Milton Keynes Council
Main Matter 4
Issue Numbers 4.1-4.7

Milton Keynes Core Strategy Examination
July, 2012

COUNCIL’S RESPONSE TO MAIN MATTER 4:
Economy and Town Centres

DATE: 1st June, 2012
Matter 4 – Economy and Town Centres

Main Matter 4: Matter 4.1

i) Is the proposed jobs per dwelling ratio properly justified?

ii) Is the Employment Land Study scenario 2 still relevant, given the economic downturn, and is it supported by demographic evidence?

iii) Is the jobs per dwelling ratio consistent with wider planning objectives and strategies for the sub-region and beyond?

iv) How does it relate to the information in Table 5.3?

4.1 (i) Is the proposed jobs per dwelling ratio properly justified?

Council Response

4.1 The Core Strategy proposes that the jobs per dwelling ratio should be 1.5 jobs per dwelling rather than a 1:1 ratio. The Council’s revised Employment Technical Paper (ETP) update, (document B127A) identified that the 1.5 job per dwelling ratio is a relationship which reflects a long term trend in the growth of the total number of jobs from all sources and the total number of dwellings within the Borough over time. The ratio reflects the fact that in most years the increase in the number of jobs within the Borough from all sources is usually faster than the increase in the number of dwellings and the Milton Keynes economy does not usually grow at the rate of one job per dwelling but at a rate closer to 1.5 jobs per dwelling.

4.1.1 Not all jobs within the Borough are provided by the direct development of vacant employment land, a large number of jobs are created by the
development of local service jobs (education, health etc) as a consequence of increases in the size of the local population.

4.1.2 Table 10 in document B127A illustrated that there was very little relationship between numbers of jobs and dwelling completions in the short term, when one compares annual growth in the number of jobs and dwellings within the Borough. The relationship is very erratic because in some years there can be a fall in the number of jobs within the Borough but this does not bring house building to a stop.

4.1.3 However, table 9 in document B127A illustrated that when one compares the ratio between the total number of jobs and dwellings in the Borough over the period 1998/99 to 2010/11 in no one year had the jobs /homes ratio exceeded 1.5 jobs per dwelling or been as low as 1 job per dwelling. Over this period the ratio had varied from a low of 1.36 jobs per dwelling in 1998/1999 to a high of 1.49 jobs per dwelling in 2001/2002.

4.1.4 The 1.5 jobs per dwelling ratio encapsulate a long run association between the growth of employment and new dwellings within the Borough, which can vary depending upon changes in the number of jobs and dwellings completed over time. Over the period 2010-2026 around 28,000 dwellings are expected to be provided on housing sites in and around the city. If a 1.5 jobs to homes ratio is maintained in future one would expect around 42,000 additional jobs to be provided alongside this housing around 2,625 jobs per annum. Although this figure if achieved would be higher than the increase in jobs achieved between 1998/99 and 2010/11 around 2210 jobs per annum. (document B127A p.14). This rate of growth is similar to the average annual increase in the growth of jobs within the city of 2,720 jobs achieved between 1967 and 1991 (document B53 p.143) when the
Milton Keynes Development Corporation was responsible for and actively developing the city.

4.1.5 The 1.5 jobs per dwelling ratio is a monitoring indicator, a convenient way of monitoring the balance between the provision of jobs and dwellings. It must be emphasised that it is also a backward looking indicator measuring what has happened in the past. While housing figures monitored by the Council are known relatively quickly, figures on the number of jobs within the Borough have to await publication from the Office of National Statistics and are normally available about one year after they are compiled. Although economic indicators such as the reductions in the unemployment rate do help to show the extent of job creation in the interim.

4.1.6 It is acknowledged that the 1.5 jobs per dwelling ratio is above the 1:1 ratio referred to in the text (para 23.7 p.261) to policy MKAV2 of the South East Plan (document R6) extract below

**Extract from SE Plan Chapter 23: Milton Keynes and Aylesbury Vale**

23.7 The intention is to seek an approximate 1:1 ratio between new jobs and dwellings proposed for the two growth areas within the sub-region in order to secure no net change in overall net out-commuting in line with the objectives of the MKSM strategy. It is not a development control tool to constrain development.

4.1.7 The text above in the SE Plan refers to the intention to seek an approximate 1:1 ratio between new jobs and new dwellings proposed for the growth areas within the sub-region in order to secure no net change in overall net out-commuting in line with the objectives of the MKSM strategy but stresses. “It is not a development control tool to
"constrain development." The new jobs figures featuring in the policies for Milton Keynes and Aylesbury Vale "are significantly above the employment growth trend and are a reference point for monitoring. They are subject to review and are not intended to constrain economic development."

