MATTER 1: OVERVIEW

1.1 Has the overall spatial strategy emerged from a sound process of assessment including evaluation of alternatives and sustainability appraisal, and public involvement?

1.1.1 The CS has undergone a substantial rewrite between the February 2010 Pre-Submission version and the October 2010 Revised Pre-Submission document (the Revised CS). Up to the February 2010 version, the Consortium had broadly been supportive of the CS given that it had emerged as a logical extension of a series of regional and sub-regional studies. The substantial amendments that were introduced between February and October 2010 did not arise as a result of a sound process of assessment. They do not build on the previous evidence base, but instead result from the Council’s determination to substantially reduce the scale of planned growth.

1.1.2 Instead of an objective process of assessing alternatives, the Council has since June 2010 produced a series of documents that aim to establish a post hoc justification for the Revised CS. This is evident in the speed with which the process of amending the CS has been undertaken and the sequence by which supporting information has been published by the Council (see document B125).

1.1.3 Following the decision of the Council on the 8 June 2010 to put the CS process on hold, officers prepared a Discussion Paper titled ‘What Next for the Core Strategy?’, which was considered by the LDF Advisory Group on 5 August 2010. The Discussion Paper set out broad options for reviewing the Core Strategy, ranging from ‘refresh’ to ‘reform’. The option to ‘revise’ the CS included changing housing targets, strategic housing allocations and other key policies. The officer’s assessment, given the requirements for evidence gathering, options testing and consultation, was that:

‘The earliest we would be in a position to submit a significantly revised version of the Core Strategy would be by the end of 2011.’

1.1.4 The fact that the exercise was completed in order for the Revised CS to be available for consultation by the end of 2010 is not the result of commendable urgency or efficiency by the Council, but rather a result of the required level of analysis and preparation of evidence having not been undertaken. Decisions on key policy areas were instead made on the basis of little / no evidence. Although there have been subsequent modifications, the version of the CS that is before the inspector is fundamentally that produced at the end of 2010.
1.1.5 The lack of an evidential base for decision-making is exemplified by the process by which the scale of house-building was agreed through the Council’s LDF Advisory Group meetings in August and September 2010 and then by Council on 14th September 2010. These decisions were based on an analysis of options set out in the ‘Discussion Paper: What Next for the Core Strategy? Annex A: Levels of Housing Growth – Broad Options’. The Discussion Paper describes the 2-page Annex A as follows:

‘We have identified a number of broad options in terms of future levels of growth for discussion. The options range from much lower to much higher levels of new housing compared to the RSS target. They are set out in the attached table (Annex A) with a brief summary of pros and cons.’ (our emphasis)

1.1.6 The analysis provided in Annex A sets out 5 options for growth ranging from Minimal Growth (1,250 homes per year) to SHMA Figures (3,370 homes per year). There is only very limited explanation of how the 5 options were derived and no proper analysis of how they relate to housing need and demand in the Borough. The Council resolved on 14th September 2010 to accept a Revised CS based on an annual housing target of 1,750 dwellings. This decision was made notwithstanding that this option (Option 2 – 1700 dwellings p.a.) was described as being ‘Trend based rather than based on assessment of need’ and ‘Likely to be challenged by landowners/developers’.

1.1.7 The Council’s subsequent ‘Housing Technical Paper’ (document ref: B126) was not based on evidence of housing need and demand, as required at that time by PPS3, nor did it provide an evaluation of alternative options. Instead it was described in the document itself as setting out ‘the rationale behind the reduced housing target...’ (paragraph 2.2).

1.1.8 The Council has now issued the ‘Updated Housing Technical Paper’ (document ref B126a). However, the updated HTP at paragraph 123 acknowledges that in terms of the background as to why the Council altered its housing target this remains as per the HTP of February 2011. The updated HTP therefore adds nothing to the Council’s case as to why the housing target was reduced to 28,000 homes.

