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By Recorded Delivery and Email

30th August 2017

Our ref: ITV008/CWB/GR

Dear Mr Kemp,

MILTON KEYNES COUNCIL SITE ALLOCATIONS PLAN EXAMINATION: FURTHER REPRESENTATIONS

RESPONSE ON BEHALF OF MSD ANIMAL HEALTH

We write on behalf of our clients, MSD Animal Health, regarding the MK Site Allocations Plan Examination.

Having regard to the Matters, Issues and Questions raised by the Inspector and the time elapsed since the submission of comments on the MK Site Allocations Plan Proposed Submission Version, MSD wish to make additional comments to support its representations dated December 21st 2016. In our opinion, there have been substantial changes in Milton Keynes policy position across a number of documents since that date, which we bring to the Inspectors attention using land adjacent to MSD's headquarters site at Walton Manor, Walton, as an example.

1. Background

As you will be aware MSD made representations on the Proposed Submission Version of the Site Allocations Plan in December 2016 which covered their objections, specifically to proposed allocation SAP19. These addressed: -

- Inconsistency between the allocations in the adopted development plan document, the 2013 Core Strategy, and failure to deliver the Core Strategy or NPPF;
- Inappropriate deference to a Development Brief that has no formal status and is only intended as material consideration;



- Objection to the allocation of the entire area identified as SAP19 for residential development as unjustified;
- Recommendation that changes should be made identifying only part of the overall development area for residential use (which would deliver the dwelling numbers sought): and
- The need for the policy to acknowledge that part of the development area remains allocated for employment development.

2. Material Changes

Since the representations, the following main material changes have occurred:

- (i) The Walton Neighbourhood Plan (November 2016), was made part of the Development Plan in January 2017;
- (ii) Milton Keynes Council proposed modifications following the Proposed Submission consultation in relation to Policy SAP19 (April 2017) (Document ref: SAP9).
- (iii) Milton Keynes Council published Draft Plan:MK (Preferred Options) for consultation in March 2017 (Document ref: STR4).
- (iv) Milton Keynes Council have responded to the Inspector's Preliminary Questions, including regarding Policy SAP19 (Milton Keynes Council Response to Inspectors Preliminary Questions 23rd May).
- (v) MSD have held positive pre-application discussions with Milton Keynes Council, May June 2017 where the principle of employment development has been recognised.

Taking each material change in turn -

- (i). The Walton Neighbourhood Plan (November 2016), was made part of the Development Plan in January 2017. This supports the use of the site in Policy WNP1 Walton Manor, for a mix of residential and employment uses.
- (ii). MKC's proposed modifications identified for SAP19 include increasing the area covered by the **residential allocation to 9.5ha** (from 5.14ha). This now reflects the full development area and correlates with the Plan accompanying Policy SAP19. However, this does not reflect the Development Brief which identifies 6.35ha of the development site for residential development. No update to the proposed residential capacity of 135 dwellings was made and no reference was made to employment development being acceptable on part of the site.

The modification fails to recognise the adopted Development Plan by allocating the entire area for residential development, despite the adopted Neighbourhood Plan and MK Core Strategy either allocating the site for employment development or encouraging a flexible policy, where employment use is encouraged. The proposed policy SAP19 would continue to the contradictory in this respect, and therefore MSD consider the Plan and proposed Policy remains unjustified and therefore the plan remains unsound.

(iii). The published Preferred Options Draft Plan:MK is the proposed development strategy for Milton Keynes through to 2031. This Plan formed the second stage of public consultation following prior consultation of Strategic Development Directions (January 2016) & Plan:MK Topic Papers (September 2014).



This Plan includes the following:

 the Draft Plan:MK Preferred Option Policy ER1 identifies 9.5 ha of land at Walton (Table 6.1) for employment uses (covering B1/B2 & B8) uses, and as a draft employment site allocation.

