**SUBMISSION TO THE EIP INTO
THE SOUTH EAST REGIONAL PLAN ON
MILTON KEYNES AND AYLESBURY VALE
MATTER 8FI STRATEGY AND IMPLEMENTATION
ON BEHALF OF HALLAM LAND MANAGEMENT**

OUR REF: RSS9Eip8Fi

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8F MILTON KEYNES AND AYLESBURY VALE

8Fi Strategy and Implementation

8Fi.1 Are the interrelationships between Milton Keynes and Aylesbury Vale, and with adjoining sub-regions and regions, particularly in terms of economic prospects and travel patterns, sufficiently recognised in the draft RSS?

1.1 The “Sustainable Communities Plan” identifies Milton Keynes as a growth area and states that this should provide some 31,000 dwellings by 2031.

1.2 One of the key objectives in the Growth Areas is to achieve a ‘step change’ in housing completion rates (paragraph 4 of RPG9 2004). It is noted that this objective is not replicated in the draft RSS. It is therefore suggested that the policies for this Sub Region do not meet the objectives of the SCP.

1.3 Chapter 5 of the regional monitoring report figure 41 illustrates that with the exception of 2004 to 2005 the region has been delivering between 25,000 and 29,000 dwellings each year. The draft RSS proposes to provide a total of 28,900 dwellings a year in the region which contains not only part of the Milton Keynes Growth Area the but also the Thames Gateway Growth area and Ashford Growth Area. In considering Milton Keynes regional role therefore it is clear that the policies for this Sub Region have not produced the “Step Change” required by Government.

1.4 In considering the Role of Milton Keynes at the lower county level figure 42 of the regional monitoring report illustrates that the county has been delivering around 2,625 dwellings each year for the past 8 years and at present is delivering fewer completions than in the late 1990’s. The draft RSS includes the contribution from this sub area and those of Thames Gateway Growth area and Ashford Growth Area to provide a total figure for completions of only 28,900 dwellings a year. This compares to the figure of 28,050 in the extant RPG9.

1.5 In effect this draft plan is proposing to utilise the funding for the growth areas to secure an additional 17,000 dwellings for the region as a whole over the plan period, or a 3% increase in the level of provision on an annual basis.

1.6 Clearly the Draft RSS policy for this Sub Region does not achieve a “step change” in the delivery of housing for any area except for the District itself.

1.7 The reason for this is that the neighbouring Sub regions are using the over provision in the sub area of Milton Keynes as an excuse to under provide for the needs of their own areas. This action undermines the purpose of the “Sustainable Communities Plan” so not only are the inter relationships not recognised the policies of the surrounding areas are actually undermining the role of the MKSM.

1.8 In respect of employment generation the original MKSM is 44,900 in the period to 2021 or 2,245 jobs a year. There have been 10,500 new jobs created in MK&A is since 2001 this is 2,525 a year which is above the average figure in the original policy (MKSM Annual Monitoring Report).

1.9 This compares to the scenario 7 forecast of 2,560 jobs per annum (Technical Note 1 Annex 2006 to 2026 = 51,190 jobs), the Warwick forecast of 66,504 (3,325 a year) and the TEMPRO forecast of 60,957 or 3,048 a year.

1.10 At this early stage of monitoring it would appear that the overall level of employment growth in MK&A is achievable. This is perhaps not unsurprising as the original MKSM approach was to "restrict" employment growth in the more the more economically buoyant areas in the sub region in order to redirect it into less buoyant areas.

1.11 There is however the issue of how these rates of employment growth are related to housing provision as this is falling behind in the MKSM area by almost 5,000 in the first 4 years including a cumulative shortfall of over 1,300 in Milton Keynes (MKSM Annual Monitoring Report). It is early in terms of the implementation of the MKSM strategy and the main allocations in the local plan are not yet producing dwelling completions therefore later in the plan period this under provision should be addressed. If the forecasts are however largely correct then there will be a mismatch of employment and jobs in the future as demonstrated by the table below. This table also demonstrates that there will not be any surplus of labour in the remainder of the county therefore in can be concluded that despite MK&A providing dwellings at the required rate to 2021 there will still be a serious mismatch between employment and labour in this area,. This will impact upon commuting patterns between neighbouring districts and regions.

Table: Comparison of participants from dwelling led ARU forecast and Warwick and TEMPRO job forecasts.

