

Date: 15 March 2022
Our ref: STRE/BHQ/2029937.000123
Your ref: EN010106/Sunnica
DDI: +44 (0) 20 3400 3642
e-mail: [REDACTED]@bcplaw.com

BRYAN CAVE LEIGHTON PAISNER LLP
Governor's House
5 Laurence Pountney Hill
London EC4R 0BR
United Kingdom
T: +44 (0)20 3400 1000
F: +44 (0)20 3400 1111
DX92 London
bcplaw.com

National Infrastructure Planning
Planning Inspectorate
Temple Quay House
2 The Square
Bristol
BS1 6PN

By Special Delivery and email to: Sunnica@planninginspectorate.gov.uk

Dear Sirs

Sunnica Energy Farm

Section 56 Representation relating to LGC Campus on behalf of HPUT A Limited and HPUT B Limited

1 OBJECTION

- 1.1 This is a Section 56 Representation made on behalf of HPUT A Limited and HPUT B Limited as trustees of the Federated Hermes Property Unit Trust ("**Federated Hermes**"), for whom we act, in relation to Sunnica Energy Farm (the "**DCO Scheme**").
- 1.2 Federated Hermes **OBJECTS** to the DCO Scheme.
- 1.3 Federated Hermes may withdraw its objection subject to appropriate mitigation being secured both by protective provisions on the face of any development consent order ("**DCO**") for the DCO Scheme and by way of an option and impact mitigation deed between Federated Hermes and Sunnica.

2 FEDERATED HERMES' INTEREST IN THE LAND SUBJECT TO THE PROPOSED DCO

- 2.1 Federated Hermes is a property unit trust which acquires, owns and develops a diversified portfolio of freehold and leasehold land and buildings. Federated Hermes is a global leader in active, responsible investing with £575 billion of assets under management across all asset classes. It has global real estate assets of over £6 billion under management including in the office, retail, industrial and residential sectors.
- 2.2 Federated Hermes owns the "**LGC Campus**" comprising the freehold of the land and buildings lying to the east of Newmarket Road, Snailwell, Newmarket comprised in titles CB328220 and CB119083 registered at Land Registry, the extent of which is shown edged red in Figure 1 below.

To: National Infrastructure Planning
Date: 15 March 2022
Page: 2

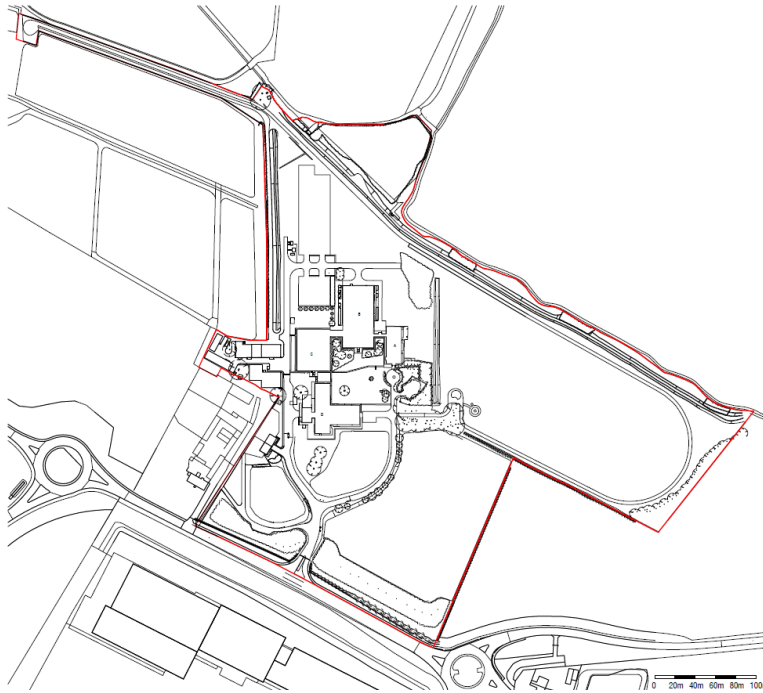


Figure 1

3 THE LGC CAMPUS

3.1 Current Use

3.1.1 The LGC Campus is around a mile from Fordham and approximately 15 miles to the north east of Cambridge, accessed by the A14, and is the location of LGC Ltd's purpose-built, state-of-the-art, high-tech Cambridge (Fordham) campus.