This site is not confirmed as Land adjacent to Walton Manor (Site Allocations ref SAP19 as the Proposals Map was not published alongside the Preferred Options), however MSD are not aware of other employment sites in Walton and given the matching site area it can be assumed that this refers to the same site.

Again, there is further ambiguity here as this raises the fundamental question of what is the policy intention for land adjacent to Walton Manor (Site SAP19)?

MSD made representations to the Draft Plan:MK Preferred Options Consultation in June 2017 and these are appended to this letter. This supported the intention to retain employment use on this site.

There appears to be no justification for a change from employment use as proposed in the SAP 19 policy. Such a change would jeopardise the delivery of employment development coming forward as an imminent planning application and questions the soundness of the Proposed Site Allocations Plan as a whole.

- (iv). The Milton Keynes Council response to the Inspector's Preliminary Questions in May (PC1B) appears to disregard its own advice regarding Policy SAP19 which states that the expected area to come forward for residential development would only be 5.14ha of the total site, but the outcome is that the proposed modification states the whole site area of 9.5ha would be for residential use.
- (v). MSD have held positive pre-application discussions with Milton Keynes Council, where the principle of employment development has been recognised ahead of a formal planning application being submitted for additional employment floorspace to enable expansion of the existing MSD operations of Walton Manor onto part of the adjacent site.

This expansion of operations follows considerable recent investment in construction of new buildings and infrastructure on the Walton Manor campus in 2015 -2017 with the intention to deliver some further 7000m2 of floorspace by 2021.

3. Policy Review and identified ambiguity between plans

There is a lack of clarity regarding the status of the Site Allocations Plan and how it differs to existing plans and policies (and to Plan:MK once it forms the core part element of local planning policy in Milton Keynes). The differences are identified on the following table: -

Plan/ Status of Land adj to Walton Manor (SAP19)	MK Core Strategy and Saved Local Plan Policies	Walton Development Brief	Walton Neighbourhood Plan	Draft Plan:MK	Proposed Site Allocations Plan (SAP19
Use	Employment (B1/B2/B8)	Employment and Residential (C3)	Residential led mixed-use development (Mix of residential and employment use permitted, or residential only)	Employment (B1/B2/B8)	Residential only
Site Area (ha)	9.5ha	Employment (2.2ha); Housing 6.35ha); Open Space (0.95ha)	9.5ha	9.5ha	5.14ha (Residential) (Proposed modification to 9.5ha)
Status of Proposed Employment Use	Site allocated for employment use	Residential/E mployment	Part employment allocation retained	Proposed employment allocation	Fails to recognise or address potential for employment development
Plan status	Part of Development Plan	Material Consideration only	Part of Development Plan	Draft; Regulation 18 Consultation complete. Will replace Core Strategy	Examination in progress; proposed as Part of Development Plan

The above table demonstrates the lack of consistency with existing and emerging policy that either identifies the site for employment use or encourages a flexible approach to employment and residential use.

4. Milton Keynes Council responses to Inspectors Preliminary Questions

MSD does not agree with Milton Keynes Council response to the initial questions raised by the Inspector for reasons of ambiguity and misleading information, as follows -

- Milton Keynes Council Response 2 (PC1B dated May 2017) does not reflect the status of SAP19 designation within either the Walton Neighbourhood Plan or the Development Brief.
- The Proposed Allocation SAP19 identifies all of the land adjacent to Walton Manor for residential use.



- Walton Development Brief: Section 4 and Figure 4 (Parameters Plan) proposed both employment and residential development on the same site. This is therefore "Mixed use".
- Appropriate weight should be given to the Walton Neighbourhood Plan: Policy WNP1; Proposed Use: Residential led mixed use development.
- Milton Keynes Council is unhelpful in its stated response (May 2017) to the Inspector:- "The site proposed for residential allocation within SAP19 does not [emphasis added) contain any designation for mixed-use development within either the Walton Neighbourhood Plan or the development brief", when the plan identified between all three documents clearly relate to the same site. MKC's position on this is therefore misleading.
- MSD also considers that MKC fails to adequately justify the residential allocations, and is pleased that the Inspector has raised this as a question for consideration at the hearing sessions (Issue 1, Question 5).

