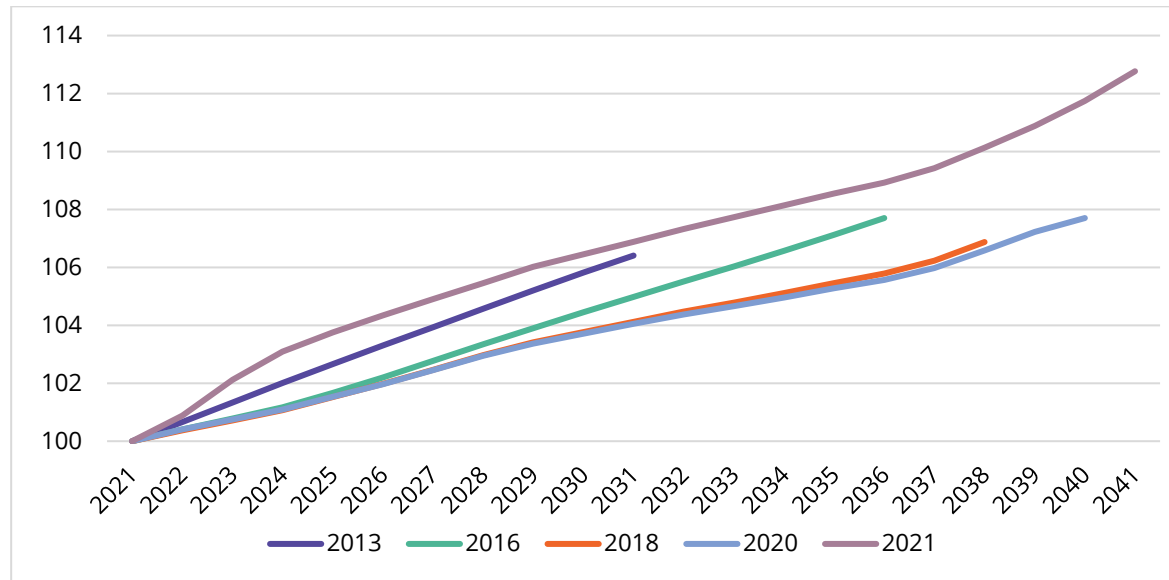
- Additional commentary explaining the market engagement undertaken and its findings – which reinforces the identified demand for large logistics space and also the emerging market for innovation based activity, which indicates even this activity requires industrial land and premises.
- An updated review of employment land supply – which revises the scale and status of all existing and proposed sites
- Introduction of new forecast scenario and sensitivity tests – albeit with the base forecast data remaining consistent with the previous ELR which we have previously commented on in terms of its appropriateness and consider again in more detail below.

- Additionally commentary relating to the economic strategy for the borough and how it will meet future economic needs.

Technical Concerns

3.64 Our previous representations to the Local Plan process, whilst accepting the overall approach to the base forecasts, did highlight some areas where the assumptions used in the model could lead to future needs being over or under estimated. Unfortunately, a number of these concerns still remain, in short they relate to:

- The Use of the EEFM:
 - The EEFM data was published in July 2019 and has since been cancelled as an ongoing source of economic forecasts for the region. Whilst published in 2019 the EEFM 2019 Technical Report confirms that much of the data used to develop the projections is considerably older, with BRES the most ‘up to date’ input, but still dating from 2018. As previously noted, the use of a forecast that predates the COVID-19 pandemic and before the UK’s deal to exit the EU had been agreed. Both events have had major impacts on the scale and nature of the UK economy, driving different forms of demand in different locations than have been experienced pre-2020. Using a 2019 economic model means that none of these impacts are understood or built into the ELS. The chart below highlights the potential scale of the difference (albeit using Experian forecasts given they have been run post-2019).



Source: Avison Young/Experian, 2021

Figure 7 Example Comparison of Employment Growth Forecasts

- As shown, historic forecasts dating from around the time of the EEFM (2018 and 2020) significantly under-estimate the scale of growth in the Land Transport, Storage and Post category sector over the period they covered, with figures from the end of 2021 clearly showing national prospects for the sector have increased compared to all other years considered . This is a critical point when considering land supply in Bedford as it directly shows that the basis on which land needs have been determined fail to capture the new dynamics and needs of the sector.
 - The potential limitations of the EEFM base data stemming from its year of publication are not solely related to the logistics sector. As previously identified, it also provides the basis for how the ELR splits employment between (former) B and non-B class uses – maintaining a high proportion of the borough’s employment in ‘non-B class’ activities. It is considered the non-B class share of jobs will represent 61% of all jobs in the short term and increase to 64% in the future. Given uncertainty in the retail, leisure and many other sectors, the confidence which can be placed in this projected growth needs to be carefully managed and, in order to achieve its desired employment outcomes, the borough should be considering alternate approaches to growth to offset any underperformance in non-B class activity.
 - Again, as previously noted, the EEFM uses a lower density assumption than would be usually assumed based on the nature of demand for logistics space. The previous ELR gave no explanation for why this assumption was used, however additional text now provides the following explanation *“Whereas the Employment Density Guide suggests a range from 70 sqm per employee for ‘final mile’ distribution to 77 sqm for regional distribution centres and 95 sqm for national distribution centres, the East of England model uses a single figure of 67 sqm per employee. This is equivalent to the Density Guide’s ‘final mile’ distribution figure (after conversion from gross external area to gross internal area).”* Whilst this explains what has been done, it doesn’t provide a justification for either the assumption that all logistics activity will be ‘final mile’ or why, if that is the case, the density assumption is still lower than the Density Guide recommends.
 - Critically, the use of a ‘final mile’ density is undermined by the Council’s own market evidence, which highlights the growth in take up of space for businesses that play a regional role – referencing the B+M Distribution Centre for example at paragraph 4.13 – and also the wider demand that is acknowledged to exist for similar activities. To be appropriate, the use of a density within a forecast model should reflect the likely nature of demand going forward based on the market and occupier evidence or, at least, should reflect an ‘average’ that represents the potential range of uses that may happen. Unfortunately the assumption used does neither of these things and seems to have been selected in order to reduce the floorspace/land requirement.
- The ORS Model
- The second basis for forecasting is the ORS population projects, which have been translated into estimates of floorspace need. There is no detailed methodology paper provided in the ELR to describe the ORS model so it is difficult to understand how robust the approach is or what data

sources it relies on. Given this, it may well suffer from the same time-lag limitations as the EEFM and, therefore, present the same challenges in reliably forecasting future need.

- The ORS model also draws on the EEFM for key inputs around the split of jobs better use classes and employment densities. As such it suffers from the same limitations as the EEFM explained above, calling into question the robustness of the recommendations that are based on it.
- One big difference between the EEFM and the ORS model is the basis on which floorspace need is calculated.
 - Firstly, the model appears to ‘constrain’ employment growth within the borough to *“the same level of ‘self-containment’ of employment within the borough as currently experienced”* (paragraph 7.27) – inherently this doesn’t allow for the true economic potential of the borough to be fully tested or understood and limits opportunities for increasing the role of the borough in the regional economy through the provision of new employment land.
 - Secondly, the model uses the rate of economically active residents as a “proxy” for jobs in the borough, stating that *“This is reasonable as it is assumed that there will be no change in the number of unemployed persons and so the growth over the period is the same for economically active and job numbers”* (paragraph 7.25). This is a significant move away from the usually accepted approach to employment land forecasting which relies on FTE employment to be able to use the Density Guide assumptions to translate jobs into floorspace. The ELR offers no comparison as to the relative levels of economic activity and employment in the Borough.
 - Fundamentally the two measures assess different things. The level of economic activity records data for the number of borough residents who are economically active (regardless of their place of work etc) whereas the EEFM jobs projections measure the number of (FTE) jobs provided in the borough. Based on data provided by the ONS in July 2022 the Annual Population Survey recorded 83,200 economically active residents, of which 80,000 were in work. However, the Business Register and Employment Survey (BRES) suggests that 81,000 jobs existing in the borough in 2020, suggesting that while the numbers are relatively closely aligned they do not present the same output.
 - The use of the economic activity data in the way described presents some challenges for long term economic projections as activity rates will be influenced by a range of factors that would not necessarily impact the provision of jobs. For example, economic activity levels will vary by population age profiles, levels of education and training and unemployment as a result of local economic conditions (e.g. a decrease in retail provision in an area which has historically had high employment there) – a jobs based projection is less susceptible to these locally specific issues given they relate to much broader economic trends.

3.65 Overall, both approaches have a range of technical limitations that could lead to a mis-allocation of both a scale and type of employment land within the borough, which is exacerbated by the lack of integration of the market trends. These should be addressed to ensure the draft Local Plan strategy for employment land is based on a sound, robust and evidence-led understanding of the potential of the borough’s economy.

Scenario Testing

- 3.66 The most significant change to the ELR evidence base is the introduction of a series of scenario tests to the base forecasts, these are based solely on the ORS population based model, and therefore suffer the same technical issues as the base forecast described above.
- 3.67 The scenarios seek to test different approaches to the delivery of the overall B class employment figure within the ORS model – a figure of 10,406 ‘jobs’ (noting these are based on economic activity rather than jobs).
- 3.68 In line with the previous work by GVA the first tests consider how development may come forward and what this means for the translation of floorspace into land via different plot ratios. In truth, this is more of a sensitivity test of the original forecast rather than an alternate scenario and therefore has little difference in its robustness to the base forecast.
- 3.69 The other alternative scenarios have greater differences, in the main seeking to redistribute the share of employment growth across use classes in a different way to the EEFM suggests – primarily this profiles employment away from the warehousing sector to the office sector, with a marginal decrease also in the industrial sector. Limited commentary and evidence is given for the modelled redistribution other than referring to the expectation that new trends will emerge and drive a need for more office/high tech space – the main point of reference is listed as the Economic Growth Ambitions Topic Paper – which itself relies on a small number of recent property deals and company activity and a longer term view of the influence of the OxCam Arc.
- 3.70 By combining different plot ratios and the redistributed growth, the ELR now presents four different scenarios beyond the baseline that mean the need for warehousing land ranges between 36 and 61 ha.
- 3.71 Whilst it may be desirable to have more evidence for the sector redistribution in order to understand how robust and deliverable it is the ability to understand what may be needed land-wise to help the borough’s economy evolve is not, in and of itself, an unreasonable scenario to test. However, the approach to achieving it could be improved in order to better reflect the full potential of the Bedford economy, rather than constrain one sector in order to promote another.
- 3.72 Critically, all the scenarios tested constrain growth to 10,406 jobs, a figure which in itself is arrived at from a forecasting approach that constrains jobs growth to an arbitrary ratio of homes to jobs. As noted above, this ratio may actually limit the potential to fully realise the role Bedford can play in sub-regional and regional markets in the future, particularly in the logistics sector.
- 3.73 The scenarios presented treat employment and economic growth as a ‘zero sum game’, baking in an assumption that the economy can only grow by a certain amount and that any growth in one sector will limit the opportunity of another – therefore for aspirational reasons only the decision is made to constrain the logistics sector in order to allow the office sector to grow.

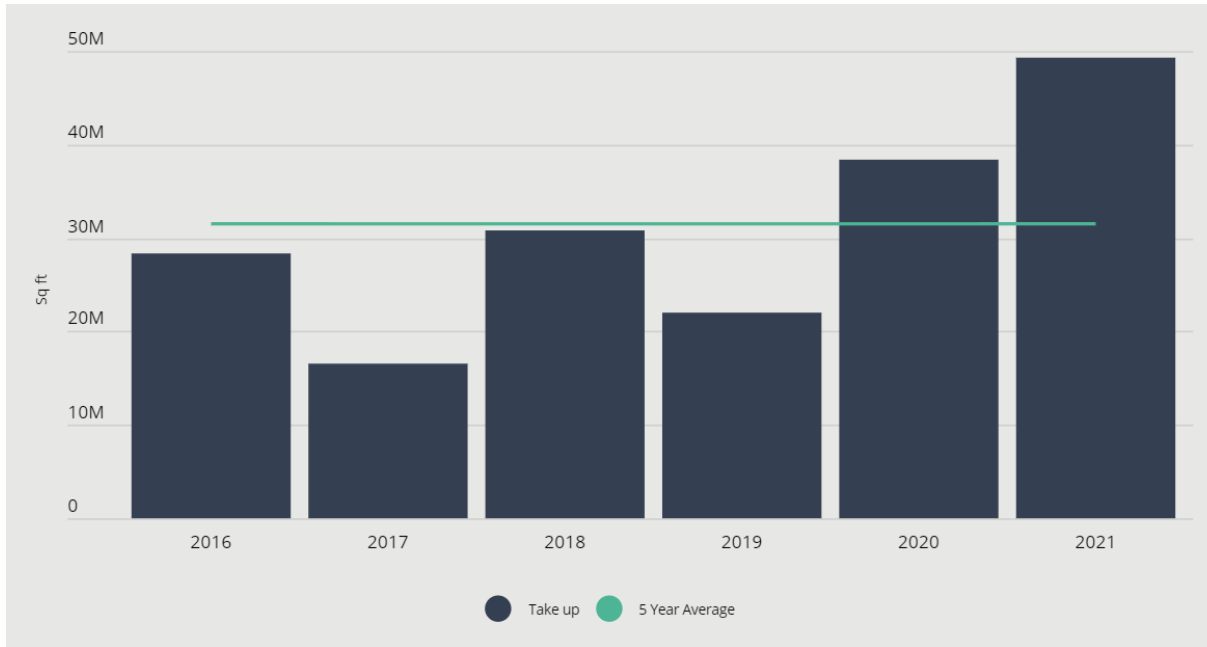
- 3.74 This is an unnecessary and unhelpful starting position to take as there is no evidence to suggest that there is a 'ceiling' on employment growth, or that by allowing one sector to grow investment in another will be stymied. Indeed, from experience there is no reason why both forms of growth cannot be delivered in parallel or in sequence over the plan period given the different levels of market maturity, the different locational and site requirements of the office and logistics sector and different employment profiles they offer.
- 3.75 In simple terms, by supporting both sectors to succeed, the Borough would be able to provide more jobs for residents and increase the economic benefits that flow to the borough rather than limit any theoretical future potential.
- 3.76 Looking more widely across the East Midlands, the logistics sector is seen as a key growth priority not only because of the strength of the sector itself but also from a recognition of the role it plays in supporting high value innovation, production and manufacturing activity as a core part of the supply chain. The provision of appropriate space for logistics will allow a more rounded economic ecosystem to form in Bedford that will support other activities to grow over time.

Market Signals + Trends

- 3.77 We have previously made representations to the plan making process that the first two approaches to forecasting future need do not fully capture the scale and nature of future need within the logistics sector given a. the relationship between employment growth and floorspace demand is no longer 'linear' given changing operational practices within the industry and b. past trends in property demand are constrained by available supply, which is significant issue for the logistics sector given their changing needs and the inappropriateness of significant amounts of existing stock to meet their needs.
- 3.78 In both cases, a sole reliance on either employment forecasts or past trends to determine future needs would most likely lead to an undersupply of appropriate land and premises for future logistics activity, an issue that is recognised to exist across the country and clearly articulated in the BPF's Logic of Logistics report.
- 3.79 The current Employment Land Study, the Economic Growth Ambitions Topic Paper and, therefore, the draft Local Plan all recognise the role logistics has played previously in driving employment and economic activity. Our work historically for the Council identified that Bedford's economy and market operated at different scales depending on the activity and market segment considered. It recognised that for industrial and logistics activity the borough had a much more significant role to play in the sub-regional economy than it did for office based activity, largely related to its location, road connections and site opportunities. Conversely the office market was seen to be locally focussed, given the proximity to larger, more established offers in the likes of Milton Keynes.
- 3.80 The new ELR carries forward this conclusion from a FEMA perspective, recognising the larger role the Borough plays in the industrial/logistics market, which is welcomed. This should be the basis on which the ELR, and therefore the draft Local Plan, then develops an appropriate strategy to assess and accommodate future needs. However, this is not the case; indeed the remainder of the ELR gives little attention or weight to these market forces and the role they play in shaping the borough's future employment land needs.

The Logistics Sector

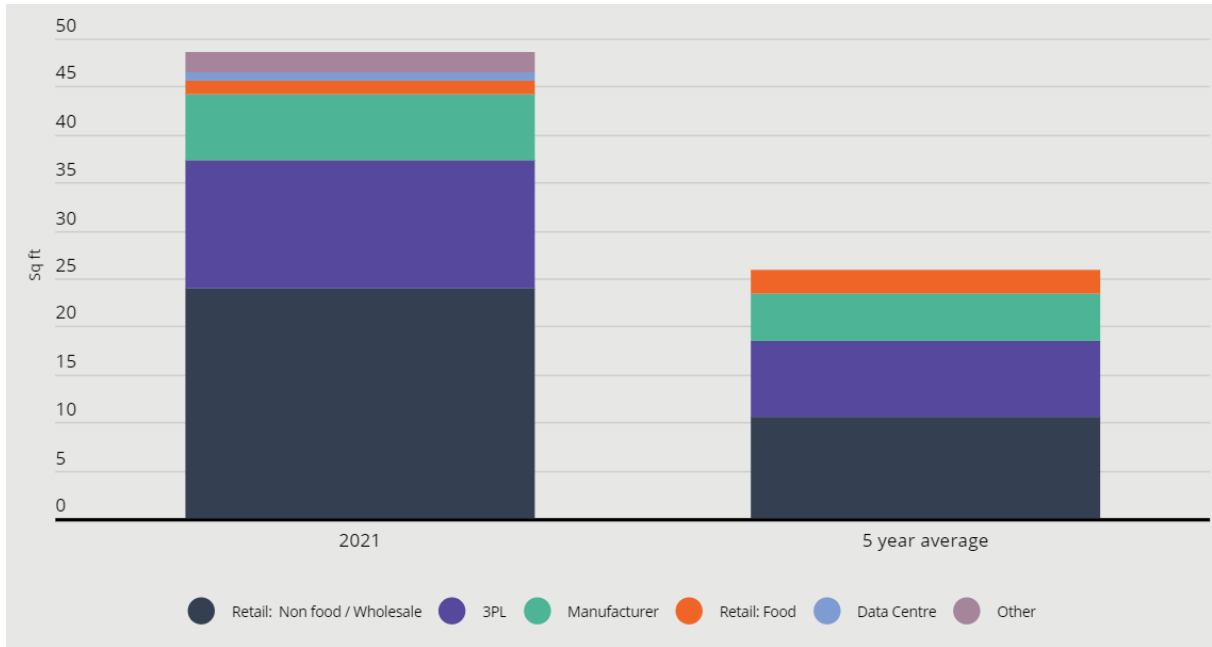
- 3.81 To appropriately plan for the future needs of the logistics sector, it is important to not only consider the local dynamics but also develop an understanding of the strategic factors and trends that are, and will continue to, influence demand. The growth and performance of the logistics sector over the last decade is well recognised and documented and it is therefore possible to base the borough's employment land strategy on a deep and wide-ranging evidence base, something the Council fail to do. In absence of this analysis we provide a brief overview of the sector below.
- 3.82 A variety of forces have combined to generate heightened demand for industrial and distribution space. Over the past 5 years the UK economy has experienced significant changes. The COVID-19 pandemic has accelerated trends and brought the critical role of the logistics sector into sharp focus. However, wider changes to consumer and business behaviour were already underway and influencing demand for property across the UK. A combination of changing consumer demand and the emergence of new sectors provide new economic drivers for the demand for large spaces in well-connected locations. These are not captured in historic economic forecasts and therefore are not included in most of the evidence base reports that direct local employment land policy.
- 3.83 Even before the onset of the pandemic in early 2020 the UK had one of the highest levels of online expenditure in the world with 19% of all expenditure happening online in 2019 compared to 15% in Germany. Unsurprisingly, with the closure of physical retail stores for a large part of 2020, this figure increased substantially to an average of 26% of all sales in 2020 happening online having peaked at 36% in late 2020.
- 3.84 Whilst the first half of 2021 saw this rate of expenditure decrease slightly, there is no sign that it will return to pre-pandemic levels, with online shopping expected to have reached a value of c.£122bn in 2021. Indeed, forecasts by Experian (Retail Planner Briefing Note 14, 2022) indicated that online sales could increase back to 30% by 2025 and reach at least 37% of retail expenditure by 2040. This continued growth will drive further needs for warehouse and distribution space in particular. This reflects irreversible changes in consumer behaviour, particularly in older age groups who had previously been slower to adopt online shopping.
- 3.85 As online sales have grown, as a proportion of total expenditure, demand for large distribution space has increased. An 80% growth in online grocery shopping has seen food retailers significantly expand their distribution capacity.
- 3.86 2021 was another record year for the UK industrial market as take-up of Grade-A space over 100,000 sq ft surpassed 49 million sq ft, totalling c.50 million sq ft. In line with recent trends e-commerce continued to dominate the occupier market. This huge increase in demand has led to a reduction of stock, and a surge in land and rental values.



Source: Avison Young Big Box Bulletin , 2022

Figure 8 National Take Up of Large Units (100,000sqft +)

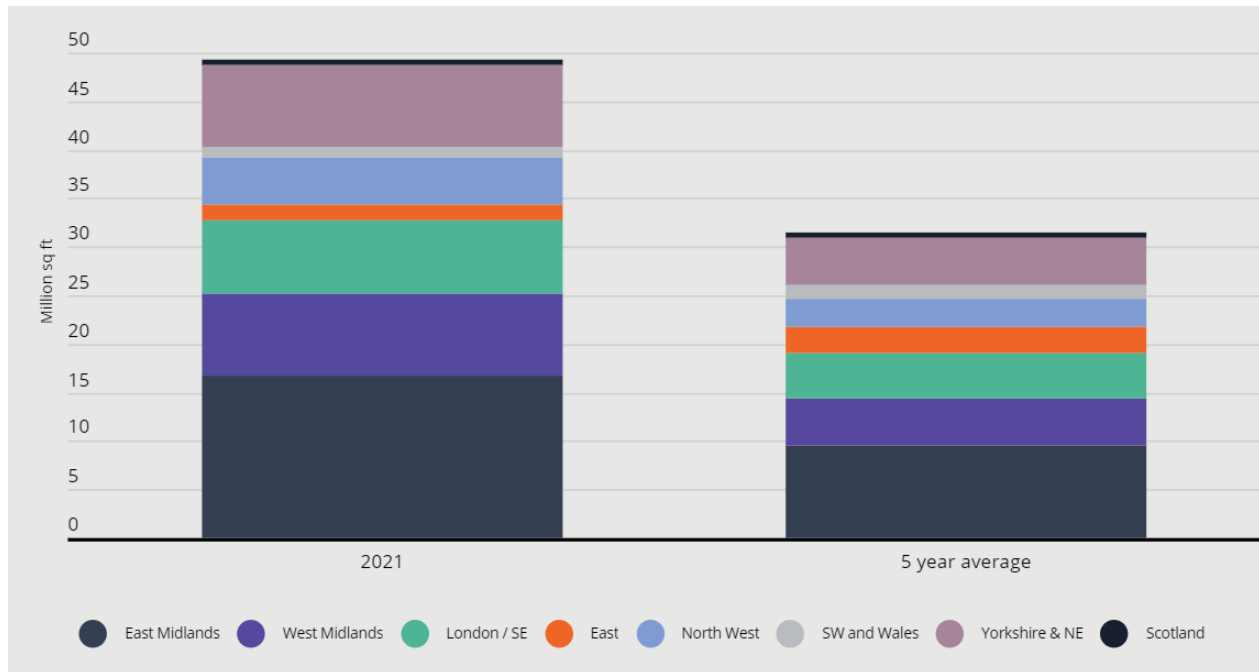
3.87 Take-up of large (100,000 sq ft+) units increased by 28% compared to 2020. This represented an increase of 57% on the five-year average. There was an increase in demand from non-food retailers, who accounted for 48% of all take-up, compared with 41% in 2020. Third-party logistics accounted for 27% of all market activity throughout the year.



Source: Avison Young Big Box Bulletin, 2022

Figure 9 National Take Up of Large Units (100,000sqft +) by Use

- 3.88 Availability of these large spaces totalled 24.2 million sq ft at the end of 2021, indicating a national availability rate of just 2.9%. This level of available stock is 6% lower than at the end of 2020 and meaning, for the second consecutive year, there is less than a year’s supply of available stock in the market.
- 3.89 Critically, demand has grown in all parts of the country, as operator requirements have changed and there is an increasing need to be closer to end users, as shown below.



Source: Avison Young Big Box Bulletin, 2022

Figure 10 National Take Up of Large Units (100,000sqft +) by Region

- 3.90 As shown above the East Midlands remains the primary area of focus for the sector, with over 15mn sqft of take up in large units during 2021. The comparison to the 5 year average shows the strengthening of the East Midlands market over the period, suggesting the region remains a focus for occupiers.
- 3.91 This focus on the East Midlands and the continued demand for space is underlined by the scale of 'live' requirements currently seeking space in the area. The following table sets out a summary of known requirements for units in excess of 100,000sqft, which has been provided by Savills, the requirements list is up to date as of 28/07/2022 – clearly this can change on a regular basis, but it provides the most up to date potential needs in the market.
- 3.92 Requirements in the market relate to the specific location needs of a particular business, who will define an area of search relevant to their operations. Some will define fairly narrow search parameters (i.e. identify a particular town/city), others will define much larger areas in recognition that their market is larger or their needs harder to accommodate (for example), a size range is usually also provided, again in recognition of the flexibility required to find an appropriate location. The table therefore seeks to stratify the data by the nature of the search area and the minimum and maximum site needs.

