

AUTHOR	Joint Report of Director of Environment and Regeneration, Luton Borough Council and Strategic Director (Environment), Bedfordshire County Council
SUBJECT	Milton Keynes – South Midlands Sub Regional Strategy – Consultation (MKSM-SRS)
PURPOSE	(i) Advise Members of the Government’s consultation on the Milton Keynes - South Midlands sub Regional Strategy and to endorse the preliminary comments set out in sections 4.1 to 5.3 to this report together with any further comments agreed at JAC.
RECOMMENDATION	That the Joint Advisory Committee endorse the comments set out in this report as the basis for a response to the Government’s consultation.
1. Introduction	
1.1	On 26 th October 2004, the Government launched a consultation on draft proposed changes to the Milton Keynes – South Midlands Sub Regional Strategy (MKSM-SRS). The consultation lasts 8 weeks and a response is required by 23 rd December 2004. The Secretary of State will then consider the responses to the consultation before publishing the final Strategy in March 2005.
1.2	Member’s will recall that the MKSM-SRS completed its public examination in March/April this year and the Panel published its report with recommendations to Government on 2 nd August 2004.
1.3	Once approved by the Secretary of State, the MKSM-SRS will form revisions to Regional Planning Guidance now RSS Regional Spatial Strategy under the Planning and Compulsory Purchase Act 2004. This means the MKSM-SRS is not a separate strategy but will form part of revisions to RSS8 (East Midlands), RSS9 (South East) and in particular replace Paragraphs 12.35 to 12.41 of RSS9 as it relates to the East of England.
1.4	However, to ensure co-ordinated delivery and monitoring of the strategy across the three RSS regions, the MKSM-SRS document is published separately as an essential part of the regional policy base for the preparation of detailed LDDs which will identify the site specific proposals.

2. Background

- 2.1 Bedfordshire County and Luton Borough Council's submitted responses to the previous stages of consultation on the MKSM-SRS in October 2003, and made written submissions and representations at the Public Examination in March/April 2004.
- 2.2 JAC members were advised of the Panel Report headlines on 21st September 2004. In brief, the Panel Report confirmed the need for a sub regional strategy, the broad level of housing growth proposed and the designations of the Bedford/Kempston Growth Area (B/K/GA) and the Luton/Dunstable/Houghton Regis Growth Area (L/D/HRGA). However, significant changes were proposed regards the scale and phasing of housing.
- 2.3 Significantly, for L/D/HRGA, the Panel Report called for; inclusion of Leighton Linlade (an additional 3,700 dwellings to 2021); earlier emphasis on commitments, economic regeneration and recycling