5. Examination: Issues, Matters and Questions – attendance at Hearing Session

The Inspector has raised the following relevant Issues, Matters and Questions relevant to MSD's representations and proposed allocation SAP19:

- <u>Issue Is the SAP consistent with, and does it promote it positively promote, the</u> objectives and spatial policies contained within the Core Strategy?
 - Question 5: Is the use of employment land, whether brownfield or otherwise, for housing allocations justified?
- <u>Issue Are the individual allocations policies clear, justified, effective and consistent with national policy?</u>
 - Question 7: The SAP should set out which extant development plan policies, if any, are being superseded by it. Is there a reason why it does not (e.g. no policies are being superseded)?
 - Question 8: Can policy that cross refers in general terms to an "adopted development brief" be regarded as effective?
 - Question 9: Should policy allowing for mixed uses be more specific about the uses and mix expected? In its present form is such policy sufficiently appropriate and effective?

The current position and wording within Proposed SAP19 makes no acknowledgement to adopted (or emerging) policy, and a sole reference to a Development Brief with no formal status remains ineffective and unclear.

This continued failure to take account of existing adopted policy to promote employment land (which will be retained following adoption) is both unjustified and leads to ineffective policy. This makes the Site Allocations Plan unsound whether it be an isolated incident as demonstrated regarding SAP 19, or, replicated confusion across a number of the SAP sites.



Whilst MSD is disappointed that no specific questions are raised with regard to the Individual Allocation of SAP19, it considers that the Inspector raises appropriate issues that will help clarify and inform the examination process and appropriately scrutinise the soundness of the Plan as currently worded using Sap 19 as an example of where the plan fails to provide logical and consistent policy guidance or a justification for a change in adopted policy when there is demonstrable intent to deliver employment growth on part of this site in the next three years. MSD therefore retain their objection to the proposed plan and this modification.

As shown in this letter, MSD consider that they are well-placed to contribute at the hearing sessions on the specific questions raised.

David Lock Associates would therefore formally request attendance and contribution to the hearing sessions on 12th and 13th September on behalf of MSD. Attendance from DLA would be confirmed at the proper time.

We hope that the Inspector will duly consider these additional representations in addition to representations made on 21st December 2016 and agree to our request to appear at the examination in relation to the Issues, Matters and Questions he has raised.

Please do not hesitate to contact myself or my colleagues Charlie Brown or Robert Purton, should have any queries in the relation to the above. We look forward to hearing from you.

Yours sincerely

GAIL REVILL MRTPI

Associate

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enc. MSD representation on Draft Plan:MK Preferred Options Consultation (June 2017)

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By First Class Post and email to: PlanMK@milton-keynes.gov.uk

9th June 2017

Our ref: ITV008/CWB/GR

Dear Brett,

MILTON KEYNES COUNCIL: DRAFT PLAN:MK CONSULTATION DOCUMENT

RESPONSE ON BEHALF OF MSD ANIMAL HEALTH

We are pleased to set our response on behalf of MSD Animal Health, in respect of the Draft Plan:MK Consultation document.

The following information has been submitted as part of this consultation response, alongside the main response indicated in this letter:

Plan:MK Response Form – Policies DS3, ER1 & SC1;

Background

As you may be aware, MSD Animal Health (also known as Intervet UK) ("MSD") have utilised the Walton Manor site as a pharmaceutical campus for over 40 years. The site is the largest facility operated by MSD in the UK (a company with a multi-national presence), and is home to over 300 employees. This campus has been the subject of significant investment in recent years, which is illustrated by the under-construction Processing & Packaging Facility (approved in December 2015 (15/02293/FUL)), Operations Store and Quality Control Building (approved in August 2016 (16/00540/FUL)).