4.1.8 Some representations on the Core Strategy (e.g. Aylesbury Vale District Council RPSP90) propose to restrict housing and employment development within Milton Keynes Borough to a 1:1 ratio, 1 job per dwelling. Because "it has the potential to increase further in commuting to Milton Keynes from other areas (especially Aylesbury) and in doing so undermine the economic growth and regeneration of Aylesbury and other towns." The Council has demonstrated in the revised ETP (document B127A) and in the text above that the Borough does not grow at a rate of one job per dwelling when all jobs are taken into account. The Council urges the Inspector to reject this and similar proposals precisely because a 1:1 ratio would act as a development control tool to restrain development. Such a policy would be difficult to implement and would not be appropriate for a number of reasons. In the view of the Council a 1:1 ratio would mean:-

- Restricting development at a time when Milton Keynes and the rest of the country are in recession and recovering from the biggest down turn in the economy since the 1930s seems bizarre. If 1:1 is used as a development control tool MKC would have to say to companies that "we are not open for business"
- It would be contrary to advice in the National Planning Policy Framework about planning encouraging rather than acting as an impediment to growth (NPPF para 19, document NP16).
- Such a policy would artificially restrict the growth of the local economy and the delivery of new jobs, dwellings and facilities within Milton Keynes.
Keynes which are necessary for a growing and expanding population and workforce.

- There can be no guarantee that such a policy if implemented would benefit other MKSM towns as investors may simply decide to go elsewhere.

- Even if a 1:1 ratio is used for monitoring purposes and growth is around 1.5 jobs per dwelling there would be implications for infrastructure if this discrepancy was not addressed. The Local Investment Plan (document B99) is planning the delivery of infrastructure on the basis of 1.5 jobs per dwelling, which recognises the demands placed on the local economy by this level of growth.

4.1.9 The Core Strategy Spatial Vision point 7 does assume a growth rate of 1.5 jobs per annum and this figure also appears in the Council’s Economic Development Strategy (document B121 pages 15 & 40) at various places where it is used to justify a vigorous economic development strategy. The Council has received support from Milton Keynes Partnerships for the 1.5 jobs per dwelling ratio leading to an overall requirement for 42,000 jobs. MKP highlighted that “it will be important to closely monitor performance in achieving this job ratio as housing development progresses. The need for employment and housing growth to take place in tandem is recognised in paragraph 5.23 and 5.30. However the ‘lumpy’ nature of employment growth and the complex relationship between the two means that failure to deliver on either element should not become a limiting factor on the other… There may be a need to review employment land allocations at a future date in order to maintain a supply attractive to the market, a point acknowledged in paragraph 5.28.”
4.1.10 At its meeting on the 25th November 2010, the LDF Advisory Group resolved that reference to the matching of 1.5 jobs per dwelling should remain in the Core strategy.

4 (ii) Is the Employment Land Study scenario 2 still relevant, given the economic downturn, and is it supported by demographic evidence?

Council Response

4.1.11 Aspects of scenario 2 about developing the knowledge economy and placing less reliance upon warehousing will be covered later in this paper. In the current economic climate the assumptions of Employment Land Study scenario 2 (document B19) that development of 2500 dwellings and 3,750 jobs per annum up to 2026 could be achieved in the Borough is optimistic. The Employment Land Study itself acknowledges that this is an aspirational forecast (para 5.9.) Economic conditions will need to improve significantly to deliver 2500 dwellings and 3,750 jobs per annum for such a sustained period of time.

4.1.12 There can be a rapid growth in the number of jobs within the Borough when economic conditions are favourable. Around 8,900 net jobs were created in the Borough in 1999/2000 and more than 3,750 jobs were created within the Borough as recently as 2007/08 and 2008/09. Growth in jobs from 1998/99 to 2008/09 did average around 3,080 jobs per annum before the effects of the economic downturn hit Milton Keynes in 2009/2010. (document B127 A, Table 10, p.45)
4.1.13 As far as housing is concerned even at the peak of the market in 2007/08 housing completions did not exceed 2500 dwellings. The housing trajectory which appears in the Housing Technical Paper (document B126A Figure 1) and was published in 2010/11 Annual Monitoring Report illustrates that there were 1295 dwellings completed across the Borough in 2010/11 and housing completions are not projected to rise above 2000 completions until 2014/15. At no point in that trajectory up to 2025/2026 are housing completions expected to be 2500 dwellings or more. This is further evidence that the level of housing and jobs growth as envisaged in scenario 2 is unlikely unless there is a significant improvement within the economy.