	Draft RSS DWGS	Participant Change 2006 to 2026	Warwick change 2006 to 2026	Tempro 5 Jobs Change 2006 to 2026	Balance between new jobs and labour Warwick	Balance between new Jobs and Labour Tempro 5
M' KEYNES	48797	41065	49,239	39,458	-8,174	1,607
AYLESBURY	21200	17439	11,373	21,499	6,066	-4,060
CHILTERN	2396	866	16,000	9,011	-15,134	-8,145
STH BUCK98	1800	1190	8,647	9,207	-7,457	-8,017
WYCOMBE	6598	3796	28,031	24,008	-24,235	-20,212
	80791	64356	113,290	103,183	-48,934	-38,827

1.12 While both scenarios produce a surplus of labour over jobs for one or other district the combined figure is always a deficient of labour to jobs. The table also demonstrates the impact of the low level of housing provision in the remainder of the county and its impact on the balance of new jobs to labour force changes. This will have impacts on commuting patterns.

1.13 The highest rates of growth in workplace population in the region was in the Milton Keynes & Aylesbury Vale with a growth of +28% between 1991 and 2001 (Analysis of 1991 and 2001 Census Journey to Work Statistics Preliminary Results for Sub Regions). Over the same period the area also experienced the highest growth in the region in terms of residents in employment of 25%. The MKSM policies will build upon this growth.

1.14 The changes in the pattern of commuting may suggest that the economy of the sub region is becoming more in balance with the resident workforce for while all sub regions have net out communing the out commuting from Milton Keynes Sub Area has reduced form 4,470 to 995. At the same time the percentage of jobs in the area taken by local residents has fallen from 79.7% to 75% and more importantly both in and out commuting have increased (Analysis of 1991 and 2001 Census Journey to Work Statistics Preliminary Results for Sub Regions table 2).

1.15 In terms of mode of the use of the car for in and out commuting journeys have stayed constant but walking cycling and public transport has seen a reduction and this is but an increase in residents working from home (Analysis of 1991 and 2001 Census Journey to Work Statistics Preliminary Results for Sub Regions table 2).

1.16 The reasons for this emerging pattern is complex but maybe due to the fact that this area is more affordable than other parts of the region and therefore attracts those who wish to enter into home ownership especially with the intention of starting new families. This might mean that the trade off between home ownership and increased travel is considered to be reasonable. At the same time the growth of employment in MK itself may not be balanced with the provision of a wide range of housing sufficient to be attractive to the more skilled high income workers who choose to select a different home location and travel into the area to work.

8Fi.2 How workable is the concept of monitoring new housing delivery against district-wide job gains at the rate of one for one, and how would this be applied (section E8, para 5.2)?

2.1 While it is accepted that the potential to balance employment and housing growth maybe desirable the analysis above evidence highlights that while it might have an impact on net commuting it may not actually reduce commuting as choices made by individuals balancing commuting distances to work and other factors effecting location such as house price and type as well as access to services and informal social infrastructures.

2.2 On a practical note it is possible to monitor both housing delivery and job creation although this is a little more difficult figures can and are produced. It is doubted however that the job creation figures are robust enough on a district by district basis at an annual rate to be incorporated into a complex phasing policy.

2.3 The draft RSS and policies do not suggest that housing delivery should be phased to directly coincide with the rate of delivery of jobs and this is very sensible. As has been demonstrated household growth can occur not just though migration but also from household disintegration which will not always result in an addition to the labour force.

2.4 If the current wording of the policy is to result in a phasing policy in local development plans then this should be resisted as being contrary to the advice on phasing in PPS3.

2.5 It is appropriate to highlight that if such a policy was to be implemented then it would have to respond equally to situations where job creation exceeded projections as well as the reverse. In the situation in MK&A where the employment forecasts have been set relatively low (they have already been exceeded in the first four years of the plan) then such local monitoring policies would have to be able to increase the delivery of housing to mach this higher level of employment growth.

2.6 There is a further matter for consideration here that relates to the inter and intra regional relationship of the area. As part of the sustainable communities plan the role of Milton Keynes and Aylesbury Vale is wider than the immediate area and is regarded as having role in meting the housing needs of the region. It has been amply demonstrated that over the region as a whole there will be an increase shortage of labour supply, the plans response to this is, in part, to increase cross border commuting. The phasing of the housing requirement in this area

8Fi.3 Have realistic assumptions been made about transport and infrastructure provision in the proposed strategy?

3.1 It is considered that the assumptions are generally realistic.