Geography	Size From (sq ft)	Size To (sq ft)
Bedford/Bedfordshire	13,828,280	23,514,620
South East Midlands	992,720	1,874,760
East Midlands	5,535,960	10,621,240
Greater South East	2,921,800	4,965,800
Grand Total	23,278,760	40,976,420

Source: Savills, 2022

Figure 11 Existing Requirements for 100,000sqft+ Units

- 3.93 As shown, there is c. 13.8mn sqft of need identified that is specifically seeking space within Bedford/Bedfordshire based on minimum size requirements, however the same occupiers could also occupy c.23.5mn sqft if their upper end space requirements are considered. It should be noted that whilst these businesses have a specific focus on Bedford/Bedfordshire, they may also consider other locations to find the 'right' space.
- 3.94 A significant number of businesses have much wider search areas, ranging from the South East Midlands (broadly reflecting the LEP area) through to the Greater South East. Again there is a significant level of need here of between 9.5mn sqft and 17.5mn sqft. Given their search requirements all of these businesses would consider any opportunity to locate in Bedford, however the 'need' for them to be there is much lower.
- 3.95 The majority of these businesses require space with the next 3 years, with the rest needing space within 5 years. This suggests that there is a significant opportunity for Bedford to capture a share of this demand and realise a series of economic and employment benefits at a time when the wider economy is looking increasingly challenged.
- 3.96 Even if only a small proportion of the Bedford/Bedfordshire need were considered as 'required' to be met within the borough (ignoring wider more 'footloose' demand that could be captured), adjusting the requirements set out in the ELR for these market signals would result in a significant uplift in the land requirement. For example, seeking to accommodate 10% of the minimum Bedford/Bedfordshire focussed requirement would require c. 1.3mn sqm of floorspace and over 320ha of land at a plot ratio of 0.4.
- 3.97 Whilst these requirements are focussed on the next 5 years, driven by immediate business needs, it is expected that the broad demand trends for large space will continue over the medium to long term given consumer behaviour is now embedded and there is now increased competition for such spaces from a range of traditional sources including existing businesses looking to increase their warehouse space to accommodate the continued growth in

demand, a need to upgrade stock to meet new operational approaches or environmental performance standards, growth in industries such as film/TV/digital content production and new sub-sectors such as Q-commerce operators.

3.98 This competition is increased further by a range of new activities and sectors that have emerged in recent years and look set to become major new components of the economy in the future, including:

- The drive towards net zero has led to demand for more sustainable methods of construction. As a result, the UK has seen significant new demand for offsite construction manufacturing facilities, with the likes of TopHat, Swan Housing and Countryside all seeking or occupying major units in the last 18 months.
- As we move towards greater use of electronic vehicles (EVs) there is new demand for 'gigafactories' where vehicles and their batteries are developed. Britishvolt have been a pioneer in the UK, planning a 2.7mn sqft factory in Blyth.
- Home working and increasing demand for video streaming, social media, downloaded content for home entertainment, for 'big data' solutions and cloud-based computing have driven a rapid expansion in datacentre demand, with an expectation of 10% growth per annum over the next 5 years.
- More niche activities such as vertical farming are also expected to expand significantly.

3.99 Critically, these demand side drivers are not fully taken into account within econometric forecasts, and therefore any assessment of future land requirements based solely on an employment forecast will under-estimate the need for additional land. As noted above given the ELR recognises the important role the Borough plays in the logistics market these strategic trends the approach to land designation should have paid more direct attention to the needs of the sector in the future, that lie beyond simply employment growth forecasting.

Office and Innovation Space

3.100 As recognised in the ELR, the market for office/innovation space (hereafter referred to solely as office) is less established/proven. The ELR noted that over the past 6 years, on average, less than 100,000sqft of space has been let per annum. As noted in our previous submission to the Local Plan process, even this may be something of an over-exaggeration of the market scale given (as recognised in the ELR) it includes the re-leasing of Colworth Park to Unilever – space they already occupied and, as noted in the ELR, a specialist R+D facility that has been their base for a significant period of time and they have invested heavily in.

3.101 The scale of the market is also reflected in other key statistics, with CoStar data presented by the Council showing in most years the majority of deals were for very small (sub-1,000sqft) units, with a peak in 2014-15 of 4 deals for space above 5,000sqft – again this was a year skewed by the Unilever lease renewal. Contrary to the conclusion set out in the ELR (which states on Page 21 that *"there is no consistent trend discernible in transaction size over time"*), it is clear, as was established in the previous employment land assessment we completed, that the Bedford market is dominated by smaller transactions, a function of those office sectors being focussed on SMEs.

- 3.102 That is not to say that there is no requirement for additional office space. As noted in the Economic Growth Ambitions Topic Paper, there has been recent investment into Bedford from businesses that have ‘spun out’ of some of the larger employers already in the area (such as Unipath, Mologic and GAD which can all trace their heritage back to Unilever) as well as new activity from existing businesses such as Fujifilm.
- 3.103 However, at this point, they remain relatively small entities that require smaller office spaces from which to operate. Again, Savills have provided some data (sourced from CoStar) that helps to highlight the scale of the Bedford market. The table below shows the number of deals completed each year for office spaces in excess of 10,000sqft alongside the total space let in those deals. The size threshold is important as it represents the minimum size Savills consider ‘viable’ in the Bedford market to deliver office space.

Year	No. of Transactions	Total sqft let
2017-2018	0	0
2018-2019	2	23,000
2019-2020	1	10,000
2020-2021	2	20,000
2021-2022	1	35,000

Source: Savills, 2022

Figure 12 Office Transactions over 10,000sqft

- 3.104 As shown in the last 5 years there have been a total of 6 transactions that have exceeded the size required to unlock office development. This suggests that whilst there is a need for office space to be delivered, the scale and timing of that need is less certain – with space likely to come forward in the medium to long term. This timing is reinforced by the Economic Growth Ambitions Topic Paper, which clearly links the future growth in office/innovation based sectors to the success of the OxCam Arc and the delivery of East-West Rail to enhance the interlinkages between Bedford, Oxford and Cambridge.

Conclusions

- 3.105 There are clearly market signals that the Borough needs to provide both additional office and industrial land, however at present the draft Local Plan only appears to respond to the ‘early’ market signals regarding the potential to grow any innovation based economic offer and gives little weight to the more established market signals relating to the logistics sector.
- 3.106 It is clear that the Council are treating the evidence related to each sector differently in order to follow a pre-determined economic strategy - whilst it is within the gift of the Council to pursue that strategy to increase innovation, there is no justification for why this is the chosen approach at the expense of growth in the logistics sector. Both the demand projections and the market signals highlight expected growth in the logistics sector, with the market signals in particular highlighting locally specific needs and demand.

- 3.107 The market signals are evidently much stronger for the logistics sector, suggesting that there are significant opportunities to deliver employment growth in the Borough early in the plan period. Conversely the weaker signals for the office sector suggest that the realisation of the Borough's ambitions will take longer, most likely in the middle and end of the plan period.
- 3.108 As such, there appears no apparent conflict in economic terms between the two sectors being promoted on equal terms - this would deliver jobs growth throughout the plan period and (given different spatial requirements) not absorb land in the early part of the plan period that would be needed to accommodate later growth.
- 3.109 On this basis, we conclude that the Council fails to appropriately assess and identify its objectively assessed employment needs, particularly those in the logistics sector. Policy DS4(S) therefore fails to plan for these needs. It is, therefore, inconsistent with Paragraph 11 of the NPPF and is not 'positively prepared' in accordance with paragraph 35 of the NPPF.

Future Sources of Supply

- 3.110 The Local Plan includes the following sources of supply to meet future need - there is some overlap with the sites identified in the ELR, however not all sites are included in both documents and the naming and referencing is not consistent making direct comparisons more difficult to make. It should be noted that not all sites in the Local Plan are attributed a specific use (or mix of uses) and for these we have assumed they could come forward for the full range of (former) B class activities.

Site Name	Expected Use	Developable Area (ha)
Land at Bedford Station	B1	Not known
ARA Manton Land	B2/B8	1.6
Land South West of Interchange Retail Park	B2/B8	3.3
Land South of Goldington Road	B1/B2/B8	7.2
Kempston Hardwick	B1/B2/B8	70
Land at Pear Tree Farm, Elstow	B1	20.4
Little Barford	B1/B2/B8	5
Land at Water End and St Neots Rd (2 sites)	B1	30
Land at College Farm	B2/B8	3
Land at Roxton	B8	17
Total		157.5

- 3.111 As shown, whilst the Borough has identified a number of sites which in total provide sufficient capacity to meet the overall identified requirement, they do not necessarily cater for the qualitative requirements of the individual sectors forecast to grow. This most acutely impacts the B8 sector, where only one site is allocated specifically for that use, and this lies to the east of the Borough with the least direct connections to the M1. Other sites do include Class B8 as part of their mix. However, the majority of these are small and would therefore be most likely attractive to the non-B8 uses identified or would provide space for smaller scale storage and distribution units as part of their mix.
- 3.112 The ELR identifies a requirement of between c.36 and 61ha of land, with a broad recommendation to allow for the lower end of this range (contrary to the evidence available to the Council). In the absence of any detailed guidance on what proportion of each site will be used for each use class, if it is assumed that each allocation was to attribute an even proportion of land to each identified use class (i.e. those identified for B1/B2/B8 would see 33% of land used for each use) then the Borough would have a stock of 48ha of B8 capacity – with the majority of land at Kempton Hardwick and Roxton (23ha and 17ha respectively). This suggests that in quantitative terms the Borough could accommodate the lower end of the need range for B8 but would have a shortage if need were in the mid or upper end of the range.
- 3.113 Critically, it would also mean that there would be a very fragmented distribution of land across the Borough, made up of a series of smaller sites that would limit the ability for sites to accommodate larger units, of which there is a clear and demonstrable need. It would also lead to challenges in deliverability as the market would be forced into delivering the same type of units on most sites, which could risk an oversupply of similar spaces, making viability more challenging.
- 3.114 As noted, when considering the approach to identifying the objectively assessed need, the Council has chosen to disregard any demand arising from 'regional' needs and any need to accommodate larger units. The Council's rationale/strategy for doing this is that the allocations made in other Boroughs will be sufficient to address and accommodate any market-led/subregional growth.
- 3.115 Our previous submissions questioned the evidence and support for such an approach, noting that there was a heavy reliance on Central Bedfordshire in particular but no statement of common ground on the topic existed and Central Bedfordshire's evidence to their own Local Plan examination stated that despite allocating land specifically for local and 'footloose' demand, it may need "topping up" during the Plan Period.
- 3.116 The approach to relying on Central Bedfordshire's land allocations appears even less sound now given recent submissions they have made to the Bedford Local Plan consultation process. Central Bedfordshire appears to disagree that Bedford Borough can rely on its stock to meet demand for strategic warehousing stating that this is "*not an appropriate strategy*".
- 3.117 Whilst Bedford has produced a series of 'Duty to Cooperate' Position Statements' (April 2022) these are not a 'Statement of Common Ground' in accordance with the requirements of Part c) of paragraph 35 of the NPPF and they do not include the scope of information that the NPPG states SoCG should contain, including details of activities undertaken in addressing cross-boundary issues and whether the authorities can meet their identified needs, for example, strategic employment needs.

3.118 On this basis, it is impossible to conclude whether the Council has complied with the legal Duty to Cooperate and if the Plan would be 'Effective' (i.e. sound) in working on 'cross-boundary strategic matters' and that these issues "*have been dealt rather than deferred*". Indeed, in line with the suggestion made by CBC that further assessment of the demand for strategic warehousing provision in Bedford should not be ruled out, a further assessment of demand is required.

Conclusions

3.119 Overall, we consider that the ELS and draft Local Plan 2040 do not capture or reflect recent economic trends and market signals, particularly in the logistics sector, and is poorly aligned with the wider national and regional context which sees major growth across a range of sectors including in innovation, advanced manufacturing and logistics. This results in a Plan which: i) significantly underestimates the scale of employment needs required in the Borough; ii) does not appropriately address wider strategic economic needs; iii) fails to reflect the needs of other sectors; iv) risks the Borough losing out on the economic benefits associated with this growth; and v) fails to appropriately identify and meet its objectively assessed employment needs in accordance with paragraph 11 and 35a of the NPPF.

3.120 As a result, we conclude that Policy DS4(S) is unsound (i.e. is not justified, positively prepared, effective or consistent with national policy).

3.121 Cloud Wing note that Policy 72(S) of the adopted Local Plan 2030 is proposed to be retained. This Policy allows proposals for new “B” use class development on sites of 5 ha and above, not previously allocated for those uses to be supported subject to compliance with a number of criteria. Whilst Cloud Wing’s view is that the draft Plan needs to make sufficient provision to meet employment needs now and for the identified needs to be treated as a minimum, it supports the retention of Policy 72(S) as a means of incorporating additional flexibility to accommodate needs not anticipated in the plan, and to enable a rapid response to changes in economic circumstances in accordance with Paragraph 82 of the NPPF.

Changes Sought:

- ***A new Employment Land Study should be prepared to address the issues identified above and to ensure that Policy DS4(S) is informed by a proper assessment of its objectively assessed employment needs.***
 - ***Further evidence should be prepared to consider strategic employment needs and how these could be met. The Council should produce a Statement of Common Ground which considers how any strategic cross-boundary needs would be met and demonstrate that the ‘Duty -to Co-operate’ has been complied with.***
 - ***Policy DS4(S) should be amended to reflect the objectively assessed need for employment to be identified through additional evidence, the precise figure to be included in the policy can only be confirmed once the Council has undertaken a proper assessment of its objectively assessed employment needs. The figure set out in Policy DS4(S) should be expressed as a requirement for a specific quantum of employment land and floorspace for each employment use class, rather than an overall number of jobs.***
 - ***Policy DS4(S) should be amended to set out these land/ floorspace requirements as “a minimum” rather than a ceiling on employment development in the Borough.***
-

4. Spatial Strategy & Distribution of Growth – Policy DS2(S) & DS5(S)

- 4.1 Cloud Wing supports the principle of significant growth being directed to the south of Bedford along the A421 Corridor and at its land at Kempston Hardwick. The area is well-located for access to the strategic highway network, including the junction of the A421 with the A428, approximately 2.5 miles south of Bedford town centre. The A421 is the main thoroughfare connecting Bedford with the M1 and A1 and is the route where significant investment is proposed. The area benefits from existing rail links, with the Kempston Hardwick railway station located centrally in Cloud Wing's site on the Bedford to Bletchley line providing services into Bedford Town Centre, Bletchley and Milton Keynes roughly every 30 minutes in each direction. There are also regular bus services on the B530 and in Stewartby to the south which provide public transport links into Bedford and nearby settlements. The area's connectivity is set to improve further as a result of the proposed improvements to the East West rail line which would connect the communities between Oxford, Milton Keynes, Bedford and Cambridge. These national investments in infrastructure improvements are part of the wider growth strategy for the Oxford-Cambridge Arc aimed at unlocking the full economic potential of the region.
- 4.2 On this basis, the area to the south of Bedford, around Kempston Hardwick, has huge potential and is very clearly the right location for new development of significant scale.
- 4.3 As set out in detail in Section 3, Cloud Wing's view is that the Plan significantly underestimates the amount of employment land required in the Borough to meet its needs and reflect the wider economic ambitions the region. On this basis, Policies DS2(S) and DS5(S), and the Development Strategy Options Paper and Sustainability Appraisal (SA) evidence on which they are based, only seek to deliver the scale of employment growth identified in Policy DS4(S). The policies are not, therefore, considered sound (i.e. are not positively prepared, justified, effective or consistent with national policy). Overall, Policy DS5(S) fails to identify sufficient employment land, including to the South of Bedford at Kempston Hardwick, to meet anticipated economic and employment needs over the plan period in accordance with paragraph 82 of the NPPF.
- 4.4 Furthermore, for the reasons set out in Section 2 and 3, their view is that Policy DS2(S)'s emphasis on innovation uses, including for the South of Bedford Area at Kempston Hardwick, is unsound.

Sustainability Appraisal and Development Strategy Options Paper

- 4.5 The evidence underpinning these policies has also failed to consider all reasonable alternatives, including a larger amount of employment land²⁷. The SA's assessment of the employment land options is flawed. It considers three options: C) 90Ha (more high density office development); D) 142Ha; and E) 206Ha (lower density office/ business park dev with more warehousing). These options do not appear to be consistent with those presented in the Employment

²⁷ We note that the employment land options considered in the Sustainability Appraisal Report do not appear to reflect those presented in the Employment Land Study 2022. It is not clear why this is the case.

Land Study 2022. In addition, the SA concludes that 'Option E' (i.e. the option delivering the most employment) is worst performing including in terms of 'improving air quality', 'reducing carbon dioxide', 'improving energy efficiency', 'reducing the need to travel and promote sustainable modes of travel'.

- 4.6 The SA appears to have reached this conclusion on the basis that this option would result in greater increase in private car use and commercial vehicle use than other options with less warehousing. However, this assessment is overly simplistic and fails to consider that the Council's strategy of relying on neighbouring authorities to meet strategic warehousing needs could result in promotion of less sustainable commuting patterns and freight movements than would be the case than if those needs were met locally within close proximity to the existing and proposed population in Bedford. It also fails to recognise the strategic importance of logistics as critical infrastructure nationally, regionally and locally or the Government's ambitions to achieve a net zero freight sector by 2050.
- 4.7 Option E also scores more poorly than Option D against the objective of promoting a strong, sustainable and balanced economic growth stimulating job creation across a range of sectors. It is not clear why this is the case, the SA simply suggests that low density office development with greater proportion of warehousing "*uncertain whether this will be viable locally*". The market evidence above clearly demonstrates that warehousing is viable in this location.
- 4.8 The Development Strategy Options Paper (DSO) and SA also consider a range of strategy options as 'reasonable alternatives'. The SA notes that for the purpose of identifying 'reasonable alternatives' the aim is to consider options that could meet the dwelling and employment requirement to 2040. However, it later goes onto state that the employment requirement is not considered an overriding constraint in generating options. Indeed, it is acknowledged in the DSO that most of the 'reasonable alternatives' identified would fail to achieve the amount of employment land contemplated in the Plan without additional sites being identified along the A421 corridor, the implications of which do not appear to have been considered as part of the assessment of strategy options. Overall, whilst we agree with and support the identification of the area around Kempston Hardwick as a location for significant growth, Cloud Wing is concerned that the approach to the distribution of other employment land in the Borough is not appropriately justified.
- 4.9 Cloud Wing is also concerned that the approach taken means that the opportunity presented by a larger Business Park, incorporating a mix of employment uses, on Cloud Wing's land to the South of Bedford as part of the overall spatial strategy and distribution of employment growth, has not been appropriately considered or assessed as a 'reasonable alternative' as part of the Council's Local Plan evidence base. This approach risks missing a major opportunity for economic growth on a transformative scale that is well-located to benefit from improved rail connectivity.
- 4.10 More generally, the Council's approach to the assessment of and selection of 'other employment sites', particularly those along the A421 Corridor, is not clear or transparent. Para 5.18 of the DSO states that other potential employment locations "*have been assessed according to their accessibility, visibility and proximity to strategic transport routes, and their compatibility with neighbouring uses*". However, there does not appear to be any evidence of this in the evidence provided beyond the general site assessment proforma in the appendices to the HELAA and no explanation on how judgements have been reached about particular sites.
- 4.11 Cloud Wing remain concerned that the Council's proposed spatial strategy results in a 'piecemeal' approach to employment development elsewhere across the Borough, and an over-reliance on 'innovation' uses to deliver its economic needs. This approach would result in a number of individual developments

without the critical mass to generate the level of investment required to facilitate the infrastructure needed and deliver sustainable economic development. It is also unlikely that innovation uses alone would be able to generate the significant uplifts in land value that major industrial and logistics schemes generate²⁸ and that are often needed to fund strategic infrastructure requirements (e.g. new and improved junctions on the strategic road network and link roads) and can support the delivery of other infrastructure that is required to support housing delivery on mixed-use schemes.

- 4.12 For example, at the Linmere development in Houghton Regis in Central Bedfordshire the delivery of large scale logistics space alongside 5,000 dwellings and other uses has provided upfront funding to support the delivery of early infrastructure for the wider scheme²⁹. A piecemeal approach to employment development across Bedford and over-reliance on innovation uses would result in individual developments each without the critical mass and market conditions to generate the level of investment required to facilitate the infrastructure needed to support the scale of development anticipated and deliver sustainable economic development.

Changes Sought:

- ***The evidence base underpinning Policy DS2(S) & DS5(S), including the Sustainability Appraisal and Development Strategy Options Paper, should be updated to reflect additional evidence on the Borough's objectively assessed employment needs, as per our comments on Policy DS4(S), and to consider the provision of a larger area of employment land, incorporating a mix of employment uses, at Kempston Hardwick, the amount of which can only be determined once a proper assessment of employment needs has been carried out.***
 - ***The amount of employment land allocated in the South of Bedford in Policy DS5(S) (i.e. the figure of 70Ha of employment land) should be increased significantly, the extent to which can only be determined once a proper assessment of employment needs has been carried out.***
 - ***The spatial strategy set out in Policy DS2(S) should recognise the need for growth in other sectors, including industrial and logistics. The wording of Point vii. of Policy DS2(S) should be amended to reflect the amendments to Policy DS4(S) and DS5(S) in terms of the scale and type of employment to the South of Bedford, which could only be confirmed once the Council has carried out a proper assessment of its objectively assessed employment needs.***
 - ***Further justification should be provided on the approach to the selection of other employment sites.***
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²⁸ BPF (2022) Levelling up - Logic of Logistics

²⁹ BPF (2022) Levelling up - Logic of Logistics

5. South of Bedford Area – Policy HOU12

- 5.1 For the reasons set out above, Cloud Wing strongly support the principle of the South of Bedford Area as a focus for environmental-led and sustainable growth. However, for the reasons set out in other sections of these representations Cloud Wing considers the focus of the Plan and Policy HOU12 on the delivery of an “*innovation hub*” at Kempston Hardwick to be unsound. This fails to recognise the importance of other sectors and locational advantages of the south of Bedford area and the Kempston Hardwick site, particularly for industrial and logistics uses. The overreliance on innovation uses also poses a threat to the delivery of the overall employment and economic needs of the area.

Changes Sought:

- ***Policy HOU12 should be amended to delete the reference to “...and an innovation hub at Kempston Hardwick...” and instead state “and/or employment uses at Kempston Hardwick...”***
-

6. Kempston Hardwick New Settlement – Policy HOU14

- 6.1 Cloud Wing supports the principle of the allocation of the land at Kempston Hardwick for development. However, for the reasons set out in detail at Sections 3, 4 and 5 of these representations, Policy HOU14 proposes insufficient employment land on Cloud Wing's land at Kempston Hardwick. Cloud Wing also has significant concerns over the overreliance and inappropriate emphasis on delivery of innovation uses at the site, which do not appear to be justified and pose risks to the delivery of economic needs and the overall effectiveness of the Plan. The allocation should state "employment uses", rather than specifically identifying innovation uses. It should also be amended to recognise the fact that additional Class B8 logistics uses would generate significant uplifts in land value, that could support early investment in the infrastructure required to support housing development at the site.
- 6.2 Cloud Wing is also concerned by references in the draft Plan and its supporting evidence which suggest that development at Kempston Hardwick and other strategic sites would only be able to come forward post-2030 following the delivery of East-West Rail and completion of various highway improvements, which in turn appears to be driving the Council's proposed approach to a stepped housing trajectory.
- 6.3 However, for the reasons set out in detail at paragraphs 6.9 to 6.69 below, a larger amount of employment land, including industrial and logistics uses, could start to be delivered earlier than 2030. The site is already a suitable location for employment growth. It is accessible by public transport and would be capable of supporting early delivery of infrastructure improvements including improvements to the surrounding highway network (i.e. the package of improvement works to Junction 13 of the M1 and the junction of the A6 and A421 which have been developed in detail through discussion with Highways England as part of the outline planning application for the Bedford Business Park) and deliver sustainable transport improvements (i.e. improvements to pedestrian and cycle accessibility and public transport).
- 6.4 On this basis, the Plan and draft Policy HOU14 risks unnecessarily delaying delivery of growth in a sustainable, suitable location and failing to meet economic needs in the short-term. Cloud Wing support the principle of mixed-use development at Kempston Hardwick and the allocation of the land in HOU14 as a strategic allocation for growth in Bedford Borough. However, for the reasons set out above, the quantum of employment development on Cloud Wing's land should be increased. AWG is promoting further land directly adjoins the HOU14 that could accommodate additional residential development, where required.
- 6.5 In this context, it is in Cloud Wing's view entirely inappropriate for employment development at the site to be delayed until late in the plan period and for the policy to prevent permission being granted until such time that a Supplementary Planning Document has been prepared by the local authority. Whilst we agree that further work would be required to develop a robust Infrastructure Delivery Plan for the site and support the Council's view that development at Kempston Hardwick should be landscape-led and of high quality design, underpinned by an appropriate masterplan, the proposed approach has the potential to delay and undermine delivery of development early in the plan-period. The Policy should, therefore, be amended to allow flexibility for the landowners/ developers to prepare their own masterplan and design code, in accordance with paragraph 129 of the NPPF.

