

S106 HEADS OF TERMS MILTON KEYNES EAST MARCH 2021



Milton Keynes East Draft s106 Heads of Terms

St James Group

March 2021

LICHTFIELDS

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1.0 Introduction

- 1.1 This document sets out the Heads of Terms of potential planning obligations which may be entered into pursuant to Section 106 of the Town and Country Planning Act 1990 in connection with the proposed mixed-use sustainable urban extension development at Milton Keynes East (“Application Site”).
- 1.2 In order to comply with the requirements of Regulation 122 of the Community Infrastructure Levy Regulations 2010 (as amended), each obligation will need to directly related to the development and, necessary in order for the development to proceed and fairly and reasonably related in scale and kind to the development.

Interaction with Planning Conditions

- 1.3 It is important that any S106 Agreement sits alongside and is read in conjunction with the conditions attached to any planning permission granted. In certain instances, it may be more appropriate to secure some of the planning obligations referenced in these Heads of Terms by way of planning condition. Therefore, the applicant will seek to discuss the schedule of draft planning conditions alongside the S106 negotiations.

General

- 1.4 The S106 Agreement will contain standard provisions relating to conditionality (linked to the grant and implementation of the planning permission).
- 1.5 The planning obligations will be specifically tied to any planning permission granted pursuant to the planning application.
- 1.6 Other standard provisions will be included in the S106 Agreement, including (but not limited to) provisions relating to release from obligations in the event of disposal of interests and consequences on the lapsing, revocation or modification of the planning permission, excluding third party rights to enforce etc.
- 1.7 Obligations will be placed upon the Owner(s) and Milton Keynes Council (as a unitary authority). For example, the Council will be obliged to ensure that all payments made will be used for their stated purpose. Repayment and accounting provisions will be included in order to address the circumstances in which this does not happen.

Milton Keynes Tariff

- 1.8 Milton Keynes East will be the subject of a “Tariff” agreement. The MK Tariff seeks to set a ‘roof tax’ type mechanism for the contribution to, and funding of, wider infrastructure provision which will mitigate the impact that growth at MKE will have on the provision of wider community services. This will be set at a given amount per unit, or per unit by type, to contribute towards provision of new/improved infrastructure.
- 1.9 An initial draft of the tariff agreement is already under consideration by St James and Milton Keynes Council respectively.

2.0 **Application and Ownership**

Application Proposal

2.1 Hybrid planning application encompassing:

- (i) outline element (with all matters reserved) for a large-scale mixed-use urban extension (creating a new community) comprising: residential development; employment including business, general industry and storage/distribution uses; a secondary school and primary schools; a community hub containing a range of commercial and community uses; a new linear park along the River Ouzel corridor; open space and linked amenities; new redways, access roads and associated highways improvements; associated infrastructure works; demolition of existing structures and
- (ii) detailed element for strategic highway and multi-modal transport infrastructure, including: new road and redway extensions; a new bridge over the M1 motorway; a new bridge over the River Ouzel; works to the Tongwell Street corridor between Tongwell roundabout and Pineham roundabout including new bridge over the River Ouzel; alignment alterations to A509 and Newport Road; and associated utilities, earthworks and drainage works.

Site Address

2.2 Land known as Milton Keynes East, East and West of A509 London Road, Newport Pagnell.

Land Ownership

2.3 Landowners and tenants in occupation for the application site are as detailed on the ownership certificate of the application form.

Applicant

2.4 St James Group Limited, Berkeley House, 15b St George Wharf, Vauxhall, London, SW8 2LE

3.0 **Planning Obligations**

Affordable Housing Provision

3.1 1,240 affordable homes will be provided (31% of 4,000). Of these it is proposed:

- 800 will be provided as affordable rent;
- 200 will be provided as social rent; and
- 240 will be provided as shared ownership (or other affordable home ownership).

3.2 It is proposed that there is in-built flexibility within the Milton Keynes East's affordable housing mix to respond to the future changes in Milton Keynes' future housing need. A plus/minus 10% range on each unit type has been proposed while maintaining the tenure split (detailed above) and the total number of affordable homes at 1,240.

Payment of Tariff by the Owner to Milton Keynes Council

3.3 The applicant will enter into a tariff agreement with MKC to set a standard 'per unit' or 'per unit by type' (residential and/or commercial) contribution rate to address provision of necessary infrastructure to support the development as set out on the MKE infrastructure delivery plan and to include:

- 1 **Part 1 - Strategic Infrastructure:**
 - a **Further and Higher Education**
 - i MK University
 - ii MK College
 - b **Transport**
 - i local / grid roads
 - ii major roads
 - iii public transport
 - c **Health**
 - i primary
 - ii acute
 - iii community
 - iv hospital expansion
 - d **Other**
 - i flooding and drainage
 - ii voluntary sector contribution
 - iii inward investment
 - iv carbon offset
 - v emergency services
- 2 **Part 2 - Local Infrastructure:**
 - a **Education**
 - i Primary and early years
 - ii Secondary and post-16 provision in schools
 - b **Open Space, Sport and Recreation**
 - i playing fields and changing facilities
 - ii local and neighbourhood play facilities
 - iii community / meeting places
 - iv local and district parks
 - v allotments
 - vi maintenance contribution
 - c **Social Infrastructure**
 - i libraries
 - ii crematorium / burial grounds
 - iii museums and archives
 - iv waste management
 - v public art
 - vi social care – adults

vii social care – children