4.1.14 As emphasised in the Housing Technical Paper (document B126A) the main obstacle to delivering housing development is not a shortage of land rather it is a lack of finance to build new housing and for new mortgages. The Council’s view is there continues to be sufficient land in place to support a substantial rise both in house building but it is the wider economic circumstances that are not enabling this to happen. As far as new jobs are concerned the Council has demonstrated that the Borough still has a considerable amount of land available for employment generating development.

4.1.15 The Core Strategy broadly follows scenario 2 in retaining the 1.5 jobs per dwelling ratio but in the context of achieving 1750 dwellings and 2,625 jobs per annum up to 2026. This is considered to be more realistic than delivering 2500 dwellings and 3750 jobs per annum. But it should be emphasised these figures are not a development control tool to restrain development or prevent additional housing or employment development coming forward.
4 (iii) Is the jobs per dwelling ratio consistent with wider planning objectives and strategies for the sub-region and beyond?

Council Response

4.1.16 The jobs per dwelling ratio must be placed in context. The Core Strategy is planning for continued growth in the numbers of new dwellings and increases in the numbers employed within the Borough over the plan period and that the city will continue to function up to 2026 as a growth area where the majority of this development will be located.

4.1.17 As was acknowledged in the document B127A, p.43) as a New Town Milton Keynes has traditionally performed the role as a growth area, a pressure valve for development pressures in the South East region.

4.1.18 The Core Strategy is consistent with the South East Plan where the Milton Keynes and Aylesbury Vale sub-region is identified as a focus for growth and regeneration (Policy SP1) for the period from 2006 to 2026. The South East Plan key diagram and diagram MKAV1 also identified Milton Keynes as

- A growth area,
- A regional hub (policy SP2) a focus for major retail, employment, housing, and infrastructure investment
- A centre for significant change (policy TC1)
4.1.19 The report of the SE Plan Panel (document R8) noted

23.18 “Across the whole of this sub-region jobs and labour supply are broadly in balance. However there is a contrast between Milton Keynes which has more jobs, and hence net in-commuting, and Aylesbury town which has excess labour supply and net outcommuting, with high flows to London. The draft Plan seeks to maintain the objectives of the MKSM strategy based on “no net change in overall net outcommuting” (E8, para 5.2). We consider that the clarity of this wording could be improved, particularly as it is an objective to reduce the dependence of Aylesbury town on out-commuting (E8, para 5.3).”

4.1.20 The South East plan refers to the Milton Keynes and Aylesbury Vale sub-region at the time of the Census in 2001 the Borough of Milton Keynes experienced net in-commuting of around 16,260 (38,510 in and 22,250 out.) By contrast Aylesbury Vale District Council experienced net out commuting of around 17,170 (16,490 in and 33,660 out) with Milton Keynes the biggest destination for Aylesbury Vale commuters, some 4,610 people commuted to it. While publication of more up to date figures in the 2011 Census Travel to Work figures is awaited, based on the 2001 Census figures net inward commuter flows to Milton Keynes (16,260) are similar to the net outward flows from Aylesbury Vale (17,170)

4.1.21 The logic of Milton Keynes growth is that with the number of jobs currently growing at about twice the growth of the local labour supply there will be more in-commuting in future. However, the continuing growth of jobs within the city in future will provide opportunities for people who commute out of the city to work locally. Alternatively, the development of new dwellings in and around the city will provide opportunities for people currently living outside the Borough but who
commute to it to work, opportunities to live locally. Transportation infrastructure is expected to be able to cope with this growth (although works may be needed to junction 14 of the M1) and the expected development of new transport infrastructure such as east-west rail in future will provide more sustainable forms of transport for people to travel to and from the city by means other than by car.

4.1.22 Milton Keynes is a regional economic and business centre and as a growth area it provides jobs not only for its resident workforce but for a large number of workers who reside in Bedfordshire including Luton and Northamptonshire, who if they did not commute to the city would have to commute elsewhere to access employment opportunities. It has capacity to grow and it needs to continue to grow to meet the needs of an expanding population and workforce. The Council believes the growth of Milton Keynes is consistent with wider planning objectives and strategies for the sub-region and Milton Keynes has a good record in delivering development. It would agree with MKP/HCA that housing and employment growth do need to be carefully monitored and delivered in tandem together with other facilities and necessary infrastructure.

iv) How does it relate to the information in Table 5.3?