- 6.6 The detailed criteria set out in Policy HOU14, the concept plan and the infrastructure identified in the Infrastructure Delivery Plan and Transport Strategy would also need to be reviewed, updated and amended, as appropriate, to reflect changes to the quantum and mix of residential and employment development proposed in response to our comments above.
- 6.7 Our comments on the assessment of the site as part of the appendices to the HELAA and Sustainability Appraisal remain as set out in the comments on the Strategy Options and Draft Policies Consultation (see Appendix 2).

Changes Sought:

- *The figure of “around 70Ha” in Policy HOU14 should be amended to allocate additional employment land at Kempston Hardwick, with the precise figure to be confirmed once the Council has carried out a proper assessment of its objectively assessed employment needs in accordance with our comments on Policy DS4(S).*
 - *The words “...an innovation hub and business/ science campus primarily focussed on innovation, research, development and education providing...”, “...and design of high tech business environment...” and “xxii. An innovation hub with potential for the incorporation of academic and science park uses with elements of high tech manufacturing” should be deleted to provide flexibility over the mix of employment uses that would be supported at Kempston Hardwick.*
 - *Policy HOU14 should be amended to allow flexibility for the landowners/ developers to prepare their own masterplan and design code and for a well-designed and appropriately masterplanned scheme to come forward earlier in the plan-period, where supported by appropriate infrastructure improvements. The requirements in Policy HOU14 for a strategic masterplan and design code “to be prepared by the Council in conjunction with the landowners, stakeholders and local community and adopted as a Supplementary Planning Document. This document will need to be produced ahead of the submission of any planning application and will accord with the south of Bedford strategic framework” should be deleted and replaced with “A masterplan and design code should be prepared by the landowners/ developers in consultation with the Council and key stakeholders which has regard to any strategic framework for the South of Bedford”. The following text should also be removed “In order to ensure that the new settlement is brought forward in a high quality, strategic and comprehensive manner, planning permission will only be granted following the adoption of the strategic masterplan and design code.”*
 - *The detailed criteria set out in Policy HOU14, the concept plan and the infrastructure identified in the Infrastructure Delivery Plan and Transport Strategy would also need to be reviewed, updated and amended, as appropriate, to reflect the amendments to the precise quantum of employment and flexibility of uses supported by Policy HOU14, which could only be confirmed once the Council has carried out a proper assessment of its objectively assessed employment needs.*
-

Deliverability of Bedford Business Park

- 6.8 The comments hereafter set out the rationale which Cloud Wing has set out in its Bedford Business Park planning application. That application remains undetermined. Clearly, the Council will wish to continue to consider the advantages of that application in the context of its emerging Local Plan, which proposes that the Kempston Hardwick site is indeed suitable for a mix of uses, including those uses set out in the Bedford Business Park planning application.
- 6.9 Within the NPPF, the definition of whether a site is 'deliverable' specifically relates to sites for housing. Notwithstanding this, the PPG confirms that the key factors to be taken into consideration when assessing whether a site is likely to be delivered when assessing both housing and economic land should be:
- Suitability – is the site an appropriate location for development when considered against relevant constraints and their potential to be mitigated?
 - Availability – are there any legal or ownership impediments to development?
 - Achievability – is there a reasonable prospect that the particular type of development will be developed on the site at a particular point in time, including whether the site is economically viable.

- 6.10 The following section assesses the site against these criteria:

Suitability

- 6.11 The NPPG sets out that a site or broad location can be considered suitable *"if it would provide an appropriate location for development when considered against relevant constraints and their potential to be mitigated"*.
- 6.12 In order to demonstrate that site is suitable, the following sections looks at the relevant technical matters to demonstrate that when taking into account the relevant mitigation, there are no constraints to development.
- ### *Highways and Access*
- 6.13 As set out in the earlier sections, the site is located in a prime location for economic development. Situated at the heart of the Golden Triangle, the site is extremely well connected to the strategic road network, being located adjacent to the A421 which connects to the M1 and A1.
- 6.14 There are also excellent rail links with the existing Kempston Hardwick railway station being located centrally within the site and providing hourly services to the centre of Bedford and to Bletchley. This connectivity is also set to improve in the future light of the planned improvement works to the East West rail line.

- 6.15 The development of the site could, therefore, progress and support delivery of employment early in the plan-period whilst also allowing for the potential relocation of Kempston Hardwick station as part of the EWR proposals. Cloud Wing is already engaging with East West Rail in relation to how it may be able to assist in facilitating elements of the proposed improvements.
- 6.16 To support economic development on the site, a series of critical infrastructure improvements are proposed, including new walking and cycle routes through the site, new public transport and shared transport services, highway network improvements and a new vehicular bridge across the Marston Vale Railway Line. The proposed walking and cycle routes, coupled with the extensive connections to existing green infrastructure and pathways, will promote active travel corridors and facilitate sustainable methods of commuting to the site.
- 6.17 It is noted that there is a holding objection from Highways England in relation to the outline planning application for the site which is currently pending determination. Detailed discussions with Highways England have been ongoing to resolve their comments regarding the impact of the proposed development on the strategic road network. A package of improvement works to Junction 13 of the M1 and at the junction of the A6 and A421 have been developed in detail through discussion with Highways England and would be secured as part of the development. It is anticipated that this package of improvement works will be sufficient to enable a resolution to be reached and Highways England to remove their holding objection in due course.
- 6.18 On this basis, we consider there are no highways and access matters that could be considered a constraint to development of the BBP proposals. Rather, the accessibility and connectivity of the site offers a particular advantage that means that it is very well placed to support a sustainable pattern of economic development.

Flood Risk and Drainage

- 6.19 As identified on the EA Flood Risk Map, the site lies within Flood Zones 1, 2 and 3. Commercial development, including offices, general industry, storage and distribution uses, are considered appropriate in Flood Zones 1, 2 and 3a in accordance with the guidance outlined within the NPPF.
- 6.20 As part of the outline planning application, a comprehensive Flood Risk Assessment (FRA) has been undertaken based on data provided by the Bedford Group of Internal Drainage Boards (IDB). This has confirmed the flooding from groundwater, sewers and reservoirs, canals and other artificial sources is low.
- 6.21 The final layout of the site will be designed based on evidence from modelled flood levels obtained from the Bedford Group of IDB and the site topographic survey. This will enable the areas of higher flood risk to be properly mitigated and any development in these locations will be designed to ensure buildings are safe for the entirety of its lifespan, and that development within higher risk areas will not increase flooding elsewhere.
- 6.22 As part of future development, it is proposed that surface water would be discharged into the Great River Ouse watercourse located adjacent to the site's western boundary.

6.23 As part of the outline planning application, the Bedford Group of Internal Drainage Boards (IDB) has indicated that it will support a strategy based on restricted discharge rate of 4 litres/second/hectare to the existing IDB drainage network. There are no outstanding objections on Flood Risk or Drainage grounds.

6.24 We therefore consider that there are no significant constraints to development regarding flood risk or drainage matters.

Heritage & Archaeology

6.25 There are no heritage assets within the site itself, however the site is located within the setting of a Scheduled Ancient Monument (SAM), the Kempston Hardwick Moated Site. This is assessed as an asset of heritage significance.

6.26 Additionally, there are heritage assets located in the wider vicinity of the site, including the Stewartby Conservation Area and Grade II listed kiln and chimneys at the Stewartby Brickworks to the southeast.

6.27 Discussions with Historic England during the consideration of the application have been undertaken to agree appropriate separation distances between development and the SAM. Minor amendments are also to be made to the heights of buildings in the part of the site nearest the SAM to minimise any harm to the setting of the SAM.

6.28 Accordingly, there is an appropriate approach to development on the site in order to mitigate heritage concerns so that this is not a constraint to development.

6.29 Furthermore, a full geophysical survey of the site has been undertaken followed by targeted trial trenching. This has demonstrated that the overall archaeological potential of the site is low, with the Council's archaeology officers being content that any further work can be secured by way of planning condition.

6.30 Therefore, archaeology is not a constraint to development.

Landscape and Visual Impact

6.31 As part of the outline planning application, Indigo Landscape Architects prepared a full Landscape and Visual Impact Assessment which provides a comprehensive assessment of the visual impacts of the proposed development.

6.32 Whilst the development will be visible from the A421, the road is raised and therefore will obstruct any views from the north towards Bedford and Kempston.

- 6.33 There is also substantial vegetation to the west which will protect any views from Wootton, and to the south to protect the views from Kempston Hardwick Moated Site, the SAM, and from the forthcoming residential development at the former Stewartby Brickworks.
- 6.34 Moreover, the proposed development includes substantial landscape planting which will provide significant screening to the development, helping the development blend into the landscape. Once the vegetation has reached maturity, the visual impact of the development is considered to fall to slight adverse in the longer term.
- 6.35 As the LVIA concludes, some 'significant' effects are to be expected given the size of the scheme and the scale of buildings proposed (particularly during the early part of the development lifespan) but once the mitigation planting has reached maturity the visual impact will be reduced. Furthermore, the assessment has been undertaken as a 'worst-case scenario' and at the reserved matters stage, further design measures and the choice of materials will assist in offsetting visual effects.
- 6.36 The visual impacts of the proposed development should also be considered against the significant economic benefits the development would deliver as discussed throughout these representations.
- 6.37 On this basis, it is not considered that landscape and visual impacts represent a significant constraint to development on the site.

Ecology and Trees

- 6.38 The outline planning application seeks to deliver 29.82ha of new green infrastructure and amenity space, retain 10.77 hectares of existing planting within the site and create 14.47 hectares of landscaped corridors along access routes. There would also be 8.45 hectares of sustainable, drainage ponds and green swales. A small lake and associated drainage channels make up a further 4.85 hectares. As such, the total open space and accessible green infrastructure equates to 68.36 hectares, or approximately 30% of the land within the red line site boundary.
- 6.39 The proposed ecological enhancements are indicated on the image below.



- 6.40 As part of the planning application, Delta-Simmons Environmental Consultants Ltd undertook a Preliminary Ecological Appraisal (PEA) of the Site as well as further surveys including faunal, breeding bird, wintering bird, aquatic, reptile, bat, riparian mammal, invertebrate and hedgerow surveys.
- 6.41 In order to minimise the effect of the development on ecology, a series of mitigation measures have been recommended which would be secured as part of future development. This would include measures to avoid excessive uplighting and light spill, the use of SUDs, the incorporation of native hedgerow planting and for fencing to allow for access and egress for hedgehogs.
- 6.42 The assessment concludes that whilst there may be a short-term effect on the biodiversity value of the site in terms of the diversity of flora and fauna it supports until newly created habitats become established, in the long-term it is anticipated that full mitigation and enhancement measures will be achieved.

- 6.43 Following comments on the application, further consideration is being given to the scope for additional biodiversity enhancements on site. As part of this Cloud Wing is committed to achieving a 10% biodiversity net gain either on-site or via combination of on-site measures and offsite compensation.
- 6.44 Delta-Simmons Environmental Consultants Ltd also carried out a tree and hedgerow survey to support the outline planning application. This confirmed that no trees on-site nor on land adjacent to the site are covered by a TPO.
- 6.45 The proposals seek to deliver 30% tree canopy cover and provide important new linkages through what is currently an inaccessible area of land connecting the forest to the south of the Marston Vale with Bedford to the north. This is in line with the aims of the Marston Vale Community Forest. The tree officer at BBC has not raised any objections to the proposals and will seek further details at the reserved matters stage.

Noise and Air Quality

- 6.46 The outline planning application is accompanied by a suite of technical reports in order to assess the noise and air quality impact of the proposed development and identify appropriate mitigation measures where necessary.
- 6.47 With regards to noise, the Noise Assessment confirms that if best practice measures are employed during the construction phase, it is anticipated that construction noise levels will have a minor residual effect on nearby noise sensitive receptors. Whilst the noise during the operational phase is likely to have a longer-term effect, appropriate mitigation measures will be adopted during the detailed design stage.
- 6.48 The Air Quality Assessment confirms that, with appropriate mitigation in place, there would be a negligible air quality impact during the construction phase.
- 6.49 Moreover, there would be a negligible to minor adverse effect during the operation phase as a result of vehicle emissions from operational traffic.
- 6.50 As such, it is not considered that there are any significant noise or air quality impacts that would be a constraint to economic development at the site.

Ground Conditions and Remediation

- 6.51 As part of the outline planning application, a series of ground investigation works have been undertaken. This identified a series of remediation works that could be secured by planning condition.
- 6.52 As such, it is not considered that ground contamination presents a constraint to future development of the site.

Agricultural Land Classification Assessment

- 6.53 A full agricultural land classification assessment has been undertaken by Landscape Land and Property Ltd for the parts of the site which does not form part of the former brickworks or clay pits.
- 6.54 The assessment concluded that 86.5% of the area falls within category 3B 'Moderate' agricultural land whilst 10% falls within 3A 'Good' agricultural land.
- 6.55 As such, the development of the Site would not have an impact on any Grade 1 or Grade 2 agricultural land and only a limited impact on Grade 3A land. It is not anticipated that loss of agricultural land would constitute a constraint to development.

Summary

- 6.56 In summary, it is considered that there are no technical constraints that would prevent the development of the Site for employment land.

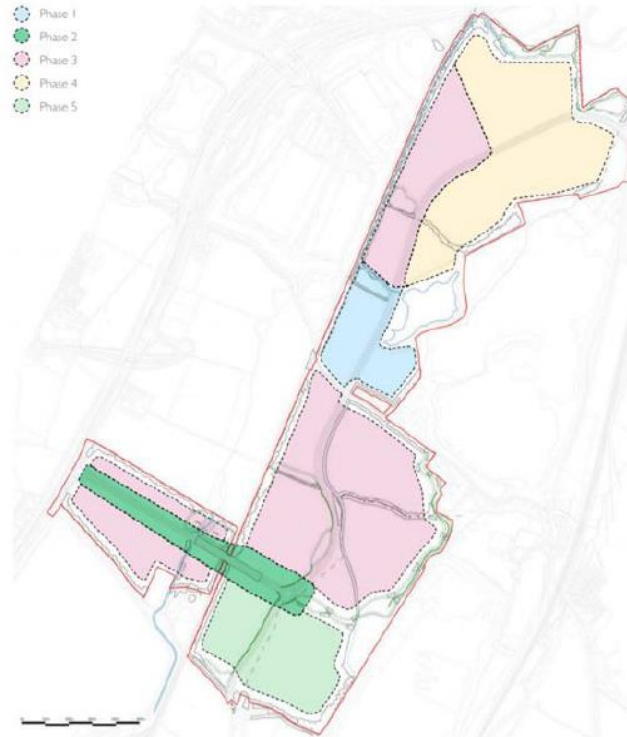
Availability

- 6.57 The PPG states that a site is: *"considered available for development, when, on the best information available... there is confidence that there are no legal or ownership impediments to development. For example, land is controlled by a developer or landowner who has expressed an intention to develop"*.
- 6.58 Cloud Wing control the site and therefore there are no legal ownership or other technical impediments to delivering development on the site.
- 6.59 Furthermore, the site is being actively promoted for economic development and is the subject of an outline planning application currently pending determination.
- 6.60 Accordingly, the site is available for employment development now in NPPF terms.

Achievable

- 6.61 As per the NPPG, a site is considered achievable for development where there is a reasonable prospect that the particular type of development will be developed on the site at a particular point in time, including an assessment of the economic viability of a site.
- 6.62 Given the scale of development proposed for the site, the development will be delivered over several phases. This will include ground remediation works and the delivery of transport infrastructure in the first phases, as set out below:
- Phase 1 – ground remediation works in the location of the former Kempston Hardwick brickworks
 - Phase 2 – construction of bridge proposed over the railway line and main road infrastructure

- Phase 3 – construction of employment uses in areas where no ground remediation works are required
- Phase 4 – construction of employment uses on the former Kempston Hardwick brickworks location
- Phase 5 – construction of employment uses in the south of the site.



6.63 Whilst the timings for delivery are dependent on achieving a planning permission and identification of a Development Partner, both of which are currently ongoing, it is anticipated that it would be possible to start on site with site clearance, remediation and enabling works within 6 months of receiving an outline planning permission, following the discharge of any relevant planning conditions. It is anticipated that works to deliver the primary infrastructure for the first phase would then commence approximately 6 months later, following the grant of reserved matters, with the aim of the first phase being complete and ready for occupation within 18 months.

6.64 The scheme would be capable of supporting the delivery of its own infrastructure requirements and there are no significant site constraints that might prevent development or make the development unviable.

- 6.65 Therefore, it is considered that the site is achievable for development as there is a realistic timeframe for development and there are no economic viability constraints that would hinder delivery.
- 6.66 Due to the nature of the proposals and the opportunity presented, there has been a significant amount of market interest in the site for employment uses. It is envisaged that the provision of much needed high quality employment space in this location will be attractive to both new businesses relocating to the area and existing local businesses looking to grow. SEMLEP has confirmed that Cloud Wing's proposals fit well with the strategic economic vision for the area (**Appendix 3**).
- 6.67 It is also being explored whether the site might be well-placed due to its size and location to contribute to the wider modal shift of logistics from road to rail through rail freight opportunities being promoted by the NIC. This modal shift is being driven by wider challenges facing the UK's freight system including decarbonisation, congestion and how technological advancements can assist in meeting increasing societal demands.

Deliverability Summary

- 6.68 Therefore, it is considered that the site is deliverable in line with the NPPF as it is a suitable location for development, it is available and there is a realistic prospect that development will be developed on the site.

Benefits of Bedford Business Park

- 6.69 The Bedford Business Park proposals are capable of delivering substantial social, economic and environmental benefits which will directly benefit Bedford and contribute towards delivering the growth objectives within the Arc. These are summarised below.

Social Benefits

- The creation of employment opportunities (during the construction and operational phases) which will assist in relieving local unemployment and generating a significant well-being value;
- The creation of training opportunities for local people during the construction phase to provide opportunities for people to up-skill and gain qualifications;
- The integration of retail uses and other site amenities to support and complement the proposed business, industrial and warehouse units to create a sustainable business community;
- Well-being benefits related to the creation of a high-quality sense of place including attractive publicly accessible green space.

Economic Benefits

- The creation of a self-supporting business ecosystem of a scale with the potential to act as a catalyst for change to transform the economic prosperity of Bedford, bringing together a blend of uses and a mix of sectors to foster a new centre of growth;
- Major investment to drive the recovery following Covid-19 and build economic resilience;
- The delivery of high quality commercial property capable of attracting national and regional occupiers;
- The creation of in excess of 15,000 new long-term jobs, a large proportion of which are likely to be taken up by local people living within 10km of the site and will be in well paid sectors;
- The diversification of the local job market, reducing reliance on the public sector and reducing the local productivity gap;
- The generation of up to £600m Gross Value Added for the local economy, improving local prosperity;
- The new jobs will benefit local shops and amenities. It is estimated the development will generate an annual wage bill of circa £320m, of which a significant proportion Additional jobs within the construction phase, up to 1,000 estimated to be created. This could generate significant additional GVA per annum over the 10- year construction period;
- Provision of higher spec digital connectivity at the site to support the needs of businesses in high growth sectors;
- Significant fiscal benefits for BBC. Hatch Regeneris has estimated that the scheme could generate £18.4m in additional business rates revenue per annum;
- CIL & s106 contributions towards infrastructure improvements.

Environmental Benefits

- Redevelopment of brownfield land in a sustainable location, close to the population centres of Bedford, Milton Keynes and new development at Stewartby Brickworks. This has the potential to significantly reduce travel distances for people commuting to work within the Borough by creating new workplaces near population centres and promoting sustainable modes of travel;
- The provision of circa 68 hectares of open space and accessible green infrastructure, including wildlife corridors, equating to circa 31% of the site area, including:
 - circa 29.82 hectares of new amenity space;
 - retention of circa 10.77 hectares of existing habitats within the site, including woodland in the south east of the site;
 - circa 14.47 hectares of landscaped corridors along access routes;
 - significant blue infrastructure (circa. 8.45 hectares) including a drainage network of Swale routes and attenuation ponds to promote sustainable drainage opportunities with links to the existing watercourse / River Ouse tributary; and
 - retention and improvement to the existing lake to maintain its ecological value;
- Provision of 30% tree canopy cover and creation of important new linkages through what is currently an inaccessible area of land connecting the forest to the south of the Marston Vale with Bedford to the north;
- A commitment to deliver at least 10% biodiversity net gain, net gains will be achieved through on-site ecological enhancements, where possible, and be combined with compensation off-site where necessary;
- Integration of sustainability measures, including:
 - delivery of critical infrastructure improvements including new walking and cycling routes, new public transport and shared transport services; and
 - utilising renewable and low-carbon energy sources, to achieve significant betterments on Building Regulations energy efficiency standards and at least BREEAM 'Very Good'.

7. Other Policies

Policy DM7 – Environmental Net Gain

- 7.1 Cloud Wing is supportive of the principle of Policy DM7. However, it has concerns that the wording of part iii) is inconsistent with national policy and requirements of the Environment Act which clearly allow biodiversity net gains to be delivered through a combination of on-site measures and off-site compensation. Part iii) of policy should be amended to reflect national policy and legislation and simply state *“iii) through compensation off-site”*.

Policy DS1(S) – Resources and Climate Change

- 7.2 Cloud Wing supports the principle of Policy DS1(S) and in particular, the importance of development being located to minimise the need to travel and where there are opportunities to maximise the ability to make trips by sustainable modes of transport. It also supports the reference to protecting and taking opportunities for more sustainable movement of freight. Indeed, development at their land at Kempston Hardwick would clearly support this objective.

Avison Young

July 2022

Appendix I

Site Location Plan



Appendix II

Representations to Strategy Options Consultation



Cloud Wing UK Ltd Bedford Business Park

Response to the Bedford Local Plan 2040 Draft Plan:
Strategy Options and Draft Policies Consultation

03 September 2021

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Section 1 – Executive Summary

- 1.1 Avison Young is instructed on behalf of Cloud Wing UK Ltd to make representations to Bedford Borough Council in response to the public consultation on the Local Plan 2040 Draft Plan: Strategy Options and Draft Policies.
- 1.2 These representations specifically relate to the Bedford Business Park (approximately 550-acres) which is being actively promoted for a range of employment uses (B1, B2 and B8) and is the subject of an outline planning application that is currently pending determination.
- 1.3 As currently prepared, we consider that the emerging evidence of economic need and spatial options presented in the Draft Local Plan 2040 do not fully capture recent economic trends nor take into account the wider national and regional context of significant economic growth planned within the South East Midlands and Oxford-Cambridge Arc. As a result, the approach set out in the Draft Local Plan significantly underestimates the scale of economic development needed and envisaged within the wider region. It also risks Bedford losing out on the substantial benefits associated with this growth to other parts of the Arc. The Council's evidence, therefore, needs to be updated including to reflect recent trends and market signals and align with the wider ambitions for the region. Failing to reflect and positively plan for economic growth in accordance with the emerging growth strategy for the Arc runs the risk of the emerging Plan being found unsound and / or having to undergo a further early review.
- 1.4 Within this context any employment land requirement should clearly be set as a minimum rather than a ceiling on employment-generating development in the Borough. The Draft Local Plan recognises the strategic importance of the A421 rail-based growth corridor and associated East-West Rail improvements in unlocking and delivering growth in the area. However, it fails to recognise the unique opportunity presented by the Bedford Business Park in this location, instead contemplating the allocation of smaller, piecemeal business parks and other small employment sites. This approach does not appear to be soundly based and would not be capable of delivering the scale of investment or diversity of economic growth that could be delivered by Bedford Business Park.
- 1.5 The Bedford Business Park would deliver substantial social, economic and environmental benefits for the Borough and beyond. It would provide a new balanced business ecosystem on a scale that would support the creation and growth of new and existing businesses, in a variety of sectors (including research and development, advanced manufacturing and logistics), leading to innovation, transforming the economic identity of, and delivering sustainable economic prosperity for Bedford.
- 1.6 The Draft Local Plan should, therefore, take into account how the scale and locational characteristics of the Bedford Business Park, including its accessibility by existing and future residents of the Borough and wider region, present a significant and unique opportunity to maximise growth within the A421 rail-based growth corridor and capture a range of regional and national investment opportunities which would generate substantial benefits for the Borough.
- 1.7 These representations also demonstrate that the Bedford Business Park Site is suitable, available and achievable for development and that it should be allocated for employment use within the emerging Local Plan. This would support the Borough's economic objectives whilst also providing sustainable but ambitious economic growth in response to the wider strategic objectives for this part of the UK.