3.1.2 LGC is a global leader in the life sciences sector and the LGC Campus houses one of the largest bioanalytical centres in the world (8,000m²), employing around 380 scientists operating from analytical labs focused on two main activities:

- (a) drug development solutions (GLP and GCP bioanalysis of small molecules, through oligonucleotides to large proteins for pharmacokinetics, biomarkers and immunogenicity); and
- (b) sport & specialised analytical services (drug surveillance, doping control, research activities and supplement analysis including the principal laboratory for Informed Choice and Informed Sport quality assurance programmes).

3.2 Campus Expansion

3.2.1 On 5 March 2019 East Cambridgeshire District Council granted planning permission under planning reference 17/01838/ESF to alter and expand the LGC Campus into 31,867m² of office/laboratory blocks (including a Gateway Building and Mid Tech Buildings), an amenities block/incubator hub with associated site access, circulation, car parking, sub stations, landscaping and site assembly works (including retaining walls) (the "**Campus Expansion**").

To: National Infrastructure Planning
Date: 15 March 2022
Page: 3

3.2.2 This will involve more than £54 million investment and once operational generate 918 full time equivalent jobs, with an estimated £53 million added to the economy annually of which £31.4 million is estimated to be created in East Cambridgeshire.

3.2.3 Federated Hermes is bringing forward the Campus Expansion to the LGC Campus, which is now set to become a key part of Cambridge's biotech cluster and one of East Cambridgeshire's most significant employment sites.

4 **POWERS IN THE PROPOSED ORDER OVER THE LGC CAMPUS**

4.1 Sunnica is seeking wide-ranging powers over a substantial part of the LGC Campus (under Work Nos. 4 and 9) shown on Figure 2 below to authorise the carrying out the following:

- (a) laying and maintenance of electrical cables;
- (b) highway works;
- (c) site drainage;
- (d) security fencing and associated infrastructure;
- (e) traffic management;
- (f) electricity, water, waste and telecommunications connections;
- (g) construction lay down areas;
- (h) construction material storage; and
- (i) construction welfare and workshops.

