CMK BRITEL NOMINEES NO 1 & NO 2 LTD AND
THE PRUDENTIAL ASSURANCE COMPANY LTD

MILTON KEYNES CORE STRATEGY

MATTER 4: ECONOMY AND TOWN CENTRES
(POLICIES CS 3-4, CS 7, CS 16-17, TABLES 5.3-5.7)

REF: 472664

JUNE 2012
1. Introduction

Scope and Purpose

1.1 This Statement has been prepared on behalf of CMK Britel Nominees No 1 Ltd, CMK Britel Nominees No 2 Ltd and The Prudential Assurance Company Ltd (known collectively as the ‘Joint Owners’ of thecentre:mk Shopping Building). This Statement relates to Matter 4 (Economy and Town Centres) of the Milton Keynes Core Strategy.

1.2 The Joint Owners are a key landowner and investor in Central Milton Keynes, and especially within the identified ‘Regional Shopping Centre’ area, with particular interests within Central Milton Keynes, including thecentre:mk Shopping Building.

1.3 This Statement should be read in conjunction with previous representations to the Core Strategy made on behalf of the Joint Owners in March 2010 and November 2010.

1.4 The issues that are examined in this Statement reflect the questions of most relevance to the Joint Owners asked in the ‘Matters and Issues for the Hearings’ (July 2012) as set out below.

Matter 4

Issue 4.7 i) taking account of the retail capacity update study (August 2011), does the Core Strategy provide a reasonably robust but flexible policy framework for retail and leisure development?

1.5 In general terms we support the approach taken by the Core Strategy, as it reflects the evidence base i.e. the approach taken in the Retail Capacity Update prepared by Roger Tym & Partners (August 2011).

1.6 However, we note that the current Milton Keynes Core Strategy identifies the amount of additional retail floorspace required in Milton Keynes up to 2026, as set out in table 5.6. These figures are based on the 2010 Retail Capacity Study and should therefore be updated to reflect the figures contained within the Retail Capacity Update (August 2011). Moreover, the update advocates three strategies or options for gross cumulative comparison floorspace requirements up to 2026 (Tables 4.1, 4.2 and 4.3).
1.7 Given Central Milton Keynes position at the top of the retail hierarchy (i.e. 'Regional Shopping Centre') we contend that the strategy outlined in Table 4.1 of the Retail Capacity Update (August 2011) should be adopted i.e. provision of 85% of the total within Central Milton Keynes. This approach will reinforce our position, including that supported by Policy CS4 that CMK continues to develop as a regional centre. In any event, we do consider that in order to provide clarity moving forward, that Table 5.6 be updated to reflect the current evidence base, as set out in the Retail Capacity Update.

1.8 Whilst we consider that the Core Strategy should be updated to reflect the updated evidence base to ensure clarity, we do have some concerns with regard the robustness of the approach adopted in the Retail Capacity Update. It is significant that the capacity figures identified in the Retail Capacity Update are notably lower than that set out in Table 5.6 of the Core Strategy. In identifying this reduced capacity, we question the robustness of the growth rates that have been utilised in planning for growth. We believe these to be too cautious. In accordance with recent ministerial statements and national planning policy, we should be planning for growth and not recession. Therefore, we question the robustness of applying short-term forecasts (as assumed by the Retail Capacity Update) when assessing 'need' over the long-term. We believe a more robust approach would be to apply trends which take into account previous recessions, especially as the Core Strategy is seeking to provide a strategy through to 2026.

1.9 In addition, we also question the approach adopted in the Retail Capacity Update of allowing for an increase in Special Forms of Trading (such as online shopping) going forward and then effectively 'ring fencing' this, so that any improvement in the retail offer such as at the centre;mk cannot make a claim on this expenditure. Such an approach effectively encourages more people to shop online at the expense of the traditional high street.

1.10 In light of the above, whilst we support the proposed strategy in the Retail Capacity Update of allowing for an increase in market share and that 85% of comparison retail capacity should be focused in Central Milton Keynes, we consider that the floorspace requirements need to be updated in light of our concerns outlined above.

1.11 We consider that some elements of Table 5.7 are out-of-date and inconsistent with the strategy and aims of national planning policy and the Core Strategy as a whole, i.e. 'Other Areas within MK City' where there is reference to stadium complex in Denbigh.
1.12 We consider that developing the complex as a leisure and retail destination is neither sound nor justified. The stadium does not form part of the retail hierarchy set out in table 5.5 and is located in an out-of-centre location. Moreover, the very basis that has supported enabling development at the stadium i.e. the World Cup bid has failed, and as such, the policy of enabling development should be revisited, especially given the significant comparison floorspace that has been permitted to date, thus raising the profile of the site as a retail destination regionally. Moreover, it is considered inconceivable, given the status of the MK Dons league position, that there is any merit or realistic proposition that the stadium needs to be developed to the stated 40,000 capacity.

1.13 Given this, we consider that the word 'retail' should be removed from the text referred to above and any related policy or supporting text, especially given that the site is not an identified centre within the retail hierarchy.

**Issue 4.7 ii) is policy approach consistent with national policy?**

1.14 It is considered that the recently published National Planning Policy Framework (27 March 2012) should form an integral part of the Core Strategy. Moreover, the Practice Guidance to the now revoked Planning Policy Statement 4 should also be taken into account, as this still provides useful guidance when assessing retail 'need'.

1.15 In respect of the National Planning Policy Framework (NPPF), a key consideration is outlined in paragraph 2, which states that:

> "Planning law requires that application for planning permission must be determined in accordance with the development plan, unless material considerations indicate otherwise. The National Planning Policy Framework must be taken into account in the preparation of local and neighbourhood plans..."