Council Response

4.1.23 Table 5.3 in the Core Strategy (October 2010) is a table that simply tries to estimate the number of jobs that potentially could be generated within the Borough up to 2026 from a variety of different source namely
The development of all vacant employment land within the Borough (195.6 ha in April 2010) excluding sites of less than 1 hectare and sites in CMK.

The development of office accommodation within CMK

The development of service sector jobs as a consequence of the delivery of 28,000 dwellings within the Borough.

4.1.24 The potential for jobs in table 5.3 was originally estimated at between 51,310 – 67,250 jobs over a 16 year period from 2010 to 2026. This is around 3200-4200 jobs per annum and compares to the 3,080 per annum achieved in the Borough between 1998/99-2008/09 and the current average of 2210 jobs per annum achieved from 1998/99 to 2010/11.

4.1.25 The table also estimated what the jobs to dwellings ratio would be within the Borough based on the number of jobs that could be created within the Borough and if 28,000 dwellings were completed from 2010 to 2026 a figure of between 1.8 to 2.4 jobs per dwelling was calculated. The importance of the table is that it helps to demonstrate that Milton Keynes Council has provided a sufficient quantity of employment land, which if developed, together with employment from other sources has the potential to provide not just for the needs of a growing Milton Keynes workforce and those currently unemployment but also workers from surrounding areas.

4.1.26 Appendix A and B in the revised ETP (document B127A) have re-examined the jobs potential of vacant employment land and from other job sources under different assumptions. Since table 5.3 was produced new information has been received which will require that this table be updated with consequential changes where figures are quoted in the text of the Core Strategy. The number of jobs within Milton Keynes for
2010 is now known, with the passage of time sites have been
developed and new advice on job densities used to calculate job
numbers has been published. The numbers in Core Strategy table 5.3
will also need to be updated to reflect decisions resulting from the Core
Strategy examination.

4.2 Is there a sound basis for the promotion of knowledge-based
employment, and for less emphasis on logistics and warehousing
employment?

Council Response

4.2 Among the reasons why the Council is seeking to develop its knowledge
economy are:-

- “Those Cities that have a greater proportion of knowledge jobs have
tended to be more sheltered from rises in the claimant count.
Moreover longer term economic trends, such as globalisation and
technological change, mean that these higher value jobs and
businesses are likely to further concentrate in certain cities that offer
access to specialist skills and knowledge, and proximity to key markets
and suppliers.” (document SS16A p.24)

4.2.1 Milton Keynes is already a major centre for the knowledge economy
and creative industries with many knowledge workers so building up
the knowledge based economy is building on its existing strengths.
(document number B122 p.35-36)

4.2.2 Job vacancies reflecting the needs of employers within Milton Keynes
are still for jobs with a high skills or knowledge content. Over 50 % of
job vacancies since January 2009, 66.5% in April 2012, have occurred in the other Businesses activities sub-sector in the Banking and Finance sector covering jobs in Business & Management consultancy, Legal & accountancy services, Labour recruitment Software, etc.

4.2.3 Floorspace completion figures in document B127A p.16, indicate that most new jobs within the Borough come from the development of B1a office type floorspace rather than development of B8 warehousing floorspace.

4.2.4 Milton Keynes is already providing for logistics and warehousing employment at sites such as Magna Park in the Eastern Expansion Area. (document B127A p.46) Job densities in warehousing are low when compared to other uses meaning a large quantity of land can be used for relatively few jobs. There are also other vacant warehousing buildings currently on the market which may be suitable for the needs of the warehousing and logistics industry. Sites such as the former Tesco distribution centre at Fenny Locke of around 58860 sqm, Grand Union house at Old Wolverton of around 26,500 sq.m and Unit DC1 MK at Mount Farm of around 26640 sq.m are currently on the market.

4.3 Will the existing and proposed employment locations provide the quantity and range of sites that are required to meet the identified needs?