1.1.9 In terms of a Sustainability Appraisal and analysis of alternatives, the officer report to Council 14 September 2010 (Item 4(d)(iv)) rightly identified the importance of this work and it being published for public consultation, as follows:

‘To reduce the risk of a successful challenge to the proposed allocation of the SRAs, officers propose that further Sustainability Appraisal work is carried out, to update previous assessments in relation to the SRAs, and also to assess other sites of a similar size that have been put forward for development through the Core Strategy and or SHLAA (Strategic
1.1.10 When the Revised CS was published in October 2010, it was supported by a number of documents that were available on the Council’s web site. This did include a Sustainability Appraisal Addendum (Document ref: B107) that considered the effects of the changes to the spatial strategy contained in the Revised CS. However, the Addendum was a very limited exercise in that it considered only the effects of deleting the South East SDA and did not contain an analysis of other/alternative sites as the officer report recommended. The ‘Appraisal of Reasonable Alternative Sites’ (Document ref: B110) was not published until January 2011 and therefore was not published ‘alongside’ the Revised CS, nor was it prepared in time to inform the Council’s decision to reduce housing levels. Indeed the Addendum is described in CS document reference B125 as ‘information supporting revised growth figures’.

1.1.11 Consultation on the SA and other supporting documents has subsequently been undertaken and this in part has caused the delays to the start of the examination hearings. This post hoc consultation however cannot remedy the procedural failing that the CS has not been informed by the evidence; rather it is the reverse that is the case. For this, and other reasons, the Revised CS has not emerged from a clear process of analysis and evaluation. In fact the February 2010 version of the CS is more in accord with the evidence base and should be preferred over subsequent documents.

1.2 Taken as a whole is the Core Strategy consistent with the principles and policies set out in the National Planning Policy Framework, including the presumption in favour of sustainable development? If it is not, how might any inconsistencies be rectified?

1.2.1 The key tests of soundness for the CS are set out in NPPF, paragraph 182. These principles are addressed below and in other submissions that the Consortium will make to the examination:

- **Positively prepared:** the CS is not consistent with this principle as it does not aim to meet the ‘objectively assessed development and infrastructure requirements...’ of Milton Keynes. This is particularly the case in relation to housing need and demand, which will be addressed in Matter 3;
- **Justified:** as stated above, the analysis of alternatives has been undertaken only on a limited basis that has considered only potential site allocations, and only those that are required to meet the Council’s understated assessment of the housing requirement;
- **Effective:** cross-boundary working, which is necessary in order to deliver the true scale of development that is required and that is evidenced, has not been undertaken; and
- **Consistent with national policy**: the plan cannot be shown to be truly sustainable, which is the ‘golden thread’ of national planning policy.

1.2.2 The ‘presumption in favour of sustainable development’ has a particular bearing on two fundamental elements of the CS: the balance of development and the proposed spatial strategy. In terms of the balance of development, the RS sought to establish a balance in planned levels of development at the ratio of 1 job created for every new house. This balanced strategy was defined in response to the evidence base that showed high levels of in-commuting because of the present imbalance between jobs and housing. Rather than a balanced approach, the CS plans growth at a ratio of 1.5 jobs for every house. This ratio will exacerbate the imbalance between jobs and housing; give rise to ever greater levels of in-commuting and therefore congestion, particularly on the main routes into MK. This can be remedied by the return to a balanced strategy for job creation and house-building.

1.2.3 In relation to the spatial strategy, it is the most sustainable option that should be identified – not that limited by local authority boundaries. The Council’s ‘Sustainability Appraisal of Reasonable Alternatives’ (Document ref: B110) is limited to an analysis of sites of the scale of 3,000 dwellings and considers only sites within the local authority area. If the planned level of growth is increased, as the Consortium argues is necessary, then the Council needs to reconsider what the most sustainable option is. This analysis has already been undertaken as part of the preparation of the RS and the sub-regional strategy that preceded it, with the RS Panel concluding that:

‘Weighing all these criteria our view is that the development to the south east is likely to be the most sustainable.’ South East Plan Panel Report, August 2007, paragraph 23.114).

1.2.4 To assist the examination, the Consortium has submitted to the examination library a copy of the SESDA masterplan document it submitted to the Secretary of State at the time of the RS Proposed Modifications. The document provides a summary of the sub-regional studies that informed the strategy for growth at MK (document ref: B18) and the location-specific analysis of land within the SESDA. Whilst the masterplan may need to be revised in the light of more recent information, it continues to provide a clear guide as to the development potential in this most sustainable location for growth around MK.