Section 2 – Introduction

- 2.1 Avison Young ('AY') is instructed on behalf of Cloud Wing UK Ltd ('Cloud Wing') to make representations to Bedford Borough Council ('BBC') in response to the public consultation on the Local Plan 2040 Draft Plan: Strategy Options and Draft Policies.
- 2.2 Cloud Wing control the site known as the 'Bedford Business Park' ('the Site') which extends to approximately 222 hectares (or 548 acres) and comprises the following parcels of land:
- Land north of Manor Road and east of the Bedford-Milton Keynes railway line (including the former Kempston Hardwick Brickworks)
 - Agricultural land south of Manor Road and east of the Bedford-Bletchley railway line
 - Agricultural land between A421 and the Bedford-Milton Keynes railway line
- 2.3 A location plan for the Site is adjacent.



Figure 1. Site Location Plan

Introduction

2.4 An outline planning application (ref 18/02940/EIA) for the Site was submitted by Cloud Wing UK in November 2018 for the following description of development:

“A commercial and industrial development providing up to 780,379 sq m of floorspace for B1, B2 and B8 uses and ancillary service uses (A1, A3, A4 & A5) and associated infrastructure including open space and landscaping”.

2.5 The broad mix of employment uses identified within the outline planning application is as follows:

- Business (former B1) – 257,136 sq m
- Manufacturing (B2) – 233,360 sq m
- Storage and Distribution (B8) – 289,284 sq m
- Retail (former A1), Restaurant/Café (former A3), Pub (former A4), Takeaway (former A5) – 600 sq m¹

2.6 Illustrative Masterplan & various Parameter Plans have been submitted with the application to show where the different uses would be located and integrated within a network of green infrastructure. Further detail is provided within Section 4.

2.7 The Site is located in a prime location of strategic importance for economic development, at the heart of the Golden Triangle and Oxford-Cambridge Arc (‘the Arc’) where there are ambitious plans for growth and development over the next 30 years. It is within this context that Cloud Wing is promoting the Site as a strategic employment location with the potential to provide up to 780,000 sq m of employment floorspace and 15,000 jobs.

2.8 The Site is capable of delivering substantial employment and economic opportunities that will transform the social and economic prosperity of Bedford respond to economic trends that have accelerated since the application was submitted and play a vital part towards delivering the scale of growth envisaged within the Arc underpinning its role as national priority area, and the ambition to become one of the most productive places in the world.

2.9 The remainder of these representations are structured as follows:

- **Section 3** sets out the strategic opportunity and case for change in terms of Bedford’s approach to planning for employment land in the context of national, regional and local economic policy and market trends. It also comments on the Council’s Employment Land Study and the conclusions it reaches.
- **Section 4** describes the unique nature of the Bedford Business Park as an opportunity to support the economic objectives of the Borough and attract high growth sectors, diversify its local economy, enhance job opportunities and provide sustainable but ambitious economic growth which responds to the wider strategic ambitions for the Arc.
- **Section 5** then highlights the particular economic, social and environmental benefits of the Bedford Business Park, (a substantial proportion of which would benefit Bedford’s population) including as a result of its potential contribution towards positioning Bedford within the Arc and towards regional and national growth priorities.
- **Section 6** then provides an assessment of the site’s suitability and deliverability, having regard to the Council’s Site Selection Methodology, and demonstrates that the site should be allocated in the emerging Local Plan.

¹ It is acknowledged that the Use Class Order has been updated since the outline application was submitted with Use Classes A and B1 being revoked and replaced with ‘Class E’. Given the application was submitted prior to the update, the former use classes are used for the purpose of the planning application.

Section 3 – The strategic opportunity and case for change

The starting point for understanding both the economic opportunity for growth, and the need to provide additional land to accommodate this for the purpose of both plan-making and decision-taking, is to consider recent economic trends which are driving growth, and the existing and emerging policy context at a national, regional and local level.

This section sets out the national, regional and local context, highlighting the scale of ambition within the Arc and South East Midlands region for economic growth and prosperity. It also considers recent economic trends and why these suggest that there is a need for a more ambitious approach to planning for economic growth in the Borough.

National Context

- 3.1 At a national level, the NPPF (2021) provides a positive context in relation to proactively encourage investment and economic growth and providing new employment land which meets the locational requirements of different sectors.
- 3.2 Furthermore, the National Planning Policy Guidance (NPPG) requires policy-making authorities to prepare a robust evidence base to understand existing business needs. As part of this, the NPPG recognises that there are different characteristics for different sectors that need to be considered in formulating planning policies.

Building Back Better

- 3.3 At a national level, the Government has set out its national strategy for how to 'Build Back Better'² in response to the COVID-19 pandemic and recent challenges that the economy has faced. This sets out plans to support economic growth through significant investment in infrastructure, skills and innovation and support for high-growth businesses, including in research and development, that make a significant contribution to employment and allow technology and best practice to diffuse through the economy to the benefit of all.
- 3.4 The Build Back Better agenda also makes reference to a number of high-profile "pathfinder projects" which will be central to delivering the economic growth envisaged. This includes projects at a regional scale such as the Oxford-Cambridge Arc, which is discussed in further detail below.
- 3.5 In addition to the Government's ambitions to 'build back better' and for the UK to become a hub of innovation, as a business ecosystem that supports the creation and growth of businesses, there have been major economic shifts in the UK in recent years which should be central to planning for future employment needs. These are considered further in the following sections.

² Build Back Better: our plan for growth. HM Treasury Policy Paper (March 2021)<https://www.gov.uk/government/publications/build-back-better-our-plan-for-growth/build-back-better-our-plan-for-growth-html>

The strategic opportunity and case for change

Covid-19, Brexit and Recent Market Trends

- 3.6 The Covid-19 pandemic has fundamentally changed the way that the UK population and economy operates and has rapidly accelerated trends that have been slowly shifting business and consumer behaviour over the last few years.
- 3.7 The pandemic has, for example, driven a significant change in shopping habits. The UK already had the highest proportion of online sales in the world and the lockdowns associated with Covid-19 have accelerated this trend with a rapid increase in online sales. According to the ONS, internet sales as a percentage of total retail sales rose to 28% in 2020³. It is expected this trend will continue over the coming years, with reports suggesting that more than 35% of total retail spend was online in quarter 1 2021⁴.

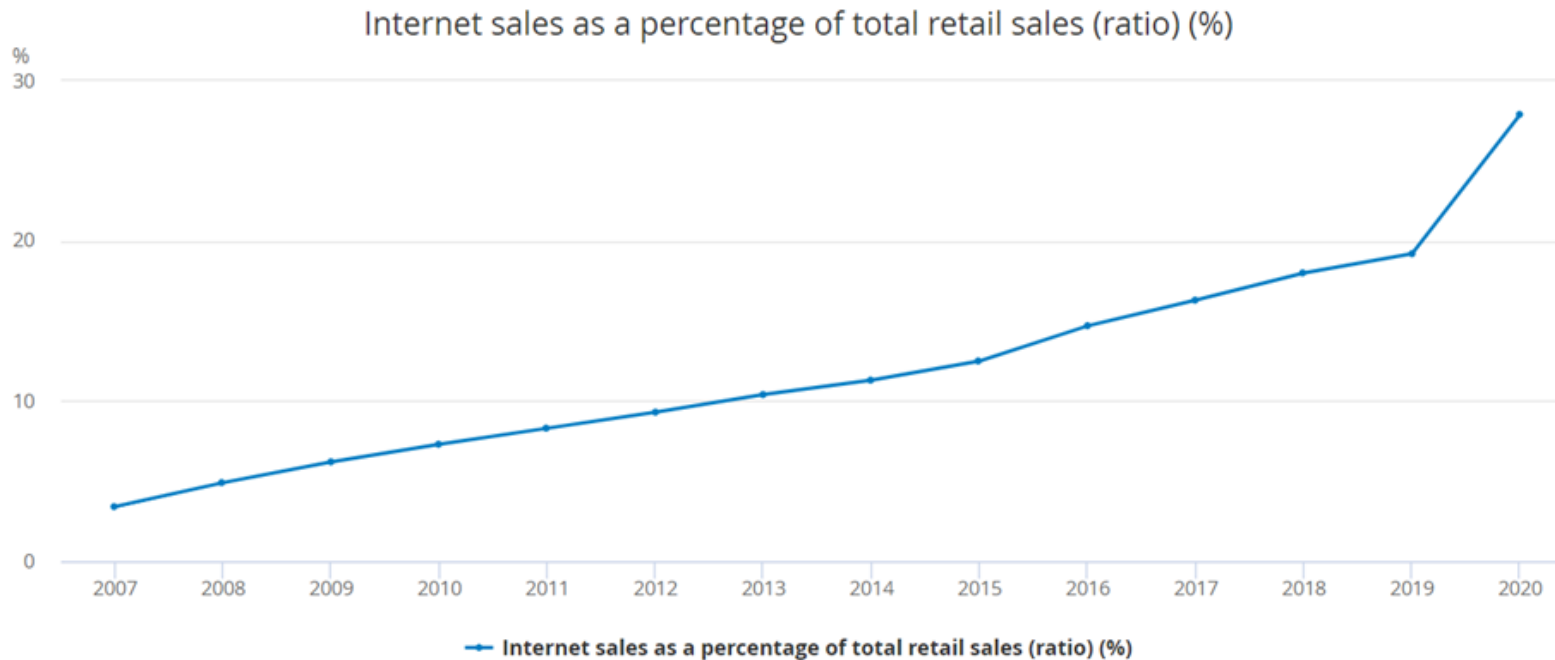


Figure 2. Internet sales %

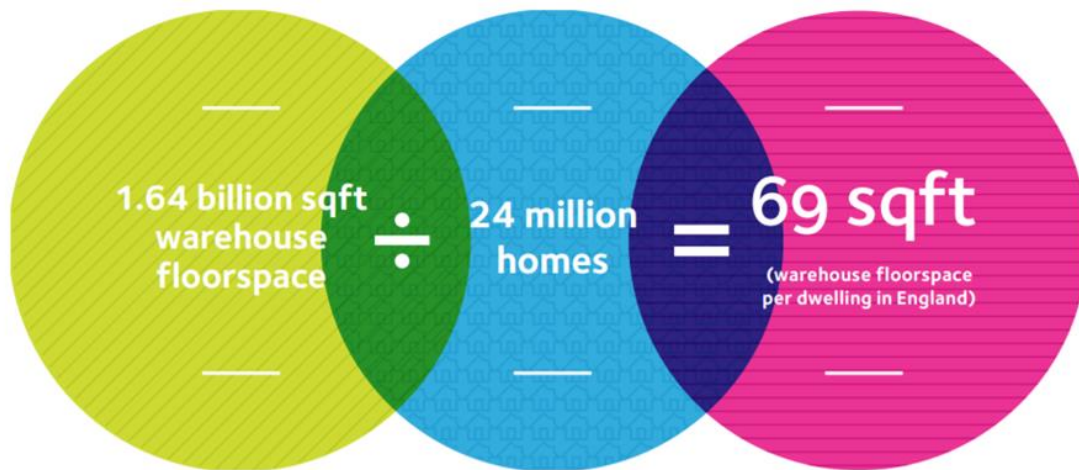
³ Internet sales as a percentage of total retail sales. Office for National Statistics (August 2021)
<https://www.ons.gov.uk/businessindustryandtrade/retailindustry/timeseries/j4mc/drsj>

⁴ Covid-19 turbo charge Britain's digital transformation. Experian (July 2021)
<https://www.experianplc.com/media/news/2021/covid-19-turbo-charges-britain-s-digital-transformation/>

The strategic opportunity and case for change

On the basis that for every extra £1bn spent online, a further 775,000 sq ft of warehouse space is needed to meet the new demand⁵, based on market advice from Cloud Wing's agents Savills in June 2021, by 2025 there could be a need for an additional 63.9m sq ft of warehouse space across the UK. As such, the occupier profile of warehouses has significantly changed in recent years, with online retailers increasing their warehouse occupancy by 614% from 2015⁶.

3.8 Other recent research by the BPF suggests that at least 69 sq ft of warehouse floorspace is needed per home in the UK to meet even pre-pandemic levels of consumer demand⁷. It is noted that this figure does not account for geographical differences or more recent economic trends since 2019 and is, therefore, likely to be an underestimation of real demand, particularly in the strategic location of Bedford when taking into account the growth ambitions for the wider region.



Turley analysis of MHCLG and CoStar data, 2018 (2017 data)

Note: the ratio is calculated using 2017 warehousing and homes for consistency of year.

Figure 3. The warehouse to homes ratio⁸

⁵ The size and make-up of the UK warehousing sector – 2021. Savills (June 2021)
<https://pdf.euro.savills.co.uk/commercial---other/uk-warehousing-sector---2021.pdf>

⁶ ibid

⁷ What Warehousing Where? BPF & Turley (2019)

⁸ What Warehousing Where? BPF & Turley (2019)

The strategic opportunity and case for change

- 3.9 In addition to an acceleration in e-commerce activity, the demand for logistics space has also been driven partly by Brexit which has resulted in increased needs in the food, third party (3PL), pharmaceutical and healthcare sectors – all of which require additional capacity for storage and distribution of inventory. Brexit has also driven demand from new employers. European distributors and retailers, who pre-Brexit serviced the UK market from the continent, are now actively seeking warehouse premises to create a UK hub. Weerts recent acquisition of 800,000 sq ft in a single building in Bury St. Edmunds is one of the first examples of this transition.
- 3.10 More widely, even low performing sectors have seen a need to continue to demand space. All elements of the industrial / logistics market have been challenged by the need to operate within social distance guidelines (making space less productive) and also increased stock storage requirements – either through mounting backlogs or a desire to hold more contingency stock.
- 3.11 Over time, business have slowly adapted to the context of Covid-19 and got organised to resume activities. Although legal requirements on social distancing have now been relaxed, many businesses continue to apply their own guidelines and continue to encourage various social distancing measures to ensure safety of their employees. Those measures have led to either a need for additional space or a space-down of activities as more space per employee is required.
- 3.12 Whilst the world is returning to normal, it is expected that the demand for space, particularly as a result of e-commerce activity, will remain and continue to grow in the coming years. As such, more fulfilment and distribution facilities will be needed to support this shift and continue to serve consumer demand for home delivery⁹.
- 3.13 In addition to these trends, there has also been an unprecedented disruption in global supply chains in 2020 / 2021. As a result, logistics companies, retailers and manufacturers are mitigating for this by increasing inventory levels closer to home. A recent survey found that 41% of occupier respondents expected to take more warehouse space over the next two years, partly as a result of Brexit and other supply chain disruption¹⁰.
- 3.14 These changes have resulted in a significant increase in demand for warehouse space in key locations. As such, 2020 and the start of 2021 saw the highest levels of transactions for warehousing space on record¹¹.
- 3.15 In addition to the quantum, the type of warehousing unit sought is also changing. The trend now is largely towards bigger warehousing units, with a 242% rise in demand for units over 1m sq ft¹² since 2015. Furthermore, of the space transacted in the first half of 2021, 43% was build-to-suit, 34% was speculatively developed space, and 23% was second hand, which demonstrates a preference towards newly developed, higher quality space¹³.
- 3.16 Given the rise in demand and high level of take-up in the sector over recent years, it is likely that there will soon be a supply / demand imbalance due to a shortage of new-build schemes being brought forward¹⁴. Cloud Wing's agents Savills predict that by combining the current level of supply and using the three-year rolling average take-up of 40.4 million sq ft, there is just 9 months worth of supply left within the whole of the UK.

⁹ The size and make-up of the UK warehousing sector – 2021. Savills (June 2021)

<https://pdf.euro.savills.co.uk/commercial---other/uk-warehousing-sector---2021.pdf>

¹⁰ 2020 Logistics Census Results: The Sector's Highest Ever Recorded Take-Up. Tritax Symmetry (December 2020) <https://tritaxsymmetry.com/wp-content/uploads/2020/12/Property-Week-Logistics-Census-Results-2020-04-Dec-20.pdf>

¹¹ Spotlight: Big Shed Briefing. Savills (July 2021)

¹² The size and make-up of the UK warehousing sector – 2021. Savills (June 2021)

<https://pdf.euro.savills.co.uk/commercial---other/uk-warehousing-sector---2021.pdf>

¹³ Spotlight: Big Shed Briefing. Savills (July 2021)

¹⁴ 2020 Logistics Census Results: The Sector's Highest Ever Recorded Take-Up. Tritax Symmetry (December 2020) <https://tritaxsymmetry.com/wp-content/uploads/2020/12/Property-Week-Logistics-Census-Results-2020-04-Dec-20.pdf>

The strategic opportunity and case for change

- 3.17 As the country recovers from the Covid-19 pandemic, both the pre-existing trends and the amplification provided by the lockdown periods, suggest that the industrial and logistics sector will continue to perform strongly.
- 3.18 Furthermore, the continued application of social distancing measures is likely to leave a legacy in terms of building design, with an increased focus on 'wellness' of buildings which may require more space to accommodate appropriate space for workers. This will, in turn, mean an increased need for new stock that can meet contemporary needs of occupiers and their employees.
- 3.19 It is also acknowledged that as we recover from the pandemic, it is anticipated that there will be significant growth in research and development and advanced manufacturing sectors reflecting the key objectives in the Government's 'Building Back Better' plan for growth and the Government's commitment to significantly increase investment in the innovation sector.
- 3.20 Therefore, in line with national planning guidance and the strategies to build back better from Covid-19 it is increasingly important that spatial planning at a regional and local level takes into account both the changing requirements of logistics developers and occupiers in terms of the type, size, quality and location of facilities needed to meet a growing demand within this sector whilst also factoring in the emphasis nationally on the importance of innovation and research and development to the future prosperity of the UK and delivering cohesive business ecosystems that support the creation and growth of businesses and a variety of employment.

Regional Context

- 3.21 At a regional level, Bedford is located at the heart of the Golden Triangle and within the Oxford-Cambridge Arc ('the Arc'). The Arc is being promoted as the World's Premier Growth Corridor as well as an exemplar of sustainability and the approach for the Arc is to be bold, visionary, pro-development and action-orientated.

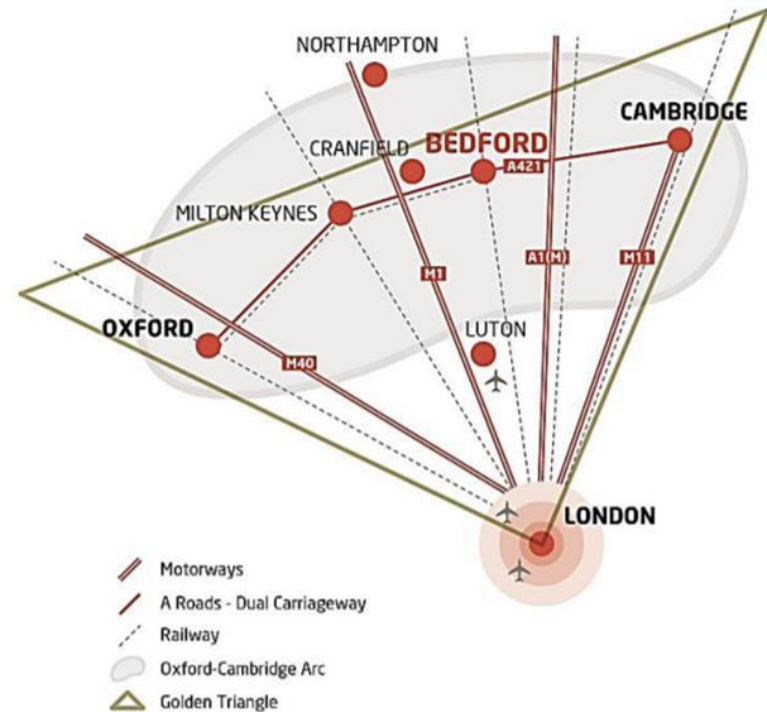


Figure 4. Golden Triangle¹⁵

¹⁵ Local Plan 2030. Bedford Borough Council (2020)

The strategic opportunity and case for change

3.22 The National Infrastructure Committee ('NIC')s 'Partnering for Prosperity' Report (2017) sets out the overriding vision for the Arc and, in terms of employment growth, states:

"the area could support around 335,000 new jobs to 2050, increasing economic output by around £85bn per annum (2011 prices). However, by meeting future needs and removing the constraints to growth arising from the area's housing shortage, the area could sustain a transformational level of growth, supporting around 1.1m new jobs and increasing economic output by £163bn per annum".(Our emphasis)

3.23 In order to achieve this scale of employment growth, the report identifies a series of opportunities for growth particularly centred around the proposed East-West Rail improvements and Expressway schemes¹⁶. Such opportunities include unlocking growth in and around Bedford and focusing development on a small number of key nodes in the Marston Vale.

3.24 The ambition for the Oxford-Cambridge Arc is well documented and is focused on unlocking investment, driving economic growth and promoting world class research, innovation and technology assets, as set out in the Oxford-Cambridge Arc Economic Prospectus (2020).

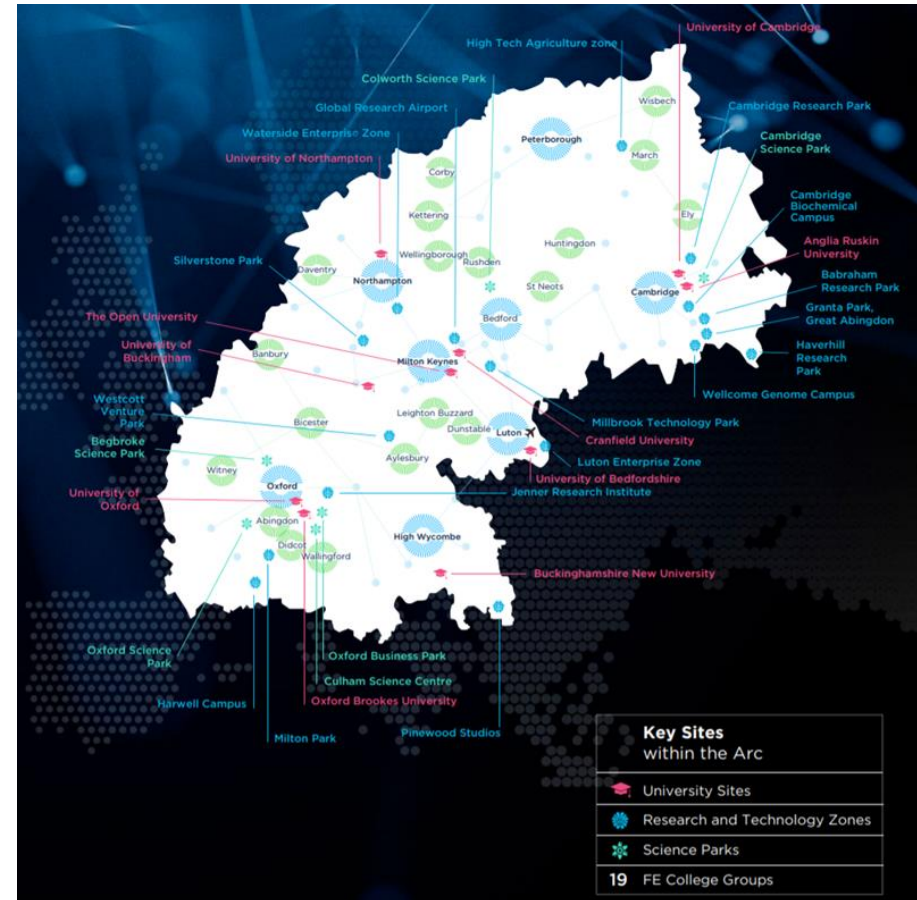


Figure 5. Key sites within the Oxford-Cambridge Arc¹⁷

¹⁶ It is noted that Oxford to Cambridge expressway has been cancelled but that alternative plans for improving transport in the region are in discussion:

<https://www.gov.uk/government/news/oxford-to-cambridge-expressway-project-cancelled-as-transport-secretary-looks-to-alternative-plans-for-improving-transport-in-the-region>

¹⁷ The Oxford-Cambridge Arc Economic Prospectus, Oxford-Cambridge Arc (2020)

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- 3.25 In 2021, the MHCLG set out plans to prepare a Spatial Framework for the Arc to cover the five counties of Oxfordshire, Northamptonshire, Buckinghamshire, Bedfordshire and Cambridgeshire. As set out in the 'Planning for Sustainable Growth in the Oxford-Cambridge Arc' (2021) the new Framework will plan for growth in the Arc area, setting policies on the economy, the environment, transport, infrastructure and housing. The intention is that the Framework will have the status of national planning and transport policy.
- 3.26 Following this, the 'Creating a Vision for the Oxford-Cambridge Arc' document was published for public consultation in July 2021. This is the first stage in preparing the Spatial Framework for the Arc and seeks to obtain views to help create the vision and guide the future of growth of the area to 2050. This consultation process is currently ongoing and closes on 12th October 2021. Following this, two further rounds of consultation are planned in Spring and Autumn 2022, with publication and implementation of the Spatial Framework targeted for 2023.
- 3.27 It is understood that BBC is advancing its Local Plan 2040 ahead of the Arc Spatial Framework in order to avoid a scenario whereby Bedford has an out-of-date Local Plan. As a result, the Council is focused on meeting its own growth requirements in the absence of the Arc Spatial Strategy being finalised. However, by not considering the wider regional growth ambitions, there is a risk that Bedford fails to positively plan for the level of growth required within the Borough in order to contribute towards meeting the wider goals of the Oxford-Cambridge Arc. This may also hinder Bedford's ability to attract investment which, in turn, acts as a catalyst for wider social and economic change.