Council Response

4.3.1 Table 8 and the accompanying diagram in document B127A p.36 does illustrate that there are 79 vacant employment sites within the Borough and the majority of them are small sites. Some 49 sites (62% of the
total number of sites) are under 2ha in size with a combined total area of around 44.1ha. There are 11 sites in the Borough (14% of the total), which are bigger than five hectares with a combined area of about 102.7 ha. Six of these sites are at Magna Park. Further development is also expected in future on site SR1 Eagle Farm North totalling around 12 ha. The rate of land take up from 2005 -2011 is estimated at around 11.6 ha per annum. The Council believes it has sufficient land to meet the short to medium term needs of business but is committed to an early review of its Development Plan and a fresh study examining the long term needs for employment land since publication of the MK Employment Land Study in 2007.

4.4 Is there sufficient guidance about how an appropriate balance between provision of office and high technology floorspace in Central Milton Keynes (CMK) and the rest of the borough will be achieved?

Council Response

4.4.1 In a paper entitled Office and High Technology Uses which was presented to the Local Development Framework Advisory meeting on 29th September 2009, the report suggested under the final paragraph of policy CS3 beginning “Central Milton Keynes is the primary focus for the development of additional office (B1a) floorspace within the Borough”, the following additional wording be added “Planning applications for more than 1000 sq.metres of B1a/B1b uses on sites outside CMK will need to provide evidence to demonstrate why the development cannot occur in CMK.

DATE: 1st June, 2012
4.4.2 Similarly, for what is now paragraph 5.32 in the delivery section of the Core Strategy the following wording was proposed. A balance needs to be struck between the provision of office and high technology floorspace within Central Milton Keynes and outside it, which acknowledges that while out of town locations will be required to accommodate growth, the priority for development is within CMK. Speculative development of over 1000 sq.metres should be directed to CMK. However, if development outside CMK is proposed, planning applications should be accompanied by evidence to show that there is no suitable site within CMK, which is available within a reasonable period of time and viable for the proposed development. (Only the underlined text was agreed for the Core Strategy document because of a concern that if too much emphasis was placed on CMK, some office high technology and research developments may be too restricted)

4.4.3 Since then the NPPF para 24 (document NP16) requires that Local Planning Authorities should apply a sequential test to planning applications for main town centre such as offices that are not in accordance with an up to date plan and they should require applications for main town centre uses to be located in town centres. Para 26 of the NPPF (document NP16) advises that when assessing planning applications for office development outside of town centres, which are not in accordance with an up-to-date Local Plan, local planning authorities should require an impact assessment if the development is over a locally set floorspace threshold or a default threshold of 2,500 sq.m.

4.4.4 Having such a threshold would help steer office and high technology development to CMK which is the primary focus for office development within the Borough and make the policy more comply with the NPPF.
But it would impact most on the HCA (or the Council if it acquires these properties) whose out of centre business park locations would be impacted in the short term. On balance the Inspector is invited to consider whether policy CS3 should more explicitly favour CMK using a threshold size for office developments.

4.5 Should Policy CS 3 provide a steer for the re-allocation of sites referred to in paragraph 5.25 of the Core Strategy and if so, how should this be done?

Council Response

4.5.1 Paragraph 5.25 refers to “Where land currently allocated for non-office uses is uncommitted, we have the opportunity to reallocate suitable sites for office development and high technology floorspace (B1/B1b uses) This will help re-shape the local economy over time.

4.5.2 A large proportion of vacant employment sites within the Borough are publicly owned. Milton Keynes Council is currently negotiating with their owner the Homes and Communities Agency (HCA) over their acquisition of HCA land and property assets. The HCA has land holdings at a variety of sites including Kents Hill, Knowlhill, Shenley Wood, Towergate, Walton and sites in CMK. Those negotiations have not yet been completed.

4.5.3 There are two points to make in answering this question. Firstly, until this matter is resolved and the outcome is known, Officers do not know what land and property will have been acquired by the Council. Second after the land and property has been acquired by the Council, MKC will have another decision to make if in the light of its corporate priorities
and statutory requirements it reallocates employment land it either already owns (e.g. Area 11 in the Western Expansion Area) and/or land it has acquired from the HCA to office development and high technology floorspace (B1/B1b uses) or to another use.

4.5.4 On balance officers consider it would arguably be premature and prejudge the outcome of current negotiations if Policy CS 3 provided a steer for the re-allocation of employment sites. Given the uncertainties the danger is a steer in the policy might fetter the subsequent decision making of the Council. It would be preferable to update paragraph 5.25 and describe the above process outlined above and where it has reached.

4.6 Is there clarity about the status of CMK in regional and sub-regional terms? Is its role and potential for growth appropriately reflected in the Core Strategy?