1.2.5 The NPPF confirms that the CS should be based on effective joint-working on cross-boundary strategic issues if it is to be sound. With regard to the SESDA, there should be introduced to the CS a commitment for MK Council to co-operate with CBC to ensure a joined-up approach to the planning and delivery of this vital scheme (see 1.5 below).
1.3 Does the Core Strategy make reasonable, appropriate provision for meeting strategic priorities for the area?

1.4 Does it take appropriate account of the sub-regional and wider context, including cross-boundary impacts?

1.3.1 The Consortium considers items 1.3 and 1.4 to be closely related and so has sought to address them together. Strategic priorities for the area include housing and employment growth, which we have addressed principally in response to other matters. In addition, there are strategic infrastructure proposals for which provision should be made and their implications accounted for. At present such analysis is deficient or missing. East-West Rail is one such proposal. Whilst the CS is supportive of East West Rail, recognition of its importance and its implications are limited to the transport/infrastructure sections of the CS. This underplays the importance of East-West Rail in terms of its wider role linking MK to Oxford and, in due course, to Cambridge. The concept of the Oxford-Cambridge Arc has consequently been down-played and its economic potential therefore largely overlooked.

1.3.2 Also overlooked in the CS is the potential benefit to Milton Keynes from High Speed 2 Rail. HS2 will take pressure off the West Coast Main Line, increasing capacity for passenger services and rail freight, including direct services to major conurbations in the north of England, North Wales, and Scotland. The importance of this additional connectivity to the economic potential and growth of MK needs to be explored to ensure that maximum benefit is derived from this nationally important infrastructure project. For example, MK is already a regionally important focus for the logistics industry with Magna Park being allocated in the Local Plan in recognition of this fast expanding sector. The Local Plan Inspector in his report (document B141A, paras 7.13.6-7.13.8) identified the potential for better rail connectivity for the logistics sector in the MK area and this has not been considered in the context of HS2 and East-West Rail.

1.3.3 Both strategic rail projects have a sub-regional dimension that requires joint working with other authorities and agencies. This should include the South East Midlands LEP (SEMLEP), which has as part of its initial strategy the creation of an ‘open borders’ philosophy to accelerate delivery of infrastructure.

1.5 Does the Core Strategy provide clearly articulated and justified guidance about the way in which cross-boundary issues and joint working will be addressed?

1.5.1 The Revised CS does not adequately identify the means by which cross-boundary issues and joint working will be addressed. We have already referred to the reasons why cross-boundary issues and joint working are so important for the spatial strategy for MK. This is particularly relevant given that the spatial strategy for MK as contained in the RS prescribes
locations for development that overlap with the adjoining authority areas of Aylesbury Vale (SWSDA) and Mid/Central Bedfordshire (SESDA). The Revised CS does for example refer to Joint Delivery Teams (see paragraph 16.10) being established to co-ordinate the process. These JDTs are defined however as comprising only officers from MKC and MKP; albeit there is also reference to ‘and others’.

1.5.2 In addition, the Revised CS contains elements of infrastructure that require cross boundary co-ordination, including dualling of the A421 between Magna Park and M1, Junction 13 for which a co-ordinated approach to delivery is required between MK and Central Bedfordshire Councils. The CS also refers to P&R and other interchange facilities being provided on the ‘edge of the city’. No reference is made to how these facilities might be delivered in partnership with adjoining authorities, even though Policy CS11 recognises that P&Rs to the east and west of the city in the A421/East-West Rail corridor maybe provided ‘potentially outside MK’.

1.5.3 The Consortium requests that there should be specific measures identified for joint-working between the adjoining authorities to plan for and deliver these elements of the spatial strategy. A Memorandum of Understanding (MoU) is already in place between MKC and CBC regarding delivery of the SESDA. The Consortium requests that the process defined in the MoU be revived and a series of regular joint meetings of officers and councillors be established to commence a programme for delivery of cross-boundary infrastructure and related development, including the SESDA. Without confirmation of such cross boundary working, the co-ordinated delivery of that part of the SESDA already enshrined within the CBC Core Strategy, and the sustainable growth of this part of the region could be seriously compromised in the long-term.

1.6 On the basis that the South East Plan (RS) remains part of the development plan, is the Core Strategy in general conformity with it? If it is not, what are the specific elements of the strategy that lead to non-conformity? How might these be rectified?