- 3.28 This may also impact Bedford's ability to influence the direction and shape the vision for the Oxford-Cambridge Arc. This is in contrast to the approach taken by other authorities within the Arc, including Oxfordshire who are currently consulting on a new Local Plan (Oxfordshire Plan 2050) which specifically sets out that part of its purpose is to influence and shape the emerging Arc Framework. As such, a more coordinated and collaborative approach to the Arc's development would aid economic growth and allow the Arc to reach the upper end of its long-term aspirations.

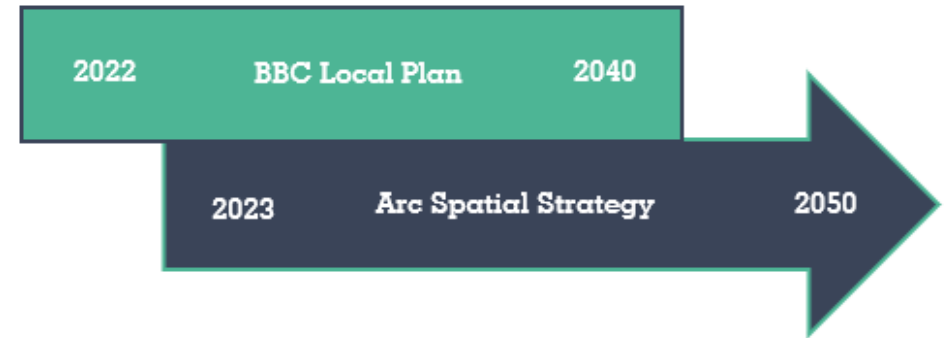


Figure 6. Timescales for the Bedford Local Plan vs the Arc Spatial

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3.29 In addition to the above, BBC also forms part of the South East Midlands Local Enterprise Partnership (SEMLEP) which is a multi-authority group that covers Bedford, Central Bedfordshire, Luton, Milton Keynes and Northamptonshire. This area is a rapidly-growing £50bn economy at the nexus of London, Birmingham, Oxford and Cambridge.

Economic Headlines



Figure 7. SEMLEP economic headline¹⁸

3.30 SEMLEP works closely with the other Local Enterprise Partnerships across the Oxford-Cambridge Arc and its mission is to *“build on the South East Midland’s reputation as a premier location for growth, innovation, creativity and world-leading technologies”*¹⁹.

3.31 The South East Midlands Local Industrial Strategy (‘LIS’) was published in July 2019 and emphasises the opportunities in this area to fuse productivity-led growth with sustainability by enhancing renewable energy use, connected transport solutions and greener vehicles, buildings and design principles. It also notes the need to develop a pipeline of quality employment land and premises. This includes increasing productivity within the logistics sector by supporting local SMEs to adopt automation and artificial intelligence technologies.

3.32 The SEMLEP has also published an Economic Recovery Strategy for the South East Midlands which sets out the actions being taken by way of a response to ensure the ambitions within the LIS can still be met. This highlights that the national trend towards online retail (discussed in further detail below), has been reflected in strong demand in the SEM for logistics premises over 2020 and in early 2021. As such, one of the key goals of the SEM is to work with local partners to expand the innovation capabilities, sustainability and productivity of the local logistics and manufacturing sectors.

¹⁸ South East Midlands Local Industrial Strategy. SEMLEP (2019)

¹⁹ [Economic Recovery Strategy for the South East Midlands. SEMLEP \(2021\)](https://www.semlep.com/economic-strategies-and-plans/?page=398&)
<https://www.semlep.com/economic-strategies-and-plans/?page=398&>

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- 3.33 Aligned with national market trends identified above, market research by Savills suggests that take-up of units over 100,000 sq ft in the South East totalled 5.2m sq ft in 2020 which was 33% above the long-term average. The strength of the occupational market has continued into 2021 with take-up reaching 845,876 sq ft across five transactions which is a 142% above the 350,000 sq ft transacted in Q1 2020. This is shown in Figure 8 prepared by Savills.
- 3.34 Furthermore, built-to-suit and speculative development accounted for the largest proportion of take-up (37% and 36% respectively). Following this, the preference was towards Grade A second-hand units (27%) thus highlighting occupier preference towards better quality units²⁰.
- 3.35 Meanwhile, Savills have confirmed that the level of supply within the region has decreased by 25% from the beginning of 2020 to 3.86m sq ft. Based on recent take-up levels, this equates to just 0.68 years-worth of supply. Furthermore, less than half of the supply on the market is classed as Grade A (49%). This lack of development can stifle demand, particularly given the preference of occupiers towards higher quality units.

- 3.36 Therefore, at the regional level there is ambitious plans for significant economic growth and development within the South East Midlands and across the Oxford-Cambridge Arc, including in the research and innovation, logistics and manufacturing sectors to meet these goals. This will need to be taken into consideration as part of future planning for the region alongside the particularly strong market demand for logistics space, the lack of existing supply that is suitable to cater for occupier's requirements and limited development opportunities in the pipeline.

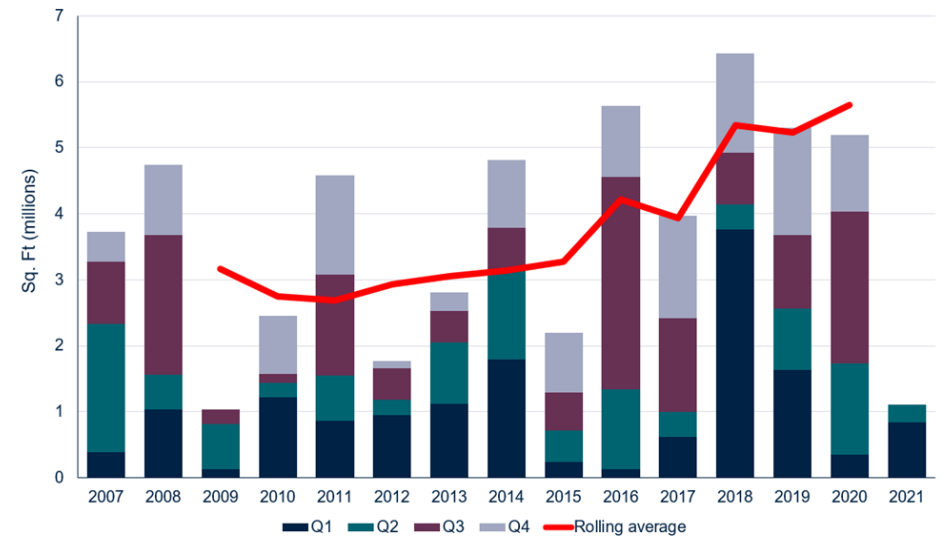


Figure 8. South East Take Up of Industrial Units over 100,000 sq ft

²⁰ Spotlight: Big Shed Briefing. Savills (July 2019)

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Local Context

- 3.37 Bedford's current Local Plan was adopted in January 2020 and sets out a plan for Bedford up to 2030. The vision within the plan emphasises economic growth and change, with a focus on Bedford town centre and projects to regenerate key urban sites. It recognises that the completion of infrastructure projects, including significant road and rail schemes, in and close to the Borough, will have a positive impact on the local economy.
- 3.38 As per Policy 3S, the plan's spatial strategy requires new development to build on and expand Bedford's employment base with a focus on strategic locations related to the primary road network and in the context of increasing east-west connectivity through road and rail improvements.
- 3.39 The adopted Local Plan does not plan for an increase in the existing employment land supply as the supporting evidence suggested that the existing supply was sufficient to meet future needs. This amounted to a minimum of 6,900 net additional jobs to be provided up to 2030, with the main focus around the urban area of Bedford and Kempston and on the employment sites that were already allocated.
- 3.40 Notwithstanding this, Policy 72S of the adopted Local Plan recognised that there may be unanticipated demand for additional employment land and therefore supported new high quality windfall development subject to meeting a number of criteria, including being close to the strategic transport network. The limited supply of available employment land for development indicates employment land has been taken up at a faster rate than anticipated at the time the adopted Plan was prepared. This is the context in which Cloud Wing's outline planning application has been prepared and submitted.
- 3.41 The Council are now preparing a new Local Plan to guide development to 2040. To support the emerging Bedford Local Plan 2040, the Council has undertaken a study to consider Bedford's position in the wider area, the pattern of employment in the Borough and the need for additional employment land. This is contained within the Bedford Employment Land Study (2021) which forms an evidence base document to the draft Local Plan 2040.



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Bedford Employment Land Study

- 3.42 Bedford Borough Council published a new Employment Land Study (ELS) in June 2021. The Study was prepared 'in-house' with some support from ORS to prepare a series of employment projections to understand future employment land needs.
- 3.43 The introduction to the ELS states that it "updates GVA's Bedford Economy and Employment Land Study, undertaken in 2015 for the Council and follows a similar structure" (Para. 1.3, Pg 1). However, it should be noted that Avison Young (AY - formerly GVA) have had no involvement with the preparation of the new ELS and it would appear none of the work prepared by AY in the 2015 study has been drawn forward directly to the ELS despite the clear parallels in structure and the use of AY proformas for the site surveys.

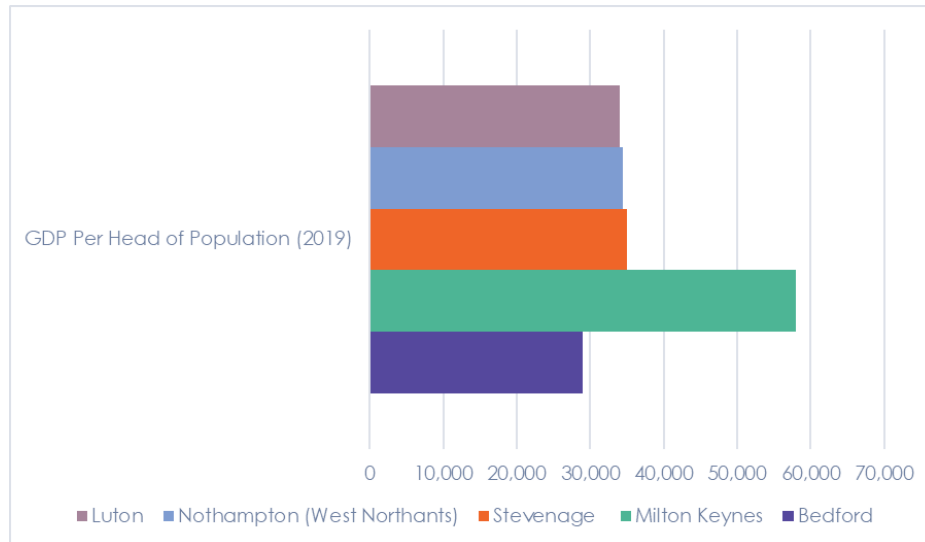


Figure 9. GDP for Head of Population (ONS, 2019) for Bedford and nearby urban centres

- 3.44 The Employment Land Study ("ELS") identifies that the Bedford economy is diverse and generally vibrant and that, the Borough has a skilled workforce, an above average rate of employment and a high portion of 'top level' occupations. However, it is important to highlight that according to the latest ONS figures Bedford falls significantly behind and underperforms when compared to other nearby urban centres, including Milton Keynes, Stevenage and Luton, in terms of its GDP per head of population.
- 3.45 The ELS notes that Bedford has good strategic connections to London and nearby economic centres, such as Milton Keynes and Luton, and planned improvements to connections to Cambridge. Despite this, it considers that the labour market is largely self-contained with about two-thirds of the population working within the Borough and a relatively high proportion employed in public sector jobs.
- 3.46 The ELS considers the existing employment land supply (focusing on B use classes - as defined prior to 1st September 2020) and the need for additional floorspace in the future. Between 2020 and 2040, only 17% of growth is predicted to arise within the 'B' use class and as such, there is a requirement for 8,642 additional 'B-Class' jobs in the Borough up to 2040.
- 3.47 Taking account of planned population growth to 2040, the ELS calculates the requirement for new employment land by that date to be 171 ha. It states that, given the current available supply of such land in the Borough amounts to 48 ha, there is a requirement for 123ha to be allocated in the local plan.
- 3.48 The ELS then comments that the Council expect the nature of future demand will require "a range of large scale, well located sites that are well connected to the transport networks and the strategic road network in particular". These are envisaged to be landscaped business park environments that are suitable for high technology firms requiring easy access to research and development hubs across the Oxford-Cambridge corridor, and will also include an element of non-B class uses to enable them to satisfy occupiers' daily needs.

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- 3.49 In order to cater for this identified demand, the ELS suggests that the local plan should provide three new business park sites, each of about 30 ha. The remaining 63ha should be allocated in smaller sites which are more likely to be attractive for office and general industry purposes.
- 3.50 It also states that new allocations for large-scale warehousing are not appropriate because of the focus in the emerging Local Plan on enabling 'higher skilled job opportunities' in the Borough and that there are already extensive opportunities for new warehousing and distribution facilities in nearby local authority areas (including Central Bedfordshire).
- 3.51 It is understood that the potential employment sites sought are still being assessed and these will be identified in the next iteration of the draft Local Plan.
- 3.52 Taking this into account, we do not consider that the ELS provides a holistic and thorough assessment of future employment need within Bedford for the reasons set out below.

Market Drivers

- 3.53 The ELS provides a review of the commercial property market activity over the past 5 years. It draws on industry standard data provided by CoStar, which is an accepted basis for employment land assessments. However, this data (analysed by Council Officers) seems to be the sole market input used to inform the ELS and therefore does not necessarily capture the full market context given the limitations of the CoStar database (which are not recognised in the ELS).
- 3.54 It is best practice to undertake engagement with active players in the local property market (lettings agents, developers, site promoters, managing agents etc) in order to understand emerging trends and demands which are not captured in the 'historic' data contained within CoStar. This is a key consideration given that market performance will always be limited to the sites and premises available within a location at any point in time. Given the nature of the stock within Bedford (which the ELS notes is often dated and of moderate quality) it is likely that some forms of demand have been present but not able to be accommodated and therefore this demand would not appear in market data.
- 3.55 The commentary within the ELS' market analysis does not necessarily match the activity that the data actually shows. For example the ELS at paragraph 4.3 references a large 'deal' at Colworth Park for Unilever – however Unilever were already a tenant at the site so this would not represent a normal market transaction. Including such deals in the overall analysis whilst not recognising the context risks over-stating the market strength for office space.
- 3.56 Similar limitations in the understanding and interpretation of the market data exist where the ELS considers the industrial market. Having analysed the data the report comments that "two large deals (B&M Distribution Centre 1,100,000 sq ft and Aldi Distribution Centre 800,000 both at Wixams) skewed the average deal size" (Para 4.10, Pg 23) – whilst it is true these are unusual deals in the local market they are more common within the wider 'M1' market.
- 3.57 Rather than dismissing these as distorting the figures it would be more appropriate to identify these as a market signal that (should land be available) there is a demand/need for larger employment buildings to be delivered in Bedford as part of the wider market area identified in the Functional Economic Market Area chapter.
- 3.58 Ultimately the ELS market analysis draws a number of conclusions which the data presented does not support. The principal issue is that the section concludes that the borough operates as a "localised office and industrial market" (Para 4.22, Pg 29) despite noting some more strategic demand for logistics space.
- 3.59 Indeed the section itself is not consistent in this regard, with the same paragraph going on to observe that "Much of the recent growth can be attributed to the construction of a number of large industrial units, often used for warehousing, with good access to strategic roads" – which would suggest a much more strategic role for the borough has emerged in recent years.

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- 3.60 This conclusion is supported by the following chapter of the report where the Functional Economic Area is considered. This considers the Borough has a different market area and role depending on the sector of the economy/market considered – a conclusion consistent with the findings of the 2015 study. Indeed Chapter 5 concludes by saying “The commercial market for logistics development is large, stretching from the edge of London to Daventry and from Milton Keynes to Cambridge.
- 3.61 However, the reach and influence of the office market is very localised because of the proximity of a number of larger centres.” (Para 5.18, Pg 34). Directly contradicting the conclusions of Chapter 4.
- 3.62 Ultimately the property market analysis fails to appropriately capture the dynamics of the Bedford market dismissing clear trends in the market and failing to understand the strategic positioning in some sectors. Ultimately this leads to the whole ELS failing to take account of strategic market opportunities when future need and supply are considered and results in an under-provision of employment land in the final recommendations of the study.
- 3.63 It is evident from the ELS that there is an active industrial land market (Class B2 and B8), particularly when compared to offices. As evidenced within the ELS, there has been an average take-up of 791,983 sq ft per annum over the past 6 years. This is almost 8 times the space taken by office occupiers.
- 3.64 Savills has also confirmed that there has been a strong rise in industrial property values over the past 6 years from an average rent of £5.24/sq ft in 2014-2015 to £6.98/sq ft in 2019-2020. This represents a strong increase, rather than values being consistent over the period as the ELS suggests.
- 3.65 The study reports that as of November 2020, there were 29 industrial units on the market which total 976,760 sq ft. In light of the annual take-up recorded (791,983 sq ft), this leaves just 16-months supply. Comparatively, the study demonstrates that there is a 7-year supply of available offices. Such low levels of supply within the industrial sector could stifle demand.
- 3.66 It also does not take into account the specific requirements of, and trends within, the logistics sector in particular which require the need for such uses to be considered separately from those relating to general industrial land as set out in the NPPG guidance.
- 3.67 The market evidence indicates that planning for logistics and industrial floorspace should be at the forefront of the plan making process, particularly due to the SEMLEP area having a strong competitive advantage in these sectors given its strategic location and accessibility to connect with key markets in the UK and abroad and the focus on these sectors at a regional level²¹.
- 3.68 Moreover, as acknowledged in the ELS, Bedford has a relatively young population who are at the forefront of driving the growth in the e-commerce industry. As the industry continues to grow, it is important to ensure that depots and warehouses are located in places which minimise stem mileages (i.e. the distance from the distribution point to the first delivery address) to allow for more intensive, optimised use of vehicles²².

²¹ https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/818893/South_East_Midlands_SINGLE_PAGE.pdf

²² NIC better delivery

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3.69 Therefore, we consider that the ELS does not sufficiently acknowledge these wider market drivers. Whilst it is acknowledged within the ELS that there is a trend of increasing demand for warehousing in sites with good access to strategic roads, together with lower demand for pure office development (paragraph 7.45), the conclusions regarding the scale of future need of employment land within the Borough appear to be entirely driven by forecasts based on past trends and fails to take into considering current market evidence and emerging market trends. As such, the ELS significantly underplays the key growth opportunities and has the following shortfalls:

- 3.70 It fails to recognise the recent strategic shifts in the economy at a national, regional and local scale in particular Covid19 and Brexit, which have driven significant demand for warehouse and distribution premises and will have permanent implications.
- The analysis therefore does not capture the importance this activity now plays in terms of local employment and economic output.
 - By not recognising this sector in growth terms, the ELS ignores the strategic locational advantage the Borough offers for a range of large industrial and warehouse operators and occupiers, and therefore the opportunity to attract additional growth to the borough from the wider region.
 - It does not acknowledge the demand for larger units both now and in the future and therefore does not seek to ensure capacity for this type of activity is provided within the Borough.
 - It therefore misses the opportunity to allocate sites that have the attributes to meet this different scale and nature of demand and allow the Borough economy to grow in line with the ambitions for the wider Arc and SEMLEP and bridge the significant gap in economic productivity between Bedford and other nearby urban.
 - This is also out of step with the approaches taken by other local authorities dealing with the same context, namely Central Bedfordshire and Oxford.

3.71 Therefore, we consider the ELS significantly underestimates the scale of employment land needed to cater for growing demand as it is not aligned with the market evidence, including the long-term impacts of recent events including Covid19 and Brexit, or the ambitious growth strategy at the regional level for both innovation based, industrial and logistics uses. As such it risks underproviding for economic growth within Bedford meaning that the Plan might act as a barrier to success, stifling private sector investment and the creation of new jobs.

Demand Forecasts

- 3.72 The ELS sets out a series of economic and employment projections as a basis for understanding future employment needs. The modelling approach used broadly follows the 2015 AY methodology in terms of forecast scenarios and sensitivities used.
- 3.73 Whilst there may be some minor discrepancies in terms of the technical modelling approach given AY did not 'handover' the 2015 model these are likely to be minor and therefore not, on the basis of the evidence presented, an issue for the study. Therefore, at this point we do not challenge the overall modelling approach however in the following section we do consider a number of issues that are apparent with certain assumptions used within it.

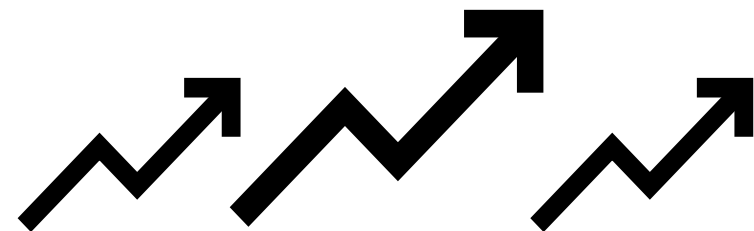
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Scenarios and Model Focus

- 3.74 The demand forecast uses two core approaches to test future needs. The first uses an 'off the shelf' employment projection model prepared by Cambridge Econometrics (the East of England Forecasting Model – EEFM) which develops projections based on historic local performance of the economy and an understanding of likely future strategic economic trends – which are then translated to the local level based on past performance.
- 3.75 The second approach is to use a population based forecast prepared by ORS which generates a future population and a number of 'workers' within this that would then seek employment in the borough. This is translated to sectors based on the EEFM assumptions.
- 3.76 The population based forecasts are structured so that they maintain a jobs:homes ratio in the borough consistent with today. Whilst that is appropriate as a scenario it does potentially limit the opportunity to understand market led growth (given there is no market-led scenario tested) and could artificially constrain the borough's economic potential.
- 3.77 To create a balanced understanding of economic potential – particularly given the rapidly changing logistics sector where employment growth and floorspace needs no longer have a linear relationship – it would be more robust to test a further 'market led' projection that could take into account wider opportunities in order to ensure the economy isn't constrained by inappropriate land supply.

Base Forecasts

- 3.78 Similar to the 2015 study the base economic forecast is EEFM. Whilst the ELS does not reference the model data the most recent published version dates from 2019 – before the COVID-19 pandemic and before the UK's deal to exit the EU had been agreed.
- 3.79 Both events have had major impacts on the scale and nature of the UK economy, driving different forms of demand in different locations than have been experienced pre-2020. Using a 2019 economic model means that none of these impacts are understood or built into the ELS.
- 3.80 The risk of using older forecasts is highlighted in the B and non-B class use split in the projections – which is dominated by non-B class activity with a strong focus on retail which is unlikely to now be realised. There are specific issues for 'B Class' employment uses as the pandemic in particular has had a major impact on the demand for both office and distribution space across the country.
- 3.81 Before confirming land allocations the Borough should update these projections with more recent forecasts in order to begin to capture the impacts of these major economic shocks on the Bedford economy and future demand.



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Density Assumptions

- 3.82 The ELS uses employment density ratios to convert projected employment growth into floorspace needs. This draws on information contained within the EEFM model and it is not clear how these have been reviewed and tested to ensure they are relevant to the Bedford market context.
- 3.83 Across both office and distribution sectors the employment densities do not align with the 2015 Density Guide which provides the benchmarks for such calculations. Whilst these deviations are acceptable in principle it would usually be expected that some evidence is provided to understand why this is appropriate – and no such evidence is provided.
- 3.84 This assumption makes a significant difference to the overall land requirement, potentially underestimating land needs by over 20% based solely on the difference between the 2015 and 2021 density assumption.

Population Based Forecast

- 3.85 The population-based forecast also appears to contain some assumptions that will impact the overall land and floorspace requirements and present limitations to how accurately the ELS captures the future economic opportunity within Bedford. These issues are perhaps more critical given the population-based forecasts form the foundation of the recommended employment land needs at the end of the Chapter.
- 3.86 Based on the ELS description the population forecast is translated into sector based employment and then floorspace needs using a set proportion of employment being attributed to each. It appears (but is not confirmed) that this relationship is constant over time.
- 3.87 If that is the case, then the forecasts would significantly limit the ability for the Borough to understand how the economy may change over time and the changing floorspace requirements that would arise from these. Given the economic context pre-pandemic where office occupation trends were changing, high street retail was in decline and logistics was expanding 'fixing' sectoral performance would fail to allow these dynamics to be captured.
- 3.88 As a consequence it is therefore likely that the forecasts under or over play the needs in certain sectors in the future.
- 3.89 The population based forecast retains the same employment density assumption for distribution space and therefore presents the same risk of under-providing space as considered above.