Council Response

4.61 The Council acknowledges that throughout the Core Strategy document there are references to CMK having a sub-regional role e.g. Table 2.1, CS Objective 5 and policy CS7 and para 2.15 describing the city of Milton Keynes as a sub-regional centre for an area including the towns of Northampton, Bedford, Aylesbury and Luton. This was based on the SE Plan definition of the Milton Keynes & Aylesbury Vale sub-region in the SE Plan policy SP1. On the other hand CMK is a major centre in regional terms, both policy CS4 and the retail hierarchy Table 5.5 refers to CMK as a regional shopping centre.
4.62 The SE Plan key diagram refers to Milton Keynes as a regional hub and a focus for major retail, employment, housing and infrastructure investment. If Milton Keynes is a regional hub then it is logical to describe CMK which is the focus for much of this development as a regional centre. The Retail Capacity study update (document B136) shows CMK draws shoppers from a wide catchment area. The size of the Milton Keynes economy makes it one of the top ten biggest economies in the South –East.

4.63 The location of the Borough at the extreme north of the South East region adjacent to Northamptonshire in the East Midlands Region and the Bedfordshire authorities in the East of England region has always meant that the influence of Milton Keynes extends across regional boundaries. Now Milton Keynes now finds itself at the heart of the SEMLEP area. If it helps to give greater certainty to major investors about the role of CMK and the Inspector agrees that the status of CMK would be clarified by highlighting and referring to the regional role of CMK rather than its sub-regional role. Then the Council would have no objection to this change in policy CS7 and other text within the CS document.

Is its role and potential for growth appropriately reflected in the Core Strategy?

4.64 Policy CS7 highlights that CMK is the city's focus for retail, office, hotel, leisure and cultural development together with new housing and related facilities. Policy CS3 highlights CMK as a focus for new office development within the Borough. Policy CS4 stresses that CMK will function and develop as a regional shopping centre for comparison shopping and leisure development and encourages the development of new shopping and associated development in the primary shopping area.
4.65 These policies highlight the role of CMK as a focus for development and indicate that MKC regards CMK as important; the city centre is not only physically at the centre of the city, but also the principle centre of activity within the Borough. It employs more people than any other part of the city. For many visitors to the city, the city centre is what defines Milton Keynes for them.

4.66 MKC is endeavouring to ensure the role and potential for growth of CMK is reflected in the Core Strategy. This is an exciting time for CMK after many years of little activity there is now significant development activity going on within CMK with new development under way at the shopping centre building and at Network Rail and with other schemes in the development pipeline. A review of the CMK Development Framework is underway and a CMK Business Neighbourhood Plan is being prepared. The outcome of this work is awaited.
4.7 With regard to the borough’s town centres generally:-
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?
ii) is policy approach consistent with national policy?
iii) is it clear how any existing deficiencies in provision will be addressed?

Council Response

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?

4.71 The policy of the Core Strategy (document B133) is to encourage the development of additional new retail and new commercial leisure floorspace\(^1\) within the centres defined within the retail hierarchy (See Table 5.5) in line with the town centre first policy of the NPPF. (document NP16)

4.72 As acknowledged at para 5.33 in document B133 the retail hierarchy of centres set out in the Milton Keynes Local Plan December 2005 (document LP1) has been carried forward in the Core Strategy. The retail hierarchy in the Borough consists of:-

1 Commercial leisure in this context includes leisure and entertainment facilities such as cinemas, restaurants, bars and other food and drink uses, casinos, health and fitness clubs, indoor bowling centres and bingo halls. See footnote in Core Strategy document B133, page 31.
- The regional shopping centre of Central Milton Keynes
- The District centres of Bletchley, Wolverton Kingston and Westcroft
- The Town centres of Newport Pagnell, Olney, Stony Stratford and Woburn Sands
- Local and Village centres

4.73 By focusing retail and commercial leisure development within CMK and other centres the Council aims to support the viability and vitality of these centres. In the case of CMK this will encourage it to grow and develop as a regional shopping centre for comparison (and some convenience) shopping and leisure development.

4.74 The Retail Capacity Study Update prepared by consultants Roger Tym and Partners for the Council (document B136) identified that the expected growth of the city up to 2026 would generate a need for additional comparison floorspace forecast of around 82,016-130,331 sq. m gross under the two scenarios used. (See Table 4.2 p.21, document B136). The bulk of the requirement for additional floorspace occurs in the periods 2016-2021 and 2021-2026. The report highlighted the need for caution in forecasting retail requirements over such a long period (document B136, para 4.4, p.18).