MSD has continued plans for growth of their existing campus, and whilst the adjacent land has not been marketed for development, MSD has seen the adjacent site (Land at Walton Manor) as the ideal location for growth of their business and operations. MSD have recently undertaken a review of their business operations in the UK and have produced a site-wide masterplan which indicates that part of adjacent land would be ideal to expand their current operations and accommodate additional facilities that are compatible with nearby residential dwellings. This will inform future planning applications as well as seeking the acquisition of land from Milton Keynes Development Partnership (MKDP) for future facilities.

Most recently it should be noted that MSD have already engaged with your development management & strategic economic growth colleagues, including at meetings on 30th January

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and 23rd May to progress formal pre-application discussions. The resulting scheme is now being prepared and the planning application is scheduled to be submitted to the Council for determination later this year.

In the light of the positive dialogue that has been held with your colleagues MSD wish to safeguard the planned investment into the site by formally submitting representations on the following draft policies:

- Policy DS3 (Employment Development Strategy):
- Policy ER1 (Employment sites within the Borough of Milton Keynes); and
- Policy SC1 (Sustainable Construction).

Policy DS3 – Employment Development Strategy

MSD welcome the intention of the Policy to set a strategy which seeks to continue to grow and develop the Milton Keynes Economy. It is after all one of the best performing areas of growth in the UK.

A key element of Milton's Keynes existing success is that frequently it is local businesses which are already entrenched in the location and are in many cases, best placed to drive future growth and deliver investment. As such, MSD would like to see further emphasis placed within the policy for supporting the growth of existing businesses as a means of developing local jobs the local economy.

In addition, MSD would suggest that the policy is **amended** and an additional point that explicitly states Milton Keynes Council would seek to encourage the growth and expansion of existing employment uses (where it does not conflict with other policies in plan). This more positive wording would ensure conformity with one of the core planning principles set out within Paragraph 17 of the NPPF, of proactively driving and supporting sustainable economic development, and more specifically identified within Paragraph 21, which outlines that in developing local plans to supporting existing business sectors and be flexible enough to accommodate needs not anticipated in the plan, and allows for a rapid response in economic circumstances.

Policy ER1 – Employment sites within the Borough of Milton Keynes

MSD **support** Draft Policy ER1 in relation to the allocation of employment sites within the Borough of Milton Keynes.

Firstly, MSD welcome the intention within Plan:MK to allocate employment development on sites which are set out in Policy ER1 and specifically support the inclusion of Walton as a continued employment allocation with Draft Policy ER1.

It is noted that the adjacent site to MSD's Campus (known as "land adjacent to Walton Manor") is an allocated employment site through Local Plan saved policies and Proposals Map dating from 2005, but has yet to come forward for that purpose. Without reference to an updated Proposals Map, this representation has assumed the proposed allocation at Walton refers to the site adjacent to Walton Manor. There have however been significant policy updates regarding this site in recent years.

Indeed, notwithstanding the above, Milton Keynes Council have actively pursued redevelopment of the site and adopted the Walton Development Brief which sought a mix of

employment and residential uses, to initiate and guide development of the site following it's long standing status as allocated employment land. It indicates the following guiding parameters for development of the site:

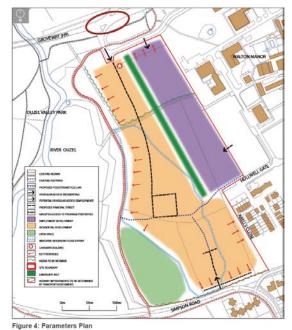


Figure 1 – Extract from Page 21, Walton Development Brief

Furthermore, the Walton Neighbourhood Plan was adopted by Milton Keynes Council (MKC) in January 2017, after it passed referendum in the Walton Parish area in November. It allocates the site adjacent a mix of residential and employment use (known as Policy WNP1). It also provides the option for residential only development. As it has now been adopted, it forms part of the adopted Development Plan. It seeks redevelopment of the site based on the principles within the adopted Walton Development Brief¹.