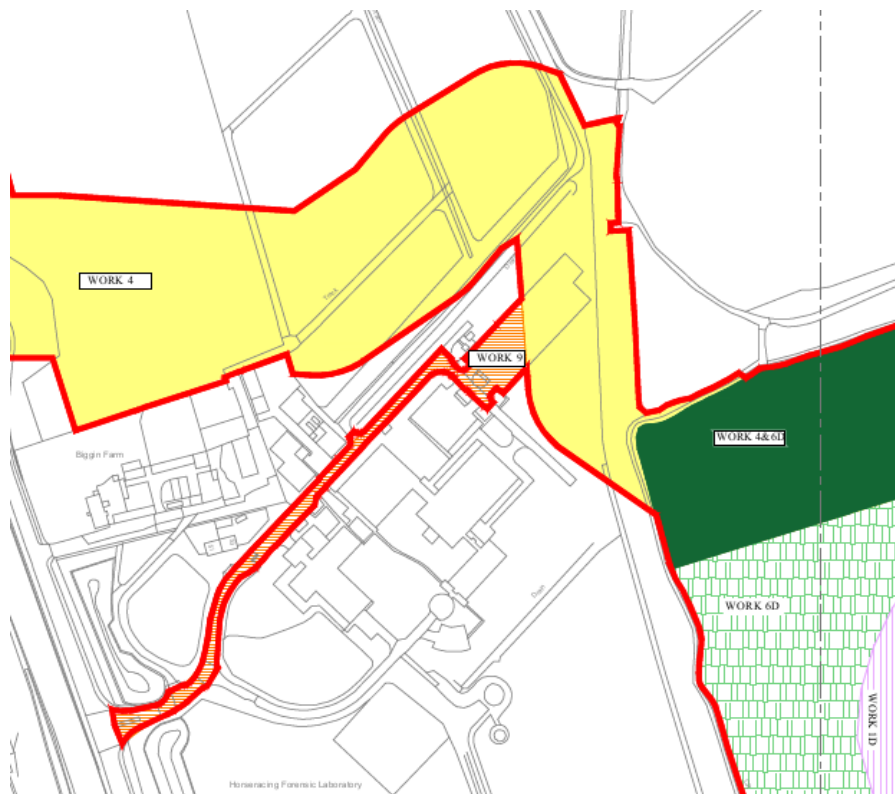


Figure 2

To: National Infrastructure Planning
Date: 15 March 2022
Page: 4

- 4.2 Sunnica is seeking further wide-ranging powers to carry out potentially extensive associated development works within the DCO order limits (including on a substantial part of the LGC Campus) which will or might impact it, including the following:
- (a) works within the highway to temporarily or permanently alter the highway;
 - (b) laying down of internal access tracks, ramps, and other access;
 - (c) bunds, embankments and trenching;
 - (d) works to alter or generally interfere with electrical, gas, foul, water telecommunications services and utilities connections; and
 - (e) boring and drilling works more generally.
- 4.3 Sunnica is also seeking wide-ranging powers under the DCO to extinguish existing rights and create new rights over the following Parcels comprising a substantial part of the LGC Campus (shown on Figure 3 below):
- (a) **Parcel 16-04** Cable rights;
 - (b) **Parcel 16-05** Cable rights and access rights;
 - (c) **Parcel 16-06** Access rights; and
 - (d) **Parcel 16-07** Cable rights.

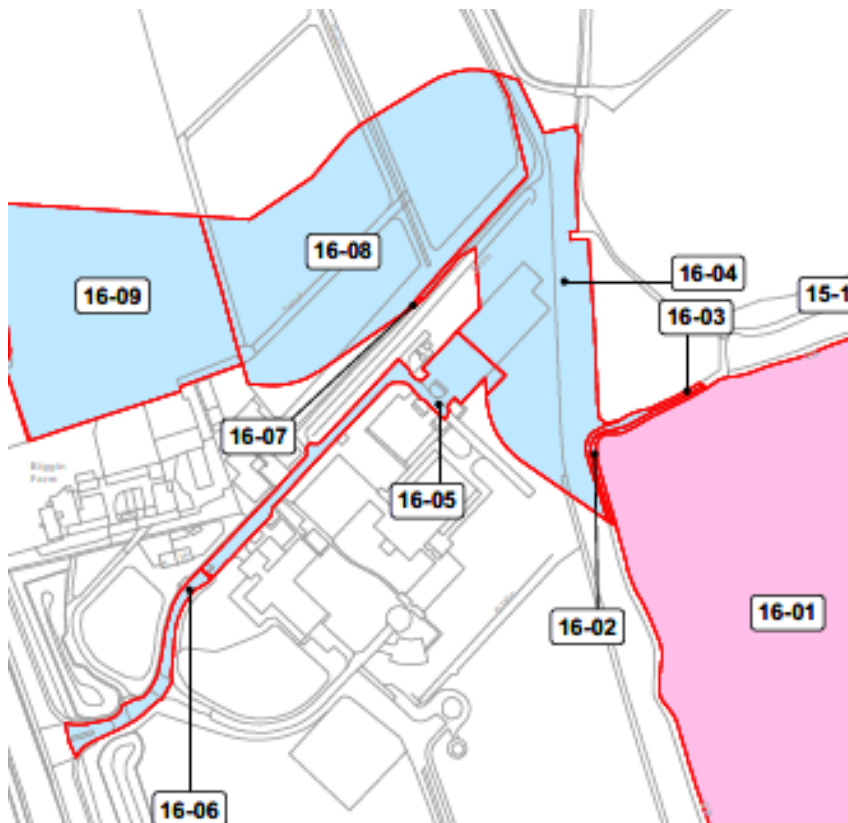


Figure 3

To: National Infrastructure Planning
Date: 15 March 2022
Page: 5

4.4 Sunnica's Book of Reference omits that the LGC Campus is also affected by the extinguishment of rights in the following Parcels outside of the LGC Campus, as more particularly set out in Schedule 1 to this Relevant Representation:

- (a) **Parcel 16-08** Cable rights; and
- (b) **Parcel 16-09** Cable rights.