4.75 In the period up to 2016 under the static retention scenario, the consultants identified a current oversupply of comparison floorspace and no requirement to provide any new floorspace (B136 para 4.8). However, under the increasing retention scenario (where CMK increases its market share) they felt there would be a total requirement for 15,605 sq.m (gross) of additional comparison floorspace up to
2016 of which the bulk 13,264 sq.m gross (85%) would be located in CMK with the rest 2,341 gross (15%) in other town and district centres.

4.76 Roger Tym and Partners key recommendation in document B136 to the Council as per the original retail capacity and leisure study was that the retail needs they had identified were best satisfied by Strategy 1 which channelled large scale comparison shopping development and commercial leisure needs (including food and drink) to CMK with a smaller amount of comparison floorspace requirements developed in other district and town centres. (document B136 para 4.9). This approach is reflected in Policies CS4 and CS7 for CMK.

4.77 The Core Strategy plans for the development of additional retail and commercial leisure floorspace in the future. In line with advice in PPS4 (document NP4) and now the NPPF (document NP16) it supports new retail and leisure development within centres. The majority of development for comparison and commercial leisure floorspace is expected to take place within the regional shopping centre of CMK, where there are opportunities for further high quality retail led development that will retain CMK’s role as a dominant centre in the shopping hierarchy and which are critical to the future growth of the centre.

4.78 Policy CS4 in the Core Strategy encourages the development of additional comparison floorspace and other associated development over the plan period within the primary shopping area (PSA) of CMK which is located between Silbury and Avebury Boulevard, Saxon Gate and Marlborough Gate.

4.79 Construction is currently underway within the PSA for new development at John Lewis (456 sq.m net) and Next at (1,655 sq.m...
Hammerson have carried out public consultation on plans to revitalise the area around the Point for retail development between Lower Ninth Street and Lower Tenth Street. A scheme to infill between the gap between the Gap and Hollister store in Midsummer Place has been announced but no planning application has yet been submitted. Additionally, the redevelopment of Secklow Gate, involving the removal of Secklow Gate south of the Shopping centre and the redevelopment of the existing market site, if it comes forward, is expected to provide additional retail floorspace within the city. In the longer term as the PSA starts to fill up then edge of centre sites may come forward for development.

4.80 New convenience floorspace commitments within the Borough are identified in table 2.4 on page 9 of document B136 with the exception of the WEA commitment identified below.

4.81 As stated in the CS (document B133 at paragraph 5.39) although CMK is expected to be the main location for commercial leisure development. Policy CS4 does not prevent commercial leisure facilities being developed within other district and town centres within the Borough, such facilities might provide a valuable city wide facility and could help revitalise older town centres such as Bletchley. The text to the Core Strategy from paragraphs 5.35-5.38 referring to the previous retail capacity and leisure study (document B150) will need to be updated to reflect publication of document B136.
ii) Is policy approach consistent with national policy?

4.82 Despite the lengthy period the Core Strategy has been in preparation both policy CS4 and the policy approach and strategy that the Council has adopted to deal with forecasted growth is considered to be broadly consistent with paragraph 23 of the NPPF (document NP16) (Ensuring the vitality of town centres). The Council is:

- Seeking to ensure the viability and vitality of its centres by focusing development within them.
- Has defined a network and retail hierarchy of centres
- Has a range of sites to meet future retail, leisure and other needs particularly within CMK.
- Has used its evidence base to assess the need for new development (NPPF para 161, document NP16) and has either planned for the delivery of new retail development in the growth areas of the WEA and the EEA or is planning for its provision in the SLA.

4.83 Additionally, the Council is also working with local communities to encourage the economic regeneration of some of its older centres such as Wolverton where a Neighbourhood Plan is in preparation and planning permission for a major redevelopment of the Tesco store has yet to be implemented and in Bletchley where a Community Led Plan for Bletchley Town Centre was launched at the ‘Love Bletchley Day’ on the 12th May 2012. Bletchley and Fenny Stratford Town Council have been very proactive in town centre regeneration, initiating a meeting with all businesses in Bletchley town centre in October 2011, with the aim to form a business group for the town centre. The group
have held regular meetings since. Their regeneration committee has also taken over responsibility for the market in Bletchley.

4.84 In conclusion based on the details provided above the Council is of the view that its approach is broadly consistent with national policy.

iii) Is it clear how any existing deficiencies in provision will be addressed?