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Conclusion

- 3.90 Overall the projections considered do not take into account a full range of 'reasonable alternative' scenarios in order to establish future needs. They fail to test any market led needs, instead relying on trend or population based forecasts. This is markedly different to the approach taken in Central Bedfordshire which recognises much more clearly the potential strategic role the Borough plays in some markets and expands the 'local need' projections (trend based employment forecasts) with an assessment of wider demand – ultimately uplifting the overall land requirement to capture both opportunities.
- 3.91 Given the similarities in the two Borough economies we would seek that a similar approach be adopted in Bedford in order to ensure the Borough is best placed to capture both local and strategic demand. approach be adopted in Bedford in order to ensure the Borough is best placed to capture both local and strategic demand. This could be combined with a more general update to the forecasts to reflect the much-changed economic context since the current base projections were prepared.



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Type and Quality of Employment Floorspace

- 3.92 It appears the ELS and draft Local Plan has chosen to focus primarily on delivering what BBC consider to be 'high skilled jobs' and is based on an assumption that these are most appropriately delivered within the technology and research and development sectors.
- 3.93 This is explicit in paragraph 7.45 of the ELS which states that provision of a greater proportion of warehousing this approach would give rise to the following disadvantages:

"it takes up a great deal of space whilst delivering fewer employment opportunities (and lower quality employment opportunities) than a strategy with a greater focus on other employment types..."

It is understood that the emerging local plan aspiration is to encourage high quality business park development with an emphasis on research and development and high technology knowledge intensive industries. As a result, the scenario modelled under sensitivity test 3 would not be an appropriate basis for forecasting".

- 3.94 We strongly dispute this claim that the logistics sector does not generate higher skilled jobs. Traditionally the industrial and distribution sector has been seen as a source of low-skilled, low-value employment which, whilst important, provides few progression opportunities for workers. However, in the logistics sector in particular, advances in operational approaches and the fast adoption of new technology has dramatically changed the career opportunities in the sector. This includes the shift towards automation and robotics within the logistics and industrial sector.
- 3.95 A report by FTA Logistics shows that in 2019, 30.8% of employment in the logistics sector is occupied by Level 3 (upper-middle skilled) and Level 4 (high skilled) workforce²³. The report also states that more than three-quarters (79%) of businesses expect to increase the number of higher-skilled roles over the coming years, yet two-thirds (66%) fear there will be a lack of sufficiently skilled people to fill vacancies.
- 3.96 Research from within the sector suggests that career opportunities have broadened dramatically over the last decade. Whilst entry level jobs still exist much of the previous functional activity has now been automated with a greater proportion of employment now focussed on ensuring complex picking and packing machines (for example) are maintained and operational. These require a high level of mechanical and electrical engineering, software, programming, logistics planning, finance and sales/marketing skills, providing both higher value jobs alongside more entry level positions and providing career progression opportunities.

²³ FTA LOGISTICS Skills Report 2019

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3.97 As such, we consider the ELS incorrectly assumes that the warehousing industry provides few high skilled job opportunities. It should instead be recognised that growth within this sector alongside a range of jobs in research and development and general industry would create employment opportunities for all job levels. Nonetheless, we note that Cloud Wing's proposals at Bedford Business Park would offer opportunities for a wide range of jobs in well paid sectors that would deliver a strong, sustainable business ecosystem and diversify the local economy.



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Future Sources of Supply

3.98 Notwithstanding the concerns presented above in relation to the approach to forecasting employment land needs there remain limitations with how the preferred scenario for future floorspace requirements is then considered in terms of that need being met within the Borough.

3.99 The preferred scenario identifies an overall need for 171ha of land within the Borough to 2040, utilising the Population Led, Low Density Development scenario. Within this there is a forecast need for 53ha of land for warehousing and distribution.

3.100 The ELS identifies a gross land supply of 93ha on undeveloped sites based on the expansion of 5 existing employment areas and the designation of 3 additional sites, as shown below.

Existing Employment Areas		Land (ha)	SQM Conversion	Suitability for B1	Suitability for B2	Suitability for B8	Max B8 Land
AD5	Wixams Northern Expansion (Wixams Logistics Park)	21	63,000	X		X	21
AD12	Land at Bell Farm, Kempston (Bedford Link)	6	18,000			X	6
AD13	Bedford Commercial Park (Marston Vale Innovation Park), Wootton	7	21,000	X	X		
BE49	Wilstead Industrial Estate & Wixams Business Park	11	33,000		X	X	11
BX01	A6 Near Souldrop	1	3,000	X		X	1
Total Available land		46	138,000				
New Vacant Land							
AD11	Land at Medbury Farm	31	93,000	X			
AD17	Land West of B530	3	9,000		X	X	3
AD23	Bedford Valley Park	13	39,000	X			
Total Available Land		47	141,000				42

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- 3.101 The site assessments that support the ELS identify which uses each site is suitable for, with only 5 of the 8 sites identified as having the correct attributes to accommodate future B8 activity, representing a total of 42ha of land – below the identified need for warehousing land.
- 3.102 This undersupply is potentially exacerbated further by the identification of some of the suitable B8 sites for other employment uses – indicating that some of the 42ha could actually be used for office or other industrial activity.
- 3.103 Even taking this into account does not necessarily capture the scale of the potential undersupply of land to meet even the ELS forecast need (let alone any strategic need that isn't considered).
- 3.104 The ELS recognises in paragraph 9.14 (page 65) that the majority of sites identified are already in receipt of a planning consent and are being brought forward (presumably for identified tenants) – as such only those highlighted in green would be available to meet needs in the future. This would mean that only 4ha (at most) of land would be available to meet the needs of the warehousing sector across the plan period – although this may reduce further if the sites deliver a mix of B class uses.
- 3.105 Equally importantly is the qualitative issue of the identified supply as the available sites (both consented and unconsented) tend to be relatively small. The largest is AD5, where 21ha is available offering the potential (if delivered as 100% B8) to accommodate 63,000 sq m of space. However, the rest (where B8 is deemed appropriate) are significantly below 10ha meaning they are only capable of accommodating small industrial/warehouse operations.
- 3.106 This land supply position is at directly odds with the wider employment land evidence base presented in the ELS which notes in the market commentary, forecasting and even the demand-supply balance section that the borough needs land suitable for larger scale development as this cannot be delivered in existing sites. Indeed, even the demand-supply balance section reports this requirement, where Para 9.5 notes that *“it is clear that the expected nature of future demand will require a range of large scale, well located sites that are well connected to transport networks and the strategic road network in particular”*.
- 3.107 The sites put forward to meet future demand do not align with this stated need, instead providing smaller site opportunities that cannot accommodate the full range of economic opportunities and requirements identified in the evidence base.
- 3.108 This supply limitation could also be exacerbated by ongoing discussions (reported in the ELS) with landowners of some sites who are promoting these for alternate uses. In particular, the ELS highlights that the Land west of the B350 (3 hectares) may be susceptible to proposals for non-B class development given its proximity to a cluster of out of town retail uses. Furthermore, Land at Medbury Farm (31 ha) is being promoted for residential development by the site owners as part of the emerging Local Plan. It also suggests the owners of Bedford River Valley Park (13 hectares) may be considering alternative uses.
- 3.109 To address this clear and obvious shortfall in the Borough's land supply the demand-supply balance section concludes that, as a result of significant floorspace coming forward in neighbouring Central Bedfordshire, there is no requirement for Bedford itself to allocate additional land for the large logistics sector.
- 3.110 This appears at odds with the wider analysis and conclusions of the ELS and the NPPF – which all indicate that there is a need for Bedford to meet its objectively assessed employment needs within the borough. It also gives the Borough no certainty or influence over the delivery of the quantum of space needed to meet forecast employment needs as set out – or any future opportunities generated by changes to the UK economy – meaning the Borough could not deliver its overall development strategy and maintain the jobs:homes balance.
- 3.111 Critically, there is no evidence to suggest that Bedford and Central Bedfordshire have reached a shared agreement that the capacity identified in Central Bedfordshire is available to meet Bedford's needs.
- 3.112 Indeed, the Central Bedfordshire Employment Land Update (2020) suggests that the opposite may be the case, identifying a requirement of 118ha of employment land in the borough to accommodate its own 'local' needs, based on employment projections.

The strategic opportunity and case for change

- 3.113 On top of this it identifies c.140ha of land for strategic warehousing, capitalising on the growing demand for larger space as Central Bedfordshire becomes established as an extension to the 'golden triangle' – building on the market signals it has identified locally and within the wider M1 corridor. The Employment Land Update notes that even this figure may need 'topping up' over the plan period depending on how the market changes in the future, suggesting it may not be sufficient to meet Central Bedfordshire's overall needs.
- 3.114 Critically, there is no reference to the land allocations in Central Bedfordshire being used as an opportunity to account for the 'locally driven' growth forecast in Bedford. Given the Bedford forecast only takes into account population driven demand in its adopted forecast rather than making allowances for strategic/footloose development it would appear that a significant amount of Bedford's needs may go unmet if the current strategy is pursued.
- 3.115 Notwithstanding this, it should also be noted that this was considered to be an overprovision based on a Functional Economic Market Assessment & Employment Land Review undertaken in July 2017 which would not have taken into account recent trends. Putting this into context, Savills suggest that these sites are only capable of accommodating approximately 10 years' worth of supply based on take-up rates in
- 3.116 Bedford alone and would result in even fewer years of supply once take-up levels in Central Bedfordshire are taken into account.
- 3.117 As a result, relying on neighbouring authorities to deliver large scale warehousing locations does not adequately provide for warehousing needs based on the market evidence. It is also a short-sighted approach that risks Bedford missing out on the significant economic benefits this sector can bring.
- 3.118 Furthermore, the ELS itself notes that it is desirable to have an 'oversupply' of new employment land within Local Plan and this is reinforced in a recent appeal decision²⁴ where the Inspector and Secretary of State confirmed that provisions for employment land in Local Plans should not be regarded as a ceiling to development.
- 3.119 As set out, logistics operators have very specific requirements for new sites with a preference for land that is of sufficient scale and located in proximity and accessible to the motorway network. However, beyond these requirements, occupiers tend to be relatively footloose meaning that if sites are not provided in one location, they will look to locate elsewhere along the M1 corridor provided sites themselves meet their operational requirements. Therefore, in the absence of properly planning for the likely growth in this sector, there is a risk that Bedford could lose out on jobs to competing locations along the M1 corridor and within the wider Oxford-Cambridge Arc.
- 3.120 This is exacerbated by the fact that there is currently an existing shortage of good quality industrial stock in Bedford. As per the ELS, as of November 2020 there were 29 industrial units on the market, the majority of which were smaller than 20,000 sq ft and primarily low-quality stock of a 3-star rating or below. Given the recent trends for larger, built-to-suit units, it is likely that the current stock will not be able to accommodate future demand.
- 3.121 Therefore, without site-specific allocations that are able to deliver the scale, type and location of development that logistics occupiers are now demanding, there is a real risk that significant opportunities for Bedford Borough to capitalise on the growth within this sector will be missed.

²⁴ Planning Appeal Decision – Ref. APP/N4205/V/20/3253244

The strategic opportunity and case for change

Additional Sites

- 3.122 The ELS considers how to address the unmet needs identified through the employment forecast, summarising a Call for Sites exercise completed as part of the Local Plan process. It notes that 27 sites were proposed as part of the process, potentially providing over 600ha of land for B Class use and a further 97ha where employment uses were proposed as part of larger mixed-use schemes.
- 3.123 The ELS was produced before the 'Site Selection' process for the Local Plan had been completed as such there are no 'preferred' new sites identified to meet future needs. However, what is clear is that, at the time of writing, the Borough had not identified any land for strategic B8 activity with a number of smaller sites identified as suitable to accommodate "general industrial and office" activity.
- 3.124 Therefore, it confirms that the Borough is likely to be wholly reliant on the supply in Central Bedfordshire to meet its own needs and accommodate any market-led opportunities that would be seeking space in Bedford.
- 3.125 Overall, we consider that the ELS and emerging Local Plan 2040 does not capture recent economic trends, particularly in the logistics sector, and is poorly aligned with the wider national and regional context which sees major growth across a range of sectors including in innovation, advanced manufacturing and logistics. This significantly underestimates the scale of development envisaged within the region and risks the Borough losing out on the economic benefits associated with this growth.

Changes Requested:

- The evidence base supporting the draft Local Plan is updated to reflect recent trends in economic development, particularly in terms of e-commerce and the impact this has had on demand for floorspace.
- The scale of development envisaged within the evidence base and emerging Local Plan is significantly increased to align with the wider ambitions for the regional area and in particular the vision for the Oxford-Cambridge Arc.
- Re-testing of future needs to take into account the much-changed economic context, market led demand scenarios and lower employment densities for B8 space (in line with the previous Employment and Economy Space Study, 2015).
- Ensuring policy sets the assessed land requirement as a minimum rather than a ceiling on employment-generating development in the borough.

Section 4 – Bedford Business Park: A unique proposition

- 4.1 Bedford occupies a nationally significant position at the centre of The Golden Triangle, 30 miles west of Cambridge, 40 miles east of Oxford, 50 miles north of London and 98 miles east of Felixstowe. The Borough is extremely well connected, situated half-way between the M1 and A1, and circa 30 miles north of the M25. London is just over a half an hour drive away by train and its five airports are within easy reach from Bedford by car and public transport. Because of this connectivity, half of the UK's population is situated within a two-hour drive and the Borough is well located to connect with key markets in the UK and abroad and attract businesses, entrepreneurs and innovators²⁵.
- 4.2 The Bedford Business Park is uniquely located in order to capitalise on this strategic advantage. It is located immediately to the south east of the A421 close to its junction with the A428, approximately 2.5 miles south of Bedford town centre. The A421 is the main thoroughfare connecting Bedford with the M1 and A1 and is the route where significant investment is proposed in the major infrastructure upgrade of the Oxford-Cambridge corridor. As existing, there is direct access to the A421 via Woburn Road. It also benefits from excellent rail links, with the Kempston Hardwick railway station located centrally within the site on the Bedford to Bletchley line. There are also regular bus services within easy reach of the site on the B530 and in Stewartby to the south which provide good public transport links into Bedford and Milton Keynes.
- 4.3 The Site is also well connected to the population centres of Bedford and Milton Keynes. With the adjacent Stewartby Brickworks set to deliver up to 1,000 new homes over the coming years following the recent resolution to grant outline planning permission at planning committee (ref 18/03022/EIA). Being located in close proximity and being well connected to these population centres is a significant advantage of the Bedford Business Park proposals, providing an immediate supply of skilled labour for new and expanding businesses, many of whom would live within walking and cycling distance of the site.

Figure 10.
Bedford's
Strategic Location
Strategy²⁶



²⁵ Bedford Local Plan 2030. Bedford Borough Council (2020)

²⁶ Invest in Bedford. Bedford Borough Council [Accessed September 2021] <https://www.bedford.gov.uk/business/invest-in-bedford/>

Bedford Business Park – A unique proposition

- 4.4 The site's connectivity is set to improve further as a result of the proposed improvements to the East West rail line which would connect the communities between Oxford, Milton Keynes, Bedford and Cambridge. Proposals for the line have recently been consulted on and included two options in the vicinity of the site:
1. Improvements to the existing Stewartby and Kempston Hardwick stations; or
 2. A replacement new station (tentatively named "Stewartby Hardwick") at Broadmead Road towards the south of the Site with an enhanced half-hourly service.
- 4.5 In addition, there are proposed improvements along the A421 Expressway. This follows on from recent improvements to the A421 including a £200m upgrade in 2010 to provide direct dual carriageway access to J13 of the M1 and the Blackcat Roundabout junction on the A1. These national investments in infrastructure improvements are part of the wider growth strategy for the Oxford-Cambridge Arc aimed at unlocking the full economic potential of the region, in which the Bedford Business Park is uniquely placed.
- 4.6 The large size of the site at approximately 222 hectares is also rare in the UK and unique in Bedfordshire. This is key to its ability to attract major occupiers in a range of sectors, including those seeking to serve regional and national markets. It is also critical to its ability to provide space for a mix of sectors and employment uses that would deliver both a diversity of employment and the type of cohesive and connected business ecosystem that supports the creation and growth of businesses that leads to innovation and sustainable economic prosperity. For example, the scale of the site provides an opportunity to deliver large scale facilities that are increasingly required by major warehouse and industrial units (which has seen the average sized unit increase from 217,000 sq ft in 2015 to 340,000 sq ft in 2020²⁷) as part of a mix of building sizes in an attractive, high quality campus environment that can cater for a variety of businesses, allowing for clustering of activities and supply chains and the

development of networks which foster knowledge sharing, collaboration and innovation.

- 4.7 The proposals for the Bedford Business Park also present an opportunity to redevelop a partially brownfield site which is in accordance with the principles of sustainable development within the NPPF.

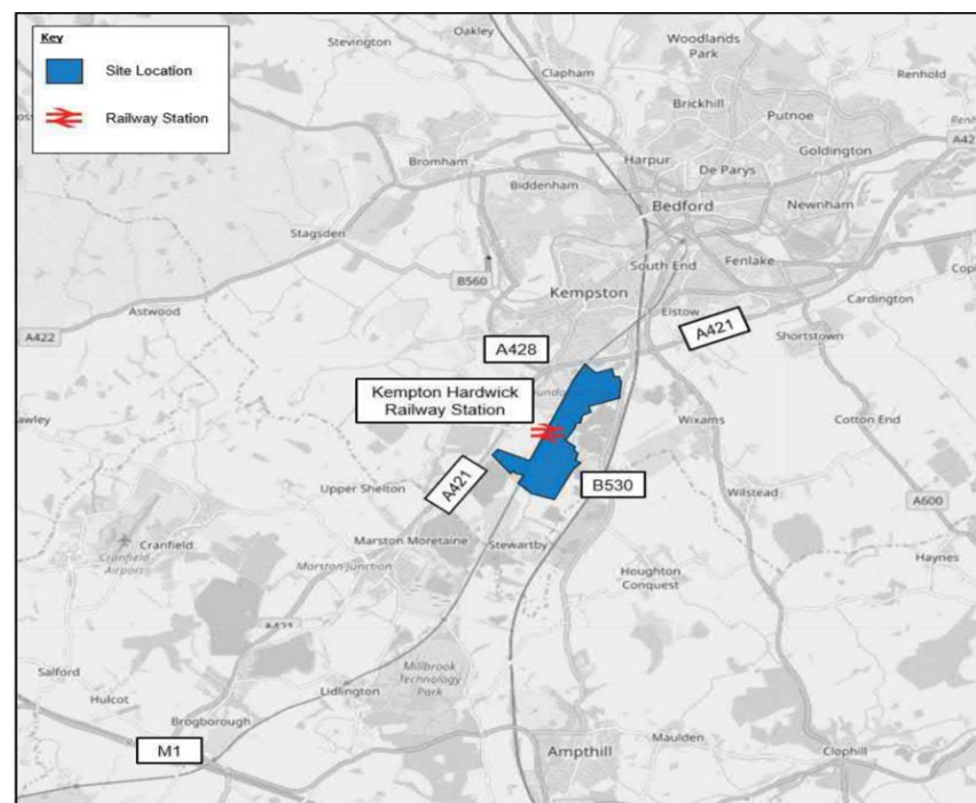


Figure 11. Bedford Business Park Strategic Location²⁸

²⁷ The size and make-up of the UK warehousing sector - 2021. Savills (June 2021) <https://pdf.euro.savills.co.uk/commercial---other/uk-warehousing-sector---2021.pdf>

²⁸ Transport Assessment (Vectos, November 2018)

Bedford Business Park – A unique proposition

Development Strategy Options

- 4.8 As set out above, the locational characteristics of the site, particularly its proximity to the A421 and within the east-west rail corridor, result in the Site being a prime location for economic development. The importance of this location for future growth is, in part, acknowledged in BBC's emerging Local Plan 2040.
- 4.9 The Development Strategy Options Topic Paper (2021) (the DSO) forms part of the evidence base for the draft Local Plan 2040 and sets out the background to how the development strategy options in the consultation draft plan have emerged to date. The purpose of the document is to determine where growth should be located in the Borough.
- 4.10 As the first stage in the identification of the development strategy for the Borough, the Council undertook an issues and options consultation in June 2020 which looked at both the timescales of the plan and broad locations that might be suitable for future growth. This identified six different 'locations' for growth as follows: urban based; A421 based growth; rail growth; East West Rail northern station growth; dispersed growth; and new settlement based growth.
- 4.11 The DSO notes that of the consultation responses received, the most strongly supported locations for growth were the urban area, the A421 and the rail-based option. W
- 4.12 Whilst the Issues and Options document did not define potential employment locations in the same way as for housing, it did ask where new employment sites should be located. The DSO suggests that the most common locations suggested were sites with the following characteristics:
- Sites with good access to sustainable transport networks
 - Site close to the strategic road network
 - Sites close to population centres

- 4.13 Having regard to feedback at the Issues and Options stage, the Council has undertaken further work, including a Sustainability Appraisal and a high level transport assessment, to identify a 'long list' of development strategy options and then to narrow these down into a 'short-list' of four 'preferred options' to meet the required level of growth and inform the spatial strategy as part of the emerging Local Plan.
- 4.14 The preferred options identified in the consultation document are:
1. Development in and around the urban area, plus A421 transport corridor with rail based growth – south (Option 2a)
 2. Development in and around the urban area, plus A421 transport corridor with rail based growth – south, plus one new settlement (Option 2b)
 3. Development in and around the urban area, plus A421 transport corridor with rail based growth – south, plus two new settlements (Option 2c)
 4. Development in and around the urban area, plus A421 transport corridor with rail based growth – south and east, plus one new settlement (Option 2d)



Bedford Business Park – A unique proposition

- 4.15 All of the preferred options include development along the A421 transport corridor with rail-based growth in the south of the Borough. This corridor includes the Bedford Business Park site and recognises that the corridor is located in a key area for growth, building on the proposals for East West Rail, which will be central to the development strategy as part of the emerging Local Plan.
- 4.16 Cloud Wing fully supports the identification of the A421 Corridor as a key location for growth in Bedford Borough. However, it is not clear how the assumptions made in the DSO in terms of the mix of uses and capacity of each of the strategy options has been reached. The DSO suggests that the capacity of each strategy option is informed by the quantum of development submitted during the Call for Sites process in 2020. However, this would not appear to be the case. The Bedford Business Park site was submitted as part of the call for sites process in 2020 and promoted as a deliverable site of approximately 222 hectares, capable of accommodating 780,000 sq m of employment space. Despite this, the Development Strategy Options identifies that the A421 transport corridor, as a whole, could accommodate only up to 110 hectares of land. The full extent of the Bedford Business Park does not, therefore, appear to have been considered as part of this process and it is not clear why this is the case.
- 4.17 We note that the Bedford Business Park meets the criteria identified above as important for employment sites:
- The site has good access to sustainable transport networks. Kempston Hardwick rail station is located centrally within the site and there are a number of bus routes in the vicinity serving population centres of Bedford and Milton Keynes;
 - The site is located on the strategic road network, having direct access to the A421 which links to the M1 and A1;
 - The site is located close to the population centre of Bedford and new residential community at Stewartby Brickworks to the south.
- 4.18 Furthermore, the ELS recognises that the site's characteristics make it suitable for employment development. Whilst it acknowledges that the site assessment process is yet to be completed, it identifies the Bedford Business Park site is one of only a relatively small number of sites that are likely to be most suitable to be considered for allocation having regard to the proposed qualitative criteria for assessing employment sites.
- 4.19 Nevertheless, the ELS appears to suggest that the Council's preferred approach to provision for employment land is through the allocation of up to 3 new business parks, each of approximately 30 Hectares. This conclusion appears to be based on simplistic qualitative analysis and appears to lack any robust justification.
- 4.20 This piecemeal approach to employment development across the Borough, would result in individual developments each without the critical mass to generate the level of investment required to facilitate the infrastructure needed to support this level of development and deliver sustainable economic development. We consider this approach may lead Bedford to fall short of meeting its growth targets and miss out on the opportunity to significantly benefit from wider investment in the Arc area. It also fails to make the most of the unique opportunity presented by the Bedford Business Park which has the potential to accommodate a wide range of economic activity, including in highly-skilled sectors. As set out in further detail in Section 3, the Bedford Business Park provides the opportunity to create a new self-supporting business ecosystem of a scale with the potential to transform the economic prosperity of Bedford, bringing together a blend of uses and a mix of sectors to foster a new centre of growth.

Bedford Business Park – A unique proposition

- 4.21 It is acknowledged that the opportunity presented by the Bedford Business Park exceeds the scale of employment land identified in the consultation documents. However, this is based on the ELS which, as set out in the previous section, significantly underestimates the level of growth needed when taking into account wider market trends and the regional policy context. Planning for the level of growth possible at the Bedford Business Park would allow Bedford to become more competitive within the wider region and attract more business opportunities as a result of investment in the Arc area.
- 4.22 A development of this scale would result in the critical mass of employment land needed in order to deliver the significant investment in infrastructure needed to support sustainable economic growth.
- 4.23 It is, therefore, essential that the opportunity presented by Bedford Business Park is considered fully as a reasonable alternative option to maximise growth in the A421 rail-based growth corridor by the Council in progressing its Local Plan.

Changes requested:

- The Development Strategy Options Topic Paper is updated to take into account that the level of need is greater than currently identified in the ELS.
- The Development Strategy Options Topic Paper is updated to consider an alternative strategy for growth which seeks to make the most of the unique opportunity presented by the Bedford Business Park proposals.