5 **NEGOTIATION BY PRIVATE TREATY**

5.1 Federated Hermes has sought to engage with Sunnica since at least December 2019 so as to identify the detail of impacts on the LGC Campus and the Campus Expansion and arrive at a set of protective provisions on the face of the DCO and an option and impact mitigation deed that are, in each case, fit for purpose.

5.2 To date, Sunnica has not provided such detail and nor has it provided the relevant draft option and impact mitigation deed. It has issued only its standardised heads of terms for a generic option aimed at the agricultural Parcels along the majority of the DCO Scheme's cable route alongside a standardised notice.

5.3 Applicants for a DCO should seek to acquire land by negotiation wherever practicable. As a general rule, authority to acquire land compulsorily should only be sought as part of a DCO if attempts to acquire by agreement fail. It is entirely practicable, and indeed critical, for Sunnica to acquire any rights over the LGC Campus by negotiation. It has prematurely included compulsory purchase powers over the LGC Campus before it has begun any material negotiation.

6 **IMPACTS ON THE BIOANALYTICAL FACILITIES ON THE LGC CAMPUS**

6.1 It has not been possible for Federated Hermes to identify from the inadequate information provided in the DCO application (including in its environmental statement) the full extent of the adverse impacts on the LGC Campus and the Campus Expansion. So far as Federated Hermes can identify at this preliminary stage, these appear likely to include the following (and may include others):

- (a) "Temporary" possession (a form of compulsory purchase power) of the entire LGC Campus's parking facilities, for a period unlimited under the DCO, will severely compromise the operation of the LGC Campus given the very limited public transport alternatives for staff;
- (b) Powers are sought to use the narrow access road through the LGC Campus for unspecified numbers of HGVs and other plant to access the electricity cable and potentially also the Sunnica West B site for an unlimited period of time. Sunnica presents no plausible assessment of the impacts of such use on a sensitive receptor such as the LGC Campus. There appear to be other highways access points more suitable from Newmarket Road to the DCO's order limits and it is not clear why these have not been chosen, as they would mean access through the LGC Campus is not necessary. Federated Hermes has also requested and is still awaiting confirmation from Sunnica as to the extent of works required on the Parcel 16-06, as the scope to interfere with access for the LGC Campus itself is a matter of real concern;

To: National Infrastructure Planning
Date: 15 March 2022
Page: 6

- (c) Powers are sought to authorise retention of unspecified physical apparatus and structures on the LGC Campus (see "Cable rights" definition), though these do not appear to be authorised under the description of the authorised development. Such unspecified physical apparatus and structures could cause severe impacts on the operation of the LGC Campus and/or delivery of the Campus Expansion. Federated Hermes is still seeking confirmation from Sunnica as to the detail of what is proposed in respect of such physical structures;
- (d) The wording of the Cable Rights sought over the LGC Campus appear to create uncertainty that even car parking critical to the Campus Expansion can be brought forward, restricting as it does in broad terms "the altering of ground levels, [...] or carrying out operations or actions (including but not limited to blasting and piling) which may obstruct, interrupt or interfere with the exercise of the rights or damage the authorised development" and Sunnica would need to provide clarity in this regard in protective provisions and an option and impact mitigation deed; and
- (e) The permanent and unrestricted rights of access sought over the LGC Campus are likely to cause severe impacts on the operation of the LGC Campus and/or the delivery of the Campus Expansion generally.

6.2 For the above reasons there is insufficient clarity as to how the Campus Expansion will be able to proceed without conflicting with the DCO Scheme and vice versa, on the terms of the draft DCO in its current form in physical or legal terms. Assuming that the DCO Scheme is found to be in accordance with any relevant national policy statement (a matter for consideration during the Examination), any presumption in favour of the DCO being made is likely to be displaced if the Secretary of State is not satisfied that the adverse impacts of the proposed development would be outweighed its benefits. The DCO Scheme's certainty of storage and generation of energy to meet national need in practice would need to be weighed against its interference with the LGC Campus's pharmaceutical development activities and delay in bringing forward or extinguishing the estimated £53 million annual contribution to the economy that development under the Campus Expansion Permission will bring (including 918 full time equivalent jobs). This also gives rise to doubt that there is a compelling case in the public interest for the compulsory acquisition of rights (including unrestricted temporary possession powers over parts of the LGC Campus).