4.85 It is assumed that this question refers to deficiencies in provision for comparison (non-food) floorspace rather than for commercial leisure or convenience (food) floorspace for reasons explained below.

4.86 Far from having a deficiency in convenience floorspace, the findings of document 136 suggest that if all current retail commitments within the Borough are implemented by 2016 and trade at company averages, the oversupply of convenience floorspace is forecast to continue throughout the reminder of the study period up to 2026. However, in that report document B133 para 4.33 it was acknowledged that if these retail commitments do not come forward or trade at below company bench mark levels there may be scope for limited provision.

4.87 Convenience Floorspace: The retail capacity study update (document B136) clearly identified that there was very little need for additional convenience floorspace in the Borough. Although the updated population figures and expenditure growth figures have resulted in a decrease in requirements, the main change has been the number of planning permissions granted for new convenience floorspace since publication of the original retail study (document B150). The list of
retail commitments in the Borough are listed in table 2.4 of document B136 and include new food stores at Wolverton and Newport Pagnell for Tesco and at Oakgrove. The close proximity of the food store at Oakgrove and existing planning permissions in the EEA are considered to have met the need for additional convenience floorspace arising from housing development in the EEA. A point acknowledged in document B136 at para 4.30, p.23.

4.88 The convenience floorspace figures in document B136 are a Borough wide figure it is acknowledged there may be instances whereby a local need for further convenience floorspace can be demonstrated such as in the SLA. However, since document B136 was produced planning permission has been granted for a 7,500 sq.m superstore in the WEA, which if developed will further increase the oversupply of convenience floorspace highlighted in document B136. Additionally two planning applications for a new food store in Stony Stratford town centre and at Shenley Church End have yet to be determined by the Council.

4.89 Comparison Floorspace: The position on the supply and demand for comparison floorspace is generally more positive than the situation on convenience floorspace. However, as highlighted in paragraph 4.75 above in document B136 in the period up to 2016 under one scenario used by consultants Roger Tym and Partners, the static retention scenario, the consultants identified an oversupply of comparison floorspace up to 2016 and therefore no requirement to provide any new floorspace (document B136 para 4.8). However, under their second scenario, the increasing retention scenario, they forecast a total requirement for 15,605 sq.m (gross) of additional comparison floorspace up to 2016 of which the bulk (85%) was expected to be located within CMK with the rest (15%) in other town and district centres.
4.90 CMK is expected to be the main focus for the development of additional comparison floorspace in future. The Council has outlined in para 4.79 above there is a considerable amount of retail development largely for comparison floorspace **either under construction or in the development pipeline within the primary shopping area of CMK** to meet the identified needs for additional comparison floorspace. As the primary shopping area starts to fill up other edge of centre sites may come forward offering opportunities for mixed use development such as the former Wyevale site between South Tenth Street and Secklow Gate facing Avebury Boulevard or the Lloyds Court building between North Tenth Street and Secklow Gate.

4.91 In terms of commercial leisure, document B150, identified that Milton Keynes is well provided with theatres and cinemas. The qualitative need for a casino identified in that report is now being met by a development in the Xscape building. There may be scope for additional commercial leisure development to be delivered in association with new retail development in CMK. There are locations such as the Theatre district in CMK which do have vacant premises, which could accommodate restaurant/food and drink type uses.

4.92 The following quote from Roger Tym and Partners in document 136 paragraph 4.37 under the heading local centres is relevant to this question. **“We have, through the Retail Study, identified that the existing network of centres is adequately meeting the retail needs of the Borough’s population. New centres are identified in the WEA and the EEA and some local provision may be appropriate in the SRAs (now SLA) to serve a purely local role. We have not identified any centres which are not performing their role in the hierarchy or identified any gaps in (the) hierarchy where a new centre is required.”**
4.93 On balance therefore the Council considers it is providing for the retail and leisure needs of the Borough and no significant deficiencies in retail or leisure have been identified. If anything the Borough is experiencing an oversupply of convenience floorspace if all existing retail commitments are built. However this position needs to be carefully monitored. As a city centre CMK is unusual in having large areas that are undeveloped and there is scope within its primary shopping area for additional retail and leisure development.

4.94 If deficiencies are identified then in line with the NPPF and the sequential test the first preference for main town centre uses is for town centre sites and then edge of centre sites and only if suitable sites are not available should out of centre sites be considered.

Final 1.06.2012