Section 5 – Responding to needs and seizing the opportunity

This section summarises the substantial social, economic and environmental benefits that would be delivered by the Bedford Business Park.

As set out in the previous sections, an outline planning application (ref 18/02940/EIA) for the Business Park was submitted by Cloud Wing UK in November 2018 for the following description of development:

- 5.1 *“A commercial and industrial development providing up to 780,379 sq m of floorspace for B1, B2 and B8 uses and ancillary service uses (A1, A3, A4 & A5) and associated infrastructure including open space and landscaping”.*
- 5.2 The proposals comprise the creation of a high quality business park, set within a generous landscaped setting, to create a range of employment opportunities across a number of different industries and sectors. The broad mix of employment uses identified within the outline planning application is as follows:
 - Business (former B1) – 257,136 sq m (20%)
 - Manufacturing (B2) – 233,360 sq m (40%)
 - Storage and Distribution (B8) – 289,284 sq m (40%)
 - Retail (former A1), Restaurant/Café (former A3), Pub (former A4), Takeaway (former A5) – 600 sq m
- 5.3 The proposals seek the retention and enhancement of key site features, improvement of bio-diversity and wider site connectivity and the creation of a new distinctive campus-style destination for employment and economic growth which takes into account the site-specific contextual character.



Figure 12. Proposed site layout

Responding to needs and seizing the opportunity

- 5.4 The proposals are capable of delivering substantial social, economic and environmental benefits which will directly benefit Bedford and contribute towards delivering the growth objectives within the Arc. These are summarised below:

Social Benefits

- The creation of employment opportunities (during the construction and operational phases) which will assist in relieving local unemployment and generating a significant well-being value;
- The creation of training opportunities for local people during the construction phase to provide opportunities for people to up-skill and gain qualifications;
- The integration of retail uses and other site amenities to support and complement the proposed business, industrial and warehouse units to create a sustainable business community;
- Well-being benefits related to the creation of a high-quality sense of place including attractive publicly accessible green space.

Economic Benefits

- The creation of a self-supporting business ecosystem of a scale with the potential to act as a catalyst for change to transform the economic prosperity of Bedford, bringing together a blend of uses and a mix of sectors to foster a new centre of growth;
- Major investment to drive the recovery following Covid-19 and build economic resilience;
- The delivery of high quality commercial property capable of attracting high growth sectors to Bedford;
- The creation of in excess of 15,000 new long-term jobs, a large proportion of which are likely to be taken up by local people living within 10km of the site and will be in well paid sectors;
- The diversification of the local job market, reducing reliance on the public sector and reducing the local productivity gap;
- The generation of up to £600m Gross Value Added for the local economy, improving local prosperity;
- The new jobs will benefit local shops and amenities. It is estimated the development will generate an annual wage bill of circa £320m, of which a significant proportion Additional jobs within the construction phase, up to 1,000 estimated to be created. This could generate significant additional GVA per annum over the 10-year construction period;

Responding to needs and seizing the opportunity

Economic Benefits (continued)...

- Provision of higher spec digital connectivity at the site to support the needs of businesses in high growth sectors;
- Significant fiscal benefits for BBC. Hatch Regeneris has estimated that the scheme could generate £18.4m in additional business rates revenue per annum;
- CIL & s106 contributions towards infrastructure improvements.

Environmental Benefits

- Redevelopment of brownfield land in a sustainable location, close to the population centres of Bedford, Milton Keynes and new development at Stewartby Brickworks. This has the potential to significantly reduce travel distances for people commuting to work within the Borough by creating new workplaces near population centres and promoting sustainable modes of travel;
- The provision of circa 68 hectares of open space and accessible green infrastructure, including wildlife corridors, equating to circa 31% of the site area, including:
 - circa 29.82 hectares of new amenity space;
 - retention of circa 10.77 hectares of existing habitats within the site, including woodland in the south east of the site;

- circa 14.47 hectares of landscaped corridors along access routes;
- significant blue infrastructure (circa. 8.45 hectares) including a drainage network of Swale routes and attenuation ponds to promote sustainable drainage opportunities with links to the existing watercourse / River Ouse tributary; and
- retention and improvement to the existing lake to maintain its ecological value;
- Provision of 30% tree canopy cover and creation of important new linkages through what is currently an inaccessible area of land connecting the forest to the south of the Marston Vale with Bedford to the north;
- A commitment to deliver at least 10% biodiversity net gain, net gains will be achieved through on-site ecological enhancements, where possible, and be combined with compensation off-site where necessary;
- Integration of sustainability measures, including:
 - delivery of critical infrastructure improvements including new walking and cycling routes, new public transport and shared transport services; and
 - utilising renewable and low-carbon energy sources, to achieve significant betterments on Building Regulations energy efficiency standards and at least BREEAM 'Very Good'.

Responding to needs and seizing the opportunity

Summary

- 5.5 It is clear that the Bedford Business Park proposals have the potential to deliver substantial social, economic and environmental benefits for both Bedford and the wider region.
- 5.6 Due to the nature of the proposals and the opportunity presented, there has been a significant amount of market interest in the site for employment uses. It is envisaged that the provision of much needed high quality employment space in this location will be attractive to both new businesses relocating to the area and existing local businesses looking to grow. This includes large scale industrial and logistics occupiers, advanced manufacturing and research and development companies which are increasingly seeking high-spec new build premises, rather than second-hand stock. SEMLEP has confirmed that Cloud Wing's proposals fit well with the strategic economic vision for the area (Appendix 1).
- 5.7 Furthermore, due to the unique scale and locational characteristics of the site, there is potential to capture regional and national opportunities that would not be possible on a smaller site. Indeed Cloud Wing has been approached by SEMLEP and the DIT to explore the potential for the site to accommodate an EV Gigafactory to support the Country's transition to electric vehicles which would deliver significant high-quality employment opportunities for Bedford and secure major international investment in high-tech manufacturing.
- 5.8 It is also being explored whether the site might be well-placed due to its size and location to contribute to the wider modal shift of logistics from road to rail through rail freight opportunities being promoted by the NIC. This modal shift is being driven by wider challenges facing the UK's freight system including decarbonisation, congestion and how technological advancements can assist in meeting increasing societal demands. The role of rail freight in addressing these challenges has recently been endorsed by the Government in its response to the NIC's Report 'Better Delivery: A Challenge for Freight' which confirms that the 'Future of Freight' Strategy is due to be published by the DfT later this year.
- 5.9 This therefore demonstrates the substantial benefits and opportunities afforded by the Bedford Business Park, which will not only boost local job creation and economic growth, but provide the ability for Bedford to contribute to, and benefit from, national growth objectives and opportunities, shaping Bedford's identity as a new hub of prosperity at the heart of the Arc.

Changes requested:

- That the Council recognise the substantial benefits and opportunities presented by the Bedford Business Park by identifying it as a proposed allocation in the emerging Local Plan.

Section 6 – Delivering the vision

This section examines the planning merits of the site and confirms that it is a sustainable and deliverable option for the delivery of economic growth in the Borough which should be allocated for employment land in the emerging Local Plan.

Deliverability

- 6.1 Within the NPPF, the definition of whether a site is 'deliverable' specifically relates to sites for housing. Notwithstanding this, the PPG confirms that the key factors to be taken into consideration when assessing whether a site is likely to be delivered when assessing both housing and economic land should be:
- **Suitability** – is the site an appropriate location for development when considered against relevant constraints and their potential to be mitigated?
 - **Availability** – are there any legal or ownership impediments to development?
 - **Achievable** – is there a reasonable prospect that the particular type of development will be developed on the site at a particular point in time, including whether the site is economically viable.
- 6.2 The following section assesses the site against these criteria:

Suitability

- 6.3 The NPPG sets out that a site or broad location can be considered suitable "if it would provide an appropriate location for development when considered against relevant constraints and their potential to be mitigated".
- 6.4 In order to demonstrate that site is suitable, the following sections looks at the relevant technical matters to demonstrate that when taking into account the relevant mitigation, there are no constraints to development.

Highways and Access

- 6.5 As set out in the earlier sections, the site is located in a prime location for economic development. Situated at the heart of the Golden Triangle, the site is extremely well connected to the strategic road network, being located adjacent to the A421 which connects to the M1 and A1.
- 6.6 There are also excellent rail links with the Kempston Hardwick railway station being located centrally within the site. This connectivity is also set to improve in light of the planned improvement works to the East West rail line. The development of the site would allow for the potential relocation of Kempston Hardwick station and Cloud Wing is already engaging with East West Rail in relation to how it may be able to assist in facilitating elements of the proposed improvements.

Delivering the vision

- 6.7 In order to support economic development on the site, a series of critical infrastructure improvements are proposed, including new walking and cycle routes through the site, new public transport and shared transport services, highway network improvements and a new vehicular bridge across the Marston Vale Railway Line. The proposed walking and cycle routes, coupled with the extensive connections to existing green infrastructure and pathways, will promote active travel corridors and facilitate sustainable methods of commuting to the site.
- 6.8 It is noted that there is a holding objection from Highways England in relation to the outline planning application for the site which is currently pending determination. Detailed discussions with Highways England have been ongoing to resolve their comments regarding the impact of the proposed development on the strategic road network. A package of improvement works to Junction 13 of the M1 and at the junction of the A6 and A421 have been developed in detail through discussion with Highways England and would be secured as part of the development. These matters are nearing a resolution and we understand Highways England will remove their holding objection in the coming weeks.
- 6.9 On this basis, we consider there are no highways and access matters that could be considered a constraint to development. Rather, the accessibility and connectivity of the site offers a particular advantage that means that it is very well placed to support a sustainable pattern of economic development.

Flood Risk and Drainage

- 6.10 As identified on the EA Flood Risk Map, the site lies within Flood Zones 1, 2 and 3 (excerpt included in **Figure 13**). Commercial development, including offices, general industry, storage and distribution uses, are considered appropriate in Flood Zones 1, 2 and 3a in accordance with the guidance outlined within the NPPF.

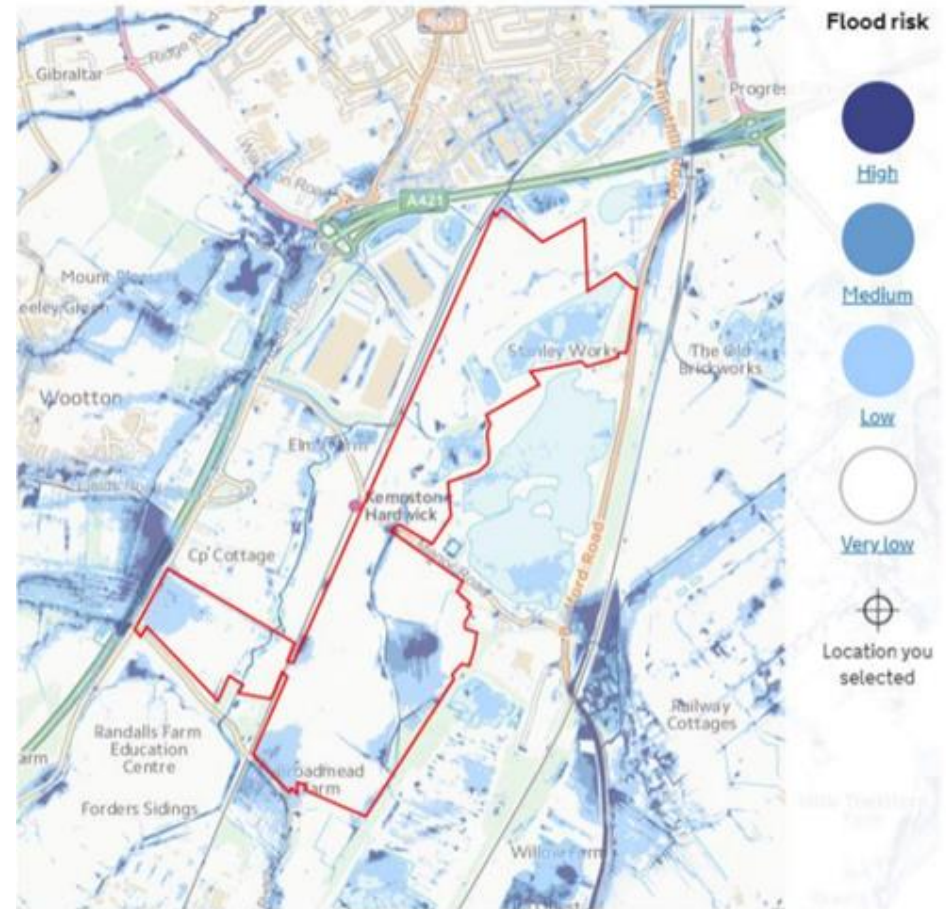


Figure 13. Excerpt from flood map with site shown in red ²⁹

²⁹ <https://flood-map-for-planning.service.gov.uk/>

Delivering the vision

- 6.11 As part of the outline planning application a comprehensive Flood Risk Assessment (FRA) has been undertaken based on data provided by the Bedford Group of Internal Drainage Boards (IDB). This has confirmed the flooding from groundwater, sewers and reservoirs, canals and other artificial sources is low.
- 6.12 The final layout of the site will be designed based on evidence from modelled flood levels obtained from the Bedford Group of IDB and the site topographic survey. This will enable the areas of higher flood risk to be properly mitigated, and any development in these locations will be designed to ensure buildings are safe for the entirety of its lifespan, and that development within higher risk areas will not increase flooding elsewhere.
- 6.13 As part of future development, it is proposed that surface water would be discharged into the Great River Ouse watercourse located adjacent to the sites western boundary.
- 6.14 As part of the outline planning application, the Bedford Group of Internal Drainage Boards (IDB) has indicated that it will support a strategy based on restricted discharge rate of 4 litres/second/hectare to the existing IDB drainage network. There are no outstanding objections on Flood Risk or Drainage grounds.
- 6.15 We therefore consider that there are no significant constraints to development regarding flood risk or drainage matters.

Heritage & Archaeology

- 6.16 There are no heritage assets within the site itself, however the site is located within the setting of a Scheduled Ancient Monument (SAM), the Kempston Hardwick Moated Site. This is assessed as an asset of heritage significance.
- 6.17 Additionally, there are heritage assets located in the wider vicinity of the site, including the Stewartby Conservation Area and Grade II listed kiln and chimneys at the Stewartby Brickworks to the south east.

- 6.18 Discussions with Historic England during the consideration of the application have been undertaken to agree appropriate separation distances between development and the SAM. Minor amendments are also to be made to the heights of buildings in the part of the site nearest the SAM to minimise any harm to the setting of the SAM.

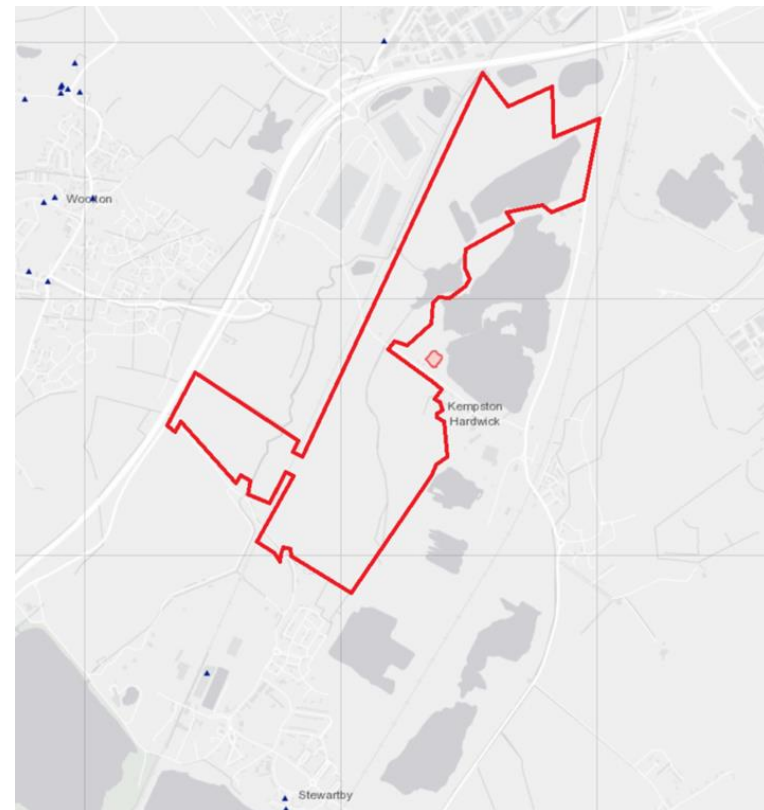


Figure 14. Heritage assets in the vicinity of the site³⁰

³⁰ <https://historicengland.org.uk/listing/the-list/map-search?clearresults=true>

Delivering the vision

- 6.19 Accordingly, there is an appropriate approach to development on the site in order to mitigate heritage concerns so that this is not a constraint to development.
- 6.20 Furthermore, a full geophysical survey of the site has been undertaken followed by targeted trial trenching. This has demonstrated that the overall archaeological potential of the site is low, with the Council's archaeology officers being content that any further work can be secured by way of planning condition.
- 6.21 Therefore, archaeology is not a constraint to development.

Landscape and Visual Impact

- 6.22 As part of the outline planning application, Indigo Landscape Architects prepared a full Landscape and Visual Impact Assessment which provides a comprehensive assessment of the visual impacts of the proposed development.
- 6.23 Whilst the development will be visible from the A421, the road is raised and therefore will obstruct any views from the north towards Bedford and Kempston. There is also substantial vegetation to the west which will protect any views from Wootton, and to the south to protect the views from Kempston Hardwick Moated Site, the SAM, and from the forthcoming residential development at the former Stewartby Brickworks.
- 6.24 Moreover, the proposed development includes substantial landscape planting which will provide significant screening to the development, helping the development blend into the landscape. Once the vegetation has reached maturity, the visual impact of the development is considered to fall to slight adverse in the longer term.
- 6.25 As the LVIA concludes, some 'significant' effects are to be expected given the size of the scheme and the scale of buildings proposed (particularly during the early part of the development lifespan) but once the mitigation planting has reached maturity the visual impact will be reduced. Furthermore, the assessment has been undertaken as a 'worst-case scenario' and at the reserved matters stage, further design measures and the choice of materials will assist in offsetting visual effects.

- 6.26 The visual impacts of the proposed development should also be considered against the significant economic benefits the development would deliver as discussed throughout these representations.
- 6.27 On this basis, it is not considered that landscape and visual impacts represent a significant constraint to development on the site.

Ecology and Trees

- 6.28 The outline planning application seeks to deliver 29.82ha of new green infrastructure and amenity space, retain 10.77 hectares of existing planting within the site and create 14.47 hectares of landscaped corridors along access routes. There would also be 8.45 hectares of sustainable, drainage ponds and green swales. A small lake and associated drainage channels make up a further 4.85 hectares. As such, the total open space and accessible green infrastructure equates to 68.36 hectares, or 0.81% of the land within the red line site boundary. The proposed ecological enhancements are indicated on the image over the page.

Delivering the vision



Figure 15. Bedford Business Park Strategic Location³¹

³¹ Design and Access Statement (GCA, 2019)

- 6.29 As part of the planning application, Delta-Simmons Environmental Consultants Ltd undertook a Preliminary Ecological Appraisal (PEA) of the Site as well as further surveys including faunal, breeding bird, wintering bird, aquatic, reptile, bat, riparian mammal, invertebrate and hedgerow surveys.
- 6.30 In order to minimise the effect of the development on ecology, a series of mitigation measures have been recommended which would be secured as part of future development. This would include measures to avoid excessive up-lighting and light spill, the use of SUDs, the incorporation of native hedgerow planting and for fencing to allow for access and egress for hedgehogs.
- 6.31 The assessment concludes that whilst there may be a short-term effect on the biodiversity value of the site in terms of the diversity of flora and fauna it supports until newly created habitats become established, in the long-term it is anticipated that full mitigation and enhancement measures will be achieved.
- 6.32 Following comments on the application, further consideration is being given to the scope for additional biodiversity enhancements on site. As part of this Cloud Wing is committed to achieving a 10% biodiversity net gain either on-site or via combination of on-site measures and offsite compensation.
- 6.33 Delta-Simmons Environmental Consultants Ltd also carried out a tree and hedgerow survey to support the outline planning application. This confirmed that no trees on-site nor on land adjacent to the site are covered by a TPO.
- 6.34 The proposals seek to deliver 30% tree canopy cover and provide important new linkages through what is currently an inaccessible area of land connecting the forest to the south of the Marston Vale with Bedford to the north. This is in line with the aims of the Marston Vale Community Forest. The tree officer at BBC has not raised any objections to the proposals and will seek further details at the reserved matters stage.

Delivering the vision

Noise and Air Quality

- 6.35 The outline planning application is accompanied by a suite of technical reports in order to assess the noise and air quality impact of the proposed development and identify appropriate mitigation measures where necessary.
- 6.36 With regards to noise, the Noise Assessment confirms that if best practice measures are employed during the construction phase, it is anticipated that construction noise levels will have a minor residual effect on nearby noise sensitive receptors. Whilst the noise during the operational phase is likely to have a longer-term effect, appropriate mitigation measures will be adopted during the detailed design stage.
- 6.37 The Air Quality Assessment confirms that, with appropriate mitigation in place, there would be a negligible air quality impact during the construction phase. Moreover, there would be a negligible to minor adverse effect during the operation phase as a result of vehicle emissions from operational traffic.
- 6.38 As such, it is not considered that there are any significant noise or air quality impacts that would be a constraint to economic development at the site.

Ground Conditions and Remediation

- 6.39 As part of the outline planning application, a series of ground investigation works have been undertaken. This identified a series of remediation works that could be secured by planning condition.
- 6.40 As such, it is not considered that the ground contaminations or contamination present a constraint to future development of the site.

Agricultural Land Classification Assessment

- 6.41 A full agricultural land classification assessment has been undertaken by Landscape Land and Property Ltd for the parts of the site which does not form part of the former brickworks or clay pits.
- 6.42 The assessment concluded that 86.5% of the area falls within category 3B 'Moderate' agricultural land whilst 10% falls within 3A 'Good' agricultural land.
- 6.43 As such, the development of the Site would not have an impact on any Grade 1 or Grade 2 agricultural land and only a limited impact on Grade 3A land. It is not anticipated that loss of agricultural land would constitute a constraint to development.
- 6.44 Summary In summary, it is considered that there are no technical constraints that would prevent the development of the Site for employment land.

Availability

- 6.45 The PPG states that a site is:
"considered available for development, when, on the best information available... there is confidence that there are no legal or ownership impediments to development. For example, land is controlled by a developer or landowner who has expressed an intention to develop".
- 6.46 Cloud Wing control the site and therefore there are no legal ownership or other technical impediments to delivering development on the site.
- 6.47 Furthermore, the site is being actively promoted for economic development and is the subject of an outline planning application currently pending determination.
- 6.48 Accordingly, the site is available now in NPPF terms.

Delivering the vision

Achievable

6.49 As per the NPPG, a site is considered achievable for development where there is a reasonable prospect that the particular type of development will be developed on the site at a particular point in term, including an assessment of the economic viability of a site.

6.50 Given the scale of development proposed for the site, the development will be delivered over several phases. This will include ground remediation works and the delivery of transport infrastructure in the first phases, as set out below:

Phase 1 – ground remediation works in the location of the former Kempston Hardwick brickworks

Phase 2 – construction of bridge proposed over the railway line and main road infrastructure

Phase 3 – construction of employment uses in areas where no ground remediation works are required

Phase 4 – construction of employment uses on the former Kempston Hardwick brickworks location

Phase 5 – construction of employment uses in the south of the site.

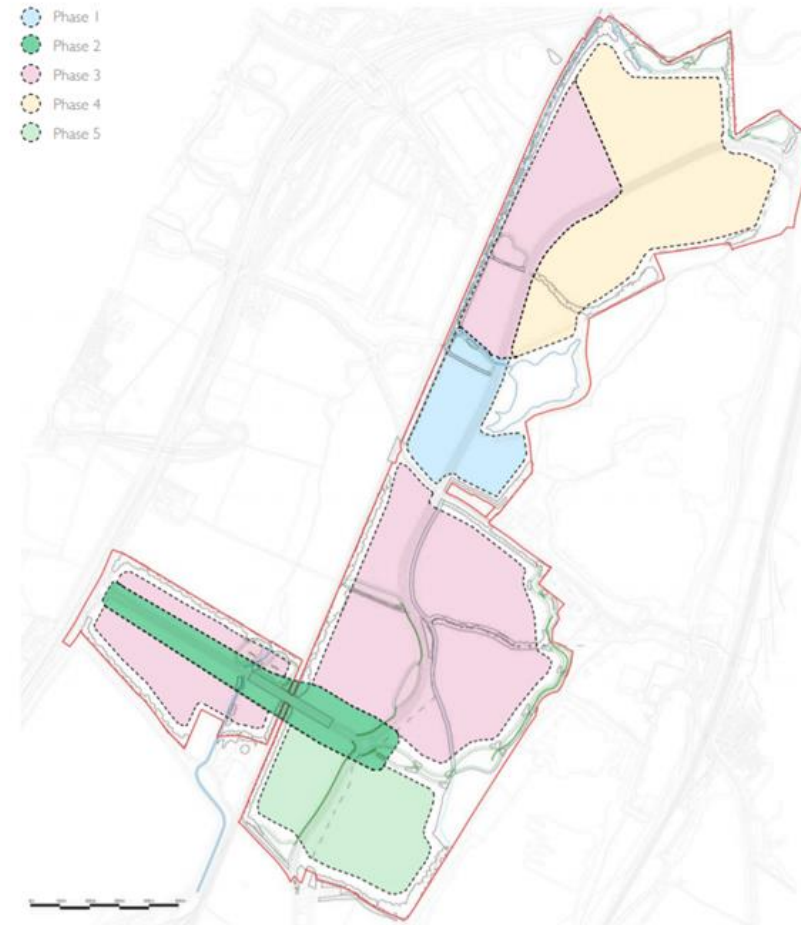


Figure 16. Proposed phasing plan³²

³² Design and Access Statement (GSA, October 2018)

Delivering the vision

- 6.51 Whilst the timings for delivery are dependent on achieving a planning permission and identification of a Development Partner, both of which are currently ongoing, it is anticipated that it would be possible to start on site with site clearance, remediation and enabling works within 6 months of receiving an outline planning permission, following the discharge of any relevant planning conditions. It is anticipated that works to deliver the primary infrastructure for the first phase would then commence approximately 6 months later, following the grant of reserved matters, with the aim of the first phase being complete and ready for occupation within 18 months.
- 6.52 As set out above, there are no significant site constraints that might prevent development or make the development unviable.
- 6.53 Therefore, it is considered that the site is achievable for development as there is a realistic timeframe for development and there are no economic viability constraints that would hinder delivery.

Deliverability Summary

- 6.54 Therefore, it is considered that the site is deliverable in line with the NPPF as it is a suitable location for development, it is available and there is a realistic prospect that development will be developed on the site.

Site Selection Methodology

- 6.55 It is understood that as part of the Bedford Local Plan 2040, the Council will identify sites to be allocated for employment land and these will be identified at the Regulation 19 Consultation Stage.
- 6.56 The methodology for this site selection process is set out in the Site Selection Methodology (2021). This sets out that each site is to be assessed against 15 sustainability objectives to test the social, economic and environmental impacts of development in response to key issues in the local area.
- 6.57 Sites are rated based upon how well they perform against each of the questions contained within the 15 objectives, from 'major positive effect' to 'major negative effect'.

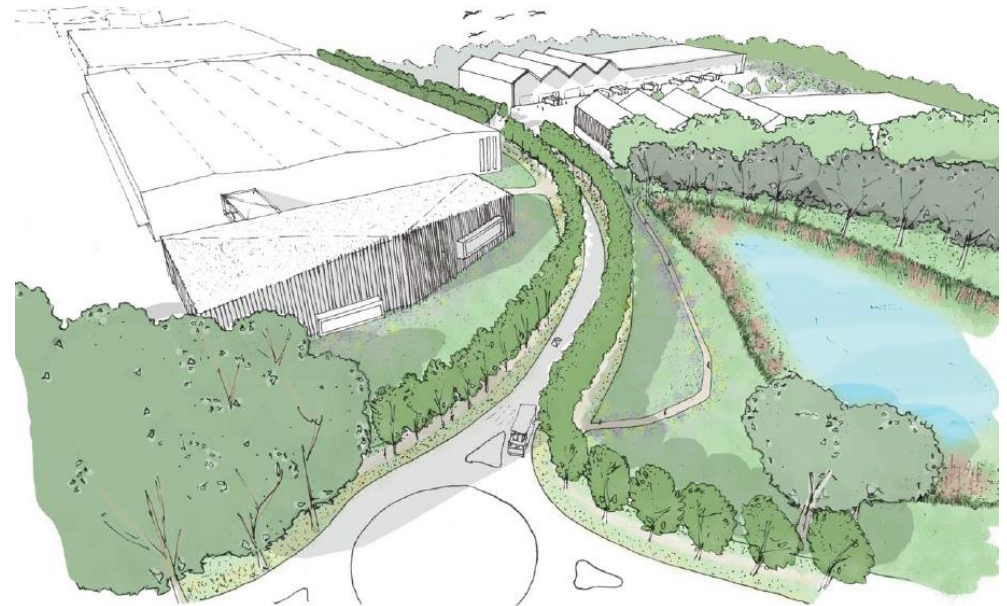
- 6.58 The initial assessment for all sites submitted as part of the 2020 Call for Sites process has also been published as part of the Reg 18 Local Plan. The Bedford Business Park is included within this as site reference 809.
- 6.59 Whilst we consider the Site Selection Methodology is a useful tool for considering sites suitable for residential development, we do not consider that all of the criteria are relevant when assessing sites for employment land allocations. For example, a number of the assessment criteria concern a site's proximity to primary schools, food stores and sports facilities. We consider this is more important when considering the location of new housing developments and that there are different priorities when considering locations appropriate for employment uses, such as proximity to the strategic road network. In addition a number of these criteria are repeated under a number of the sustainability objectives which risks applying an inappropriate weighting to those criteria in the site assessment process.
- 6.60 Furthermore, the Site Selection Methodology is weighted towards housing development in terms of assessing flood risk. Sites which are located within flood zones 2 or 3a are automatically rated as having a negative or major negative effect on this basis. However, this does not take into account that the NPPF guidance sets out that less vulnerable uses (such as employment uses) may be suitable within flood zones 2 and 3. This therefore leads to such sites being scored negatively against this criterion despite policy not precluding such uses.
- 6.61 We also consider that the Methodology is unable to capture that large scale developments may be able to provide additional facilities as part of future development which would support the uses to be created. For example, the Bedford Business Park proposals include an element of retail uses, green infrastructure and other amenities in order to support future employees and complement the business offer. This therefore seeks to create a sustainable employment community in its own right and should therefore score highly against sustainability criteria.

Delivering the vision

- 6.62 The Methodology also fails to take into account the fact that some potential constraints can be mitigated against as part of future development to ensure there is no unacceptable impact. For example, whilst the Bedford Business Park site is located in an area where protected species are likely to exist, the proposals put forward an extensive series of mitigation measures to such species are protected along with enhancement measures to deliver net gains for biodiversity. We consider any assessment of the site should take the proposed mitigation measures into account and rated accordingly.
- 6.63 We therefore consider that it may be more appropriate to consider sites against the NPPF criteria concerning deliverability when considering allocations for employment land. As set out above, the site fully accords with the criteria and is demonstrated to be suitable, available and achievable for development.
- 6.64 Notwithstanding this, a full appraisal of the site has been undertaken in line with the site selection methodology criteria and is included in Appendix 2 This demonstrates that the proposals meet all the relevant criteria and should therefore be taken forward as a site allocation in the emerging Local Plan.

Changes Requested

- We request that the site is formally allocated for economic development within the emerging Local Plan and that the Site Selection Methodology be amended to better reflect the range of factors and key characteristics that are relevant for assessing the merits of employment land.



Appendices

In this section

- Appendix One – Support Letter from SEMLEP
- Appendix Two – Assessment of the Site against the Site Selection Methodology

Appendix One: Support Letter from SEMLEP

David Cook
M.D LGS Services Ltd

13th August 2020

Dear David,

Development Sites South of Bedford

Thank you very much for your email of 10th August. I am very interested to hear about the progress that you and Cloud Wing are making with the potential developments south of Bedford.

The South East Midlands is a £50bn economy that occupies a key strategic position at the nexus of Oxford, Cambridge, London and Birmingham. It has undergone rapid growth in recent years alongside the establishment of a significant cluster of high-performance technology innovation assets and expertise. This area plays an important role in England's housing growth, providing over 6% of the country's new homes in 2016, relative to 3.6% of the country's population.

Bedford sits at the heart of the Oxford to Cambridge Arc, which, as recognised by the National Infrastructure Commission, has the potential to transform this area of England into a hub of knowledge-intensive industry that can compete on the world stage.

Last year SEMLEP published its Local Industrial Strategy (LIS), which was part of a suite of four LIS documents for the Oxford to Cambridge Arc. The LIS emphasised the opportunities in this area to fuse productivity-led growth with sustainability, by enhancing renewable energy use, connected transport solutions and greener vehicles, buildings and design principles. It also noted the need to develop a pipeline of quality employment land and premises.

The last few months have presented many challenges and some of our key sectors, such as retail and leisure and aviation have been hit hard. However, the work that SEMLEP is currently undertaking to develop an Economic Recovery Plan, which you noted, demonstrates that this area, with its focus on innovation and a 'Green Recovery', has the ability to 'bounce back' in economic terms more quickly than other parts of the country.

The plans that you have for the sites around Bedford fit well with this strategic vision for the area. I would welcome the opportunity for a site visit and please do keep us informed of progress so that we can continue to offer our support.

Yours sincerely,



Hilary Chipping, Chief Executive

Appendix Two: Assessment of the site against the Site Selection Methodology

Assessment of the Site against the Site Selection Methodology

Sustainability Objective	Assessment Criteria	AY Site Assessment
1. Air Quality	1a. Within or adjoining the urban area, a defined settlement policy area or the built form of a small settlement?	The site adjoins the Urban Area Boundary along the northern boundary along the A421 and part of the western boundary which adjoins Marsh Lays Industrial Estate.
	1b. Accessible on foot to a food store?	The site is not accessible to a foodstore by foot, however a key aspect of the proposal for application 18/02940/EIA is to provide circa 600sqm of retail uses to support the proposed employment uses.
	1c. Accessible on foot to a primary school?	Given the proposal is for a business park rather than a residential development, we consider that this criterion is not relevant to the proposals.
	1d. Accessible on foot or by bus to a major employer?	Given the proposal is for a business park rather than a residential development, we consider that this criterion is not relevant to the site proposals. The proposals seek to create circa 15,000 new jobs which would be within walking distance of existing and proposed residential development at Stewartby.
	1e. Outside, adjoining or within the air quality management area?	The site is not located within or adjoining the air quality management area.
2. Biodiversity and Green Infrastructure	2a. Within or adjoining a site of nature conservation importance / habitat of principal importance/ within the impact risk zone of an SSSI / Natura 2000 site?	<p>The site lies within the impact risk zone of the Kings Wood and Glebe Meadows SSSI, Houghton Conquest SSSI, Marston Thrift SSSI, and Hanger Wood SSSI, however, the proposed development does not fall under any of the criteria listed as requiring the Local Planning Authority (LPA) to undertake consultation with Natural England. The site also sits partially within and adjacent to the Country Wildlife Site.</p> <p>It should be noted that the site largely comprises previously developed land and extensive redevelopment of the site will see this land reclaimed. The application is also accompanied with a comprehensive Ecological Assessment which recommends mitigation measures to avoid and mitigate impacts on ecology.</p>
	2b. In an area where protected species are known or likely to exist?	The site lies within the Great Crested Newt District Licensing red zone. Notwithstanding this, the proposals include a series of mitigation measures to ensure the existing ecology is protected as part of the development. This is set out in full in the Preliminary Ecology Appraisal that supported the planning application and additional ecology surveys.

APPENDIX TWO

Sustainability Objective	Assessment Criteria	AY Site Assessment
	2c. Potentially able to achieve a net gain in biodiversity on site?	A series of ecological enhancements are proposed as part of the outline planning application, further details of which will be secured via condition. The proposal would seek to provide 10% biodiversity net gain either on-site or via appropriate offsite compensation.
	2d. Able to link into the green infrastructure opportunity network?	The site lies partially within the Green Infrastructure Opportunity Network zone to the north-east of the site. As part of future development, it is proposed that there would be extensive enhancements to existing green infrastructure connections. This includes linking the existing woodland areas outside of the site boundary to the new green spaces to be created as part of the development.
	2e. Likely to impact on an area currently providing ecosystem services.	It is not considered that the proposed development would have a likely impact on an area currently providing ecosystem services. Whilst there may be a short-term effect on the biodiversity value of the site in terms of the diversity of flora and fauna it supports until newly created habitats become established, in the long-term it is anticipated that full mitigation and enhancement measures will be achieved.
3. Climate and Energy	3a. Proposing a renewable energy scheme or extra energy efficiency standards?	<p>The principles of sustainable development are at the heart of the development proposals for the site.</p> <p>Buro Happold’s Energy and Sustainability Statement submitted as part of the planning application sets out the sustainability strategy for the development is in line with planning policies as follows:</p> <ul style="list-style-type: none"> • A minimum 10% reduction in carbon emissions below the normal requirement set by the Building Regulations • The support of at least 10% of regulated energy consumed in the new development to be provided from decentralised and renewable or low-carbon energy sources • A BREEAM “very good” standard or equivalent. <p>In order to achieve the target energy efficiency the following strategies will be proposed in the detailed design of commercial buildings;</p> <ul style="list-style-type: none"> • Improving the envelope thermal performance • Utilising mechanical ventilation with heat recovery • Natural ventilation through adequate provision of openable windows removes the need for comfort cooling.

APPENDIX TWO

Sustainability Objective	Assessment Criteria	AY Site Assessment
		<p>The results from Building Regulations Part L calculations based on each typology demonstrated that the above energy efficiency design strategies have the potential to achieve an average 34% improvement over building regulations.</p>
	<p>3b. Within or adjoining the urban area, a defined settlement policy area or the built form of a small settlement?</p>	<p>The site adjoins the Urban Area Boundary along the northern boundary along the A421 and part of the western boundary which adjoins Marsh Lays Industrial Estate.</p>
	<p>3c. Accessible on foot to a food store?</p>	<p>The site is not accessible to a foodstore by foot, however a key aspect of the proposal for application 18/02940/EIA is to provide circa 600sqm of retail uses to support the proposed employment uses.</p>
	<p>3d. Accessible on foot to a primary school?</p>	<p>Given the proposal is for a business park with employment land uses rather than a residential development, we consider that this criterion is not relevant to the site proposals.</p>
	<p>3e. Accessible on foot or by bus to a major employer?</p>	<p>Given the proposal is for a business park with employment land use rather than a residential development, we consider that this criterion is not relevant to the site proposals. The proposals seek to create circa 15,000 new jobs and therefore is likely to accommodate a major employer in the future.</p>
<p>4. Cultural Heritage and Historic Environment</p>	<p>4a. Likely to impact on designated or non-designated heritage assets or their settings?</p>	<p>The site does not lie within a Conservation Area or within the vicinity of any Listed Buildings. The only archaeological potential which exists on site has either been ploughed or used for grazing. The archaeological works have been completed and agreed with the Archaeology Officer.</p> <p>The site is located within the setting of the Scheduled Ancient Monument, the Kempston Hardwick Moated Site, assessed to have high significance. As a result, it is proposed that new development in the vicinity of the moat should retain an open and green setting. The scale of any development in this zone will be reduced accordingly. In addition, the Moated site will be buffered from the development with woodland planting both to the west and south across Manor Road and reinforced planting across the site, which will contain and so preserve its immediate setting.</p>

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Sustainability Objective	Assessment Criteria	AY Site Assessment
5. Employment, business, retail and tourism (Promote strong, sustained and balanced economic growth)	5a. Likely to increase future economic and employment opportunities?	<p>The proposed development seeks redevelopment of the site to provide the following mix of employment uses:</p> <ul style="list-style-type: none"> • Business (former B1) – 257,136 sq m (20%) • Manufacturing (B2) – 233,360 sq m (40%) • Storage and Distribution (B8) – 289,284 sqm (40%) • Retail (former A1), Restaurant/Café (former A3), Pub (former A4), Takeaway (former A5) – 600 sq m <p>This could generate circa 15,000 jobs across a range of sectors contributing to economic growth within Bedford.</p> <p>The Bedford Business Park proposals will also help Bedford attract high growth sectors, diversify its local economy, enhance job opportunities and provide sustainable but ambitious growth. It will also allow Bedford to capitalise on the investment and growth forecasted within the wider Oxford-Cambridge Arc area and become more competitive for attracting businesses to Bedford.</p>
6. Employment, business, retail and tourism (Promote vital and viable town centres)	6a. Proposing a main town centre use in, on the edge or outside of a town centre?	<p>The application proposes retail uses outside of a main town centre, however these uses are proposed in order to support and complement the proposed business, industrial and warehouse units in order to create a sustainable business community. The small scale of the A class uses, around 600 sq m, would not be considered sufficient to create a retail/leisure destination which would draw customers unrelated or unconnected to the commercial uses away from the main town centre hubs.</p>
7. Health and Wellbeing	7a. Within 400m of an existing open space or proposing open space within it?	<p>The proposed development under the outline planning application seeks to deliver 29.82ha of new green infrastructure and amenity space, retain 10.77 hectares of existing planting within the site and create 14.47 hectares of landscaped corridors along access routes. There would also be 8.45 hectares of sustainable, drainage ponds and green swales. A small lake and associated drainage channels make up a further 4.85 hectares. As such, the total open space and accessible green infrastructure equates to 68.36 hectares, or 30.81% of the land within the red line site boundary.</p>
	7b. Within 800m of a sports facility or proposing a sports facility within it?	<p>The proposal does not include and is not within 800m of a publicly accessible sports facility. However, this is not considered to be relevant when assessing the site's suitability for employment uses.</p>

APPENDIX TWO

Sustainability Objective	Assessment Criteria	AY Site Assessment
8. Landscape and Townscape	8a. Likely to have a significant adverse impact on the surrounding landscape?	As part of the outline planning application, Indigo Landscape Architect prepared a full Landscape and Visual Impact Assessment which provides a comprehensive assessment of the visual impacts of the proposed development. This concludes that whilst some 'significant' effects are to be expected given the size of the scheme and the scale of buildings proposed (particularly during the early part of the development lifespan), once the mitigation planting has reached maturity the visual impact will be reduced. Furthermore, the assessment has been undertaken as a 'worst-case scenario' and at the reserved matters stage, further design measures and the choice of materials will assist in offsetting visual effects.
	8b. Within the existing settlement form?	The site is adjacent to the built settlement of Wootton to the south west, and within close proximity to the settlement area of Wixams to the east. Furthermore, the adjacent site at Stewartby Brickworks has recently secured resolution to grant at planning committee for outline planning permission for a residential development with up to 1,000 new homes (ref 18/03022/EIA). As such the area of land will be contained by development to the north, south, east and west.
9. Land, Soil and Water (Maximising development on PDL and minimising loss of agricultural land)	9a. On previously developed land?	The northern portion of the site is previously developed land, having been the former Kempston Hardwick Brickworks. The industrial activities on this part of the site have resulted in barren or sparsely vegetated land with ruderal vegetation and some scrub as well as large areas of gravel and hard standing.
	9b. On best and most versatile agricultural land i.e. grades, 1, 2 or 3a?	The land is predominantly Grade 3b (moderate agricultural quality) (86.5%), while there are some small pockets of Grade 3a (good quality agricultural land) (around 10%). There is also non-agricultural woodland within the site, accounting for the remaining 3.5%. As such, the development of the Site would not have an impact on any Grade 1 or 2 agricultural land.
10. Land, Soil and Water (Protecting the quality and quality of water courses)	10a. Within a groundwater source protection zone?	The site does not lie within 500m of an Environment Agency Groundwater Source Protection Zone.

APPENDIX TWO

Sustainability Objective	Assessment Criteria	AY Site Assessment
11. Land, Soil and Water (Flood risk)	11a. At risk of flooding?	<p>The site lies within Flood Zone 1, 2 and 3. The northern-most area of the site falls within Flood Zone 3. While the final layout of the business park will be confirmed at the reserved matters stages, the intention is to direct less-vulnerable use classes towards Flood Zone 3, which the NPPF states are appropriate land uses in this zone. The final layout of the site will be designed based on evidence from modelled flood levels obtained from the Bedford Group of Internal Drainage Boards and the site topographic survey to minimise flood risk.</p> <p>Based on the findings of the Ground Investigation report the susceptibility and the risk of groundwater flooding the risk is considered low.</p> <p>The risk of flooding from sewers is considered to be low.</p> <p>There are no known canals within the vicinity of the site. The site is therefore not at risk from such sources.</p> <p>By raising the finished floor levels above the flood levels the risk of fluvial flooding is considered low.</p> <p>The Environment Agency and Internal Drainage Board have not objected to the flooding and drainage proposals and are satisfied to secure details through condition.</p>
12. Population, housing, and community (good quality and appropriate mix of housing)	12a. Likely to provide a mix of housing, including affordable housing?	This criterion is not considered to be relevant when assessing the site's suitability for employment uses.
	12b. Able to address a particular housing need?	This criterion is not considered to be relevant when assessing the site's suitability for employment uses.
13. Population, housing, and community (providing for residents' needs)	13a. Within 800m of a facility where cultural or social activities can be accessed?	This criterion is not considered to be relevant when assessing the site's suitability for employment uses.

APPENDIX TWO

Sustainability Objective	Assessment Criteria	AY Site Assessment
14. Population, housing, and community (promoting social cohesion)	14a. Likely to encourage social cohesion?	The Bedford Business Park proposals present a unique opportunity to provide a new business park and circa 15,000 new jobs. The proposals seek to attract a range of businesses across all uses and skill sets, thus attracting a diverse population of employees. The proposals seek to create a space for local businesses to grow alongside attracting new businesses to the area, potentially at a regional and national level. This will contribute towards a diverse mix of uses and an environment of social cohesion.
	14b. Likely to help make the area safer?	The proposals seek to introduce an active use into the currently vacant site. Safety measures will be explored as part of the detailed design in order to enhance the pedestrian experience. Such measures include a new bridge link across the existing railway line which could in time replace existing level crossings and improve safety in the local areas for road users and pedestrians.
15. Transport	15a. Within or adjoining the urban area, a defined settlement policy area or the built form of a small settlement?	The site adjoins the Urban Area Boundary along the northern boundary along the A421 and part of the western boundary which adjoins Marsh Lays Industrial Estate.
	15b. Accessible on foot to a food store?	The site is not accessible to a foodstore by foot, however a key aspect of the proposal for application 18/02940/EIA is to provide circa 600sqm of retail uses to support the proposed employment uses.
	15c. Accessible on foot to a primary school?	Given the proposal is for a business park rather than a residential development, we consider that this criterion is not relevant to the site proposals.
	15d. Accessible on foot or by bus to a major employer?	Given the proposal is for a business park, we consider that this criterion is not relevant to the site proposals. The proposals seek to create circa 15,000 new jobs and therefore is likely to accommodate a major employer in the future.
	15e. Able to connect with the highway without constraint?	The Site is located immediately to the south east of the A421 close to its junction with the A428, approximately 2.5 miles south of Bedford town centre. The A421 is the main thoroughfare connecting Bedford with the M1 and A1 and is the route where significant investment is proposed in the major infrastructure upgrade of the Oxford-Cambridge corridor. As existing, there is direct access to the A421 via Woburn Road. Access to the strategic road network would be enhanced as part of future development.

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Sustainability Objective	Assessment Criteria	AY Site Assessment
	15f. Able to be developed without causing highway or junction capacity issues?	It is noted that there is a holding objection from Highways England in relation to the outline planning application for the site which is currently pending determination. Detailed discussions with Highways England have been ongoing to resolve their concerns regarding the impact of the proposed development on the strategic road network. As such, the proposed development for the site would be accompanied a series of improvement works to Junction 13 of the M1 and at the junction of the A6 and A421. These matters are nearing a resolution and we understand Highways England will remove their holding objection in the coming weeks. As such, when considering the mitigation measures proposed, the site can be developed without causing highway or junction capacity issues.

Should you wish to discuss any details please get in touch

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 @AYUKViews

Appendix III

SEMLEP Letter

David Cook
M.D LGS Services Ltd

13th August 2020

Dear David,

Development Sites South of Bedford

Thank you very much for your email of 10th August. I am very interested to hear about the progress that you and Cloud Wing are making with the potential developments south of Bedford.

The South East Midlands is a £50bn economy that occupies a key strategic position at the nexus of Oxford, Cambridge, London and Birmingham. It has undergone rapid growth in recent years alongside the establishment of a significant cluster of high-performance technology innovation assets and expertise. This area plays an important role in England's housing growth, providing over 6% of the country's new homes in 2016, relative to 3.6% of the country's population.

Bedford sits at the heart of the Oxford to Cambridge Arc, which, as recognised by the National Infrastructure Commission, has the potential to transform this area of England into a hub of knowledge-intensive industry that can compete on the world stage.

Last year SEMLEP published its Local Industrial Strategy (LIS), which was part of a suite of four LIS documents for the Oxford to Cambridge Arc. The LIS emphasised the opportunities in this area to fuse productivity-led growth with sustainability, by enhancing renewable energy use, connected transport solutions and greener vehicles, buildings and design principles. It also noted the need to develop a pipeline of quality employment land and premises.

The last few months have presented many challenges and some of our key sectors, such as retail and leisure and aviation have been hit hard. However, the work that SEMLEP is currently undertaking to develop an Economic Recovery Plan, which you noted, demonstrates that this area, with its focus on innovation and a 'Green Recovery', has the ability to 'bounce back' in economic terms more quickly than other parts of the country.

The plans that you have for the sites around Bedford fit well with this strategic vision for the area. I would welcome the opportunity for a site visit and please do keep us informed of progress so that we can continue to offer our support.

Yours sincerely,



Hilary Chipping, Chief Executive

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