1.6.1 The Council suggests in MKC/1 that the Revised CS is in general conformity with the RS because it maintains the requirement for Milton Keynes to plan for significantly higher levels of housing development than in any other local authority area in the south east. However, the Council’s analysis grossly simplifies the requirements of the RS.

1.6.2 The RS strives to accelerate new development in designated areas for growth, which includes Milton Keynes/South Midlands (paragraphs 4.10, 4.11,) and a specific sub-regional strategy is established for Milton Keynes that assimilates high levels of new growth as well as other challenges (paragraph 23.2). The sub-regional strategy is principally contained in
policies MKAV1 and MKAV2. In contrast to the RS, the CS seeks to provide much lower levels of growth, unambitiously set in accordance with trend rates of delivery.

1.6.3 The failure of the CS to be in conformity with the RS is in part the result of key decisions being made by the Council during August-September 2010 at a series of LDF Advisory Group meetings that were subsequently endorsed at Full Council. These decisions were made in the context of the Coalition Government’s announcement of 6 July 2010 relating to revocation of RS. The Council has therefore defined the spatial strategy without reference to the RS. The Revised CS therefore omits key aspects of the spatial strategy for Milton Keynes contained in the RS including: the overall scale of development, the objective of achieving a more balanced job market (1 job / 1 house ratio), and the delivery of two Strategic Development Areas.

1.6.4 In relation to the SDAs, both have been deleted from the Revised CS. Central Bedfordshire Council, however, has maintained provision in its CS for the expansion of MK to the east (see Policy CS1). Despite the Central Beds CS retaining provision for the SESDA, there is no prospect of it being delivered without an inter-locking policy provision in the MK CS, which the Consortium seeks to reinstate.

1.7 If RS is abolished as currently proposed, are there any particular policy deficits that should be addressed by the Core Strategy?

1.7.1 So far as the Consortium is concerned the key omissions are addressed in the responses set out above; and include:

- reinstating levels of growth consistent with the SEP housing targets prescribed in Policies MKAV1 and 2;
- reinstating the spatial strategy for MK that can accommodate those planned levels of growth and specifically the SESDA;
- commitment to the principles of sustainable development, which necessitates the provision of high quality community, economic, environmental and social infrastructure;
- measures to enhance east-west public transport, including possible new parkway stations;
- measures to address traffic problems on the existing A421, to improve access to the M1 and to make space available for enhanced public transport; and
- establishing formal arrangements for delivery of those elements of the spatial strategy that require cross-boundary co-ordination, including preparation of a Local Delivery Strategy.
1.8 Overall, does the Core Strategy satisfy the test of ‘positive preparation’ (paragraph 182 of the Framework)? If not, how might any deficiencies be resolved?

1.8.1 The test of ‘positive preparation’ underlines much of what the Consortium is seeking to achieve in its requested changes to the Revised CS. Of key importance is the requirement ‘that the plan should be prepared based on a strategy which seeks to meet objectively assessed development and infrastructure requirements ...’. Rather than emerging from an objective assessment of need the CS limits the potential of MK as a growth centre. In aiming to achieve only trend growth, the CS sets out a plan for underachievement that will not only have an adverse effect on the economy of MK, but also the national economy during this key period of recovery.

1.8.2 The ability of MK to achieve enhanced levels of growth has been the subject of repeated studies over a period of nearly a decade, culminating in the ‘2031 Growth Plan’ (document B18)), which in turn informed the SEP. The economic downturn precipitated by the ‘Credit Crunch’ has had, and will continue to have, a dampening effect on both the economy of the town and planned levels of housebuilding. The Council in setting revised housebuilding targets appears willing to accept that this will be a constant feature of the MK economy over the whole of the plan period. In contrast, the Consortium is of the view that this is a temporary predicament and that the fundamentals of MK will ensure that it returns to a position of strong economic performance as regional growth centre. This potential for growth is supported by the recent report by Centre for Cities, Outlook 12 (document SS16A), which states:

‘... some cities such as London, Aberdeen and Milton Keynes are well placed to support the creation of the jobs and growth that will address the UK’s unemployment challenge. This is because of their high numbers of business start-ups, high percentage of knowledge workers and more innovative economies.’ (Centre for Cities, 2012).