1.16 Given this, it is considered that the preparation of the Core Strategy must therefore take into account the NPPF.

1.17 A key requirement in respect of town centres and retail development is contained within paragraph 23, i.e. that:

> "Planning policies should be positive, promote competitive town centre environments and set out policies for the management and growth of centres over the plan period. In drawing up Local Plans, local planning authorities should:"
• Recognise town centres as the heart of their communities and pursue policies to support their viability and vitality;

• Promote competitive town centres that provide customer choice and a diverse retail offer and which reflect the individuality of town centres;

• Allocate a range of suitable sites to meet the scale and type of retail, leisure, commercial, office, tourism, cultural, community and residential development needed in town centre. It is important that needs for retail, leisure, office and other main town centre uses are met in full and are not compromised by limited site availability. Local planning authorities should therefore undertake an assessment of the need to expand town centres to ensure sufficient supply of suitable sites”.

1.18 The aforementioned policies reinforce, in our view, the need for the Core Strategy to consider the importance of Central Milton Keynes within the hierarchy, in terms of delivering the retail offer required to maintain and enhance the viability and vitality of the Regional Shopping Centre throughout the plan period. The Regional Shopping Centre/Central Milton Keynes i.e. the area defined between Silbury and Avebury Boulevard, Saxon Gate and Marlborough Gate must continue to be the focus of the main town centre uses, as envisaged by the NPPF.

1.19 In respect of definitions, cross-reference should be made to the definitions of the ‘Shopping Area’ contained within Figure 7 and paragraph 7.3 which set out the defined areas where comparison retail floorspace will be permitted in Central Milton Keynes for clarity.

1.20 In respect of evidence base, the NPPF (paragraph 161) states that local planning authorities should use evidence base to assess:

• “the needs for land or floorspace for economic development, including both the quantitative and qualitative needs for all foreseeable types of economic activity over the plan period, including retail and leisure development; and

• The capacity of existing centres to accommodate new town centre development”.

1.21 In this context, it is clear that local planning authorities should take full account of both quantitative and qualitative need as these are afforded equal weight within the NPPF. Moreover, there needs to be a clear understanding of the capacity of existing centres to accommodate future growth. In this context, the guidance contained within the PPS 4 Practice Guidance is considered of relevance as the
Regional Shopping Centre is considered to provide significant development opportunities moving forward, not least given recent and currently proposed developments within this central area e.g. the Secklow Gate, Food Centre, The Point and Midsummer Place proposals.

1.22 These proposals, when considered cumulatively will enhance the role of the centre within the hierarchy as envisaged in paragraph 3.6 of the Practice Guide.

1.23 This is further reinforced in respect of the Regional Shopping Centre’s role in the retail hierarchy in paragraph 3.7, as there it is considered that sufficient infrastructure capacity and development sites exist to accommodate future retail and other main town centre uses. To this end, focusing significant additional retail development within the Regional Shopping Centre as advocated by Strategy 1 (Table 4.1 of the Retail Capacity Update) and elevating the existing centre will achieve these aspirations whilst delivering the Government’s aims of sustainable development.

1.24 The approach outlined above, reinforces our representations made to the emerging Core Strategy in March 2010 and November 2011 where concerns were raised at the extent of retail floorspace permitted at out-of-centre locations and the effect these developments (cumulatively) are having on the vitality and viability of the centre:mk Shopping Building. We continued to contend that these out-of-centre developments run contrary to the guidance in paragraph 3.7, which states that:

“It would not necessarily be appropriate to plan for further growth at existing successful out of centre locations where these locations do not meet other key policy objectives, including accessibility... It may be appropriate to proactively plan to reinforce the offer of other existing centres in order to ‘recapture’ market share from less sustainable retail locations”.

1.25 To this end, we consider that the focus of additional comparison retail floorspace should continue to be in the Regional Shopping Centre/Central Milton Keynes.

1.26 A further case for reinforcing the Regional Shopping Centre or Central Milton Keynes as the key focus of comparison floorspace is the need to promote healthy town centres as envisaged by paragraph 3.14.

1.27 In this context, existing centres need to have a ‘critical mass’ and ‘diversity’ of retail development to continue to attract consumers on a regular basis. To enhance and reinforce thecentre:mk’s status as a regional shopping destination, and to remain competitive with competing centres, the Regional Shopping Centre or the area
identified in Policy CS4 for additional comparison retail floorspace, needs to provide a good mix of different types of multiple and independent retailers. As highlighted above, current and future development proposals aim to deliver this mix on sites identified for development in the 'Development Plan' i.e. the existing Local Plan and supplementary policy and guidance (i.e. The Central CMK- Framework SPD). Given this, the Regional Shopping Centre should remain the key focus for additional comparison retail floorspace throughout the plan period.

1.28 A further point for clarification is the terminology used throughout the Core Strategy i.e. paragraph 5.39 refers to a ‘sub-regional’ catchment for retailing, whereas Table 5.5 refers to the ‘Regional Shopping Centre’ within the retail hierarchy.

1.29 Furthermore, the Shopping Area should be identified within Table 5.7. The wording contained within the ‘Retail and Leisure’ column is confusing and should refer to the Shopping Area as the primary retail centre, the role of which is to support and enhance the role of CMK as a regional centre thus reflecting its role within the retail hierarchy.

1.30 The ‘Area of Change’ column should also refer to retail as one of the uses contained within CMK.

**Summary**

1.31 We consider that the Core Strategy should reflect the Retail Capacity Update in terms of current comparison floorspace requirements (i.e. Strategy 1 contained within Table 4.1).

1.32 We also maintain that the NPPF and the PPS 4 Practice Guidance should also be reflected in the Core Strategy to maintain the Regional Shopping Centre's/Central Milton Keynes role in the retail hierarchy.

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