6.3 It is not clear how the full extent of each part of the LGC Campus proposed to be used for the cable route and its construction is required in operational and engineering terms, and whether it is no more than is reasonably required. The Parcels taken seem out of proportion to Sunnica's proposals. This is unacceptable where compulsory purchase is proposed.

6.4 Federated Hermes remains surprised that the LGC Campus continues to be considered as appropriate at all to fall within the wide proposed DCO limits of deviation for Sunnica's electricity export connection to the National Grid, when it is surrounded by more suitable alternatives. In sum:

- (a) As the points above illustrate, it is not as simple as arguing it is preferable to use the LGC Campus's car park versus continuing to route the electricity cable through surrounding farmland. The car park is critical to the LGC Campus's connectivity and thus its effective operation;

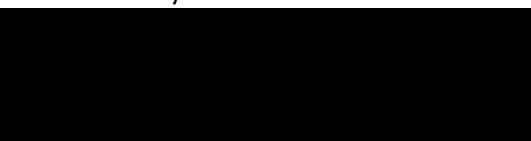
To: National Infrastructure Planning
Date: 15 March 2022
Page: 7

- (b) It cannot be preferable to route the electricity cable (including accommodating unrestricted construction and maintenance activities) through part of a sensitive bioanalytical centre subject to expansion and of critical importance to the East Cambridgeshire economy;
- (c) It is not clear that reasonable alternatives to compulsory acquisition (including modifications to the scheme) have been explored properly;
- (d) We recognise that compensation is not a matter for an Examining Authority to take into account but minimising such exposure is key to the viability of many infrastructure projects and must be of concern to a DCO promoter. The potential costs for Sunnica in disturbance, injurious affection and severance and legal and other professional costs could become very significant compared to the acquisition of a strip to lay, retain and maintain a cable in neighbouring farmland; and
- (e) The DCO application does not appear to evidence a reasonable prospect of the requisite funds for any compulsory acquisition becoming available for the DCO Scheme and thus why the Campus Expansion should be blighted on the basis of Sunnica's covenant strength. It is also not clear that the compensation liability described above has been factored into Sunnica's Funding Statement.

7 WAY FORWARD

- 7.1 It would have been preferable for Sunnica to have frontloaded exploring and documenting with Federated Hermes how the DCO Scheme could interact with a site as complex and sensitive as the LGC Campus long before making its DCO application. A commoditised and perfunctory approach aimed at generic agricultural parcels along a long linear scheme is clearly not appropriate in this case.
- 7.2 Even so, Federated Hermes is a sophisticated and major property unit trust with substantial experience of development. It considers that such interaction must be possible with appropriate clarifications, mitigation and mechanisms in protective provisions to be included on the face of any DCO (in the context of Sunnica's covenant strength) and the terms of an option and impact mitigation deed. Federated Hermes remains committed to seeking to agree these with Sunnica prior to the start of the Examination of its DCO Scheme or as soon as practicable thereafter. Federated Hermes looks forward to Sunnica engaging in this regard as a matter of urgency.
- 7.3 Unless and until the above are achieved, Federated Hermes is in a position whereby it must maintain its **OBJECTION** to the DCO Scheme.

Yours faithfully



Bryan Cave Leighton Paisner LLP

cc: Sunnica Ltd

LEGAL.215870327.4/BHQ

Schedule 1

Plot Number	Right	Document right referred to in.	Title number it benefits
16-08	<p>The right to drain surface water through the drain on the land edged blue on the plan attached ("Blue Land") and to enter the Blue Land from time to time to clear and clean such drain</p> <p>The right to enter the Blue Land upon reasonable prior notice save in case of emergency to erect maintain and repair the fences running rails and other boundary structures.</p>	Transfer dated 7 th March 1994.	CB328220 and CB119083
16-09	<p>The right to enter the land edged pink on the plan attached, upon reasonable prior notice save in case of emergency to erect maintain and repair the fences running rails and other boundary structures.</p> <p>A right of way at all times and for all purposes with or without vehicles over so much of the track between points A and B on the plan attached as lies within the pink land and the yellow land (subject to termination of such right when the new entrance to the Red Land is constructed.</p>	Transfer dated 7 th March 1994.	CB328220 and CB119083