Milton Keynes Council have submitted the Site Allocations Plan for independent examination, which seeks to allocate additional sites for housing. As you are aware MSD have formally submitted comments on this document and raised significant concerns through representations and have therefore been forced into reserving their position regarding appearing at the examination hearings.

MSD are nevertheless fully supportive of Draft Policy SR1 in continuing to seek the allocation of the Walton site for employment use. Through MSD's short-term plans, the eastern part of the site would be brought into active employment use and the pre-application discussions and development of a Masterplan are a demonstration that the adjacent site can be brought into active employment use. Therefore at least part of this site should be retained for such a use for the life of Plan:MK's local plan period and subsequently retained as an allocated employment site through Draft Policy ER1.

¹ Walton Development Brief – Land Adjoining Walton Manor, Urban Design and Landscape Architecture – Milton Keynes Council, November 2015



Policy SC1 – Sustainable Construction

MSD **object** to Draft Policy SC1 in relation to Sustainable Construction.

MSD have significant reservations and concerns regarding proposed elements of Draft Policy SC1:

- The requirement for all major developments (providing 100-sqm of non-residential floorspace) to have on-site energy performance achieving a 19% carbon reduction improvement against Part L of the 2013 Building Regulations is unjustified and inconsistent with national policy.
- The requirement to deliver on-site renewable energy generation or connection to a local micro-generation scheme) through all major developments.

There is no justification for a policy that is significantly more onerous than the existing building regulations, or one which requires all major development to provide on-site energy. There has been no consideration to the effect that such a policy could have on viability of development or the practicalities of satisfying this possible policy obligation. National Planning Policy Guidance² is clear that "development of plan policies should be iterative — with draft policies tested against evidence of the likely ability of the market to deliver the plan's policies, and revised as part of a dynamic process". There is no evidence of viability testing of this policy, or its effect, and therefore Draft Policy SC1 is considered to be completely unjustified.

More specifically, MSD operate purpose-built specialist scientific facilities that have bespoke energy requirements, that in some cases make it impossible to meet the carbon & energy reduction requirements set out within local plan policies. Draft Policy SC1 is particularly harmful in not clearly identifying a clause which enables development, which is justifiably unable to meet the ambitious criteria (with other mitigation or otherwise), to be granted in those circumstances. Consequently, the effect of the current wording of Draft Policy SC1 would be to severely restrict development across all sectors, has the potential to stifle much needed economic growth within Milton Keynes a key growth node for future growth as is currently being explored by the National Infrastructure Commission in its work for an Oxford to Cambridge arc of growth. In these circumstances, we believe that the proposed policy – in its current form - to be contrary to the objective for economic growth in a post-Brexit England and contrary to the objectives of the NPPF for sustainable growth.

MSD fully understands and agrees with the need for encouraging new development to be more sustainable and the important role that planning can play in securing reductions in carbon emissions. However, these have to be tested against viability considerations and the need to safeguard economic growth on a competitive global scale and permit specific development circumstances to ensure that they are deliverable. If a semblance of this policy is to be taken forward then MSD strongly recommends that your officers proactively engage with businesses and the development industry before progressing this Policy further.

General Comments

MSD note through Page 3 of Draft Consultation Plan:MK that an attempt has been made to explain the proposed status of Plan:MK once adopted, and it's relationship to existing development plan documents.

² National Planning Practice Guidance, Reference ID: 10-005-20140306



Although identified in the preamble, it would be helpful for the usability and interpretation of planning policy, that the documents and policies that Plan:MK is intended to replace is clearly identified as soon as possible. The proposed status of the under examination, Draft Site Allocations Plan, also requires explanation within Draft Plan:MK.and future plan iterations.

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We trust that the above is clear, however if there are any queries on the content of this letter or the submitted Responses Form, please do not hesitate to contact me or my colleague Charlie Brown at your earliest convenience.

Yours sincerely

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Partner

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cc. Pam Gosal, Milton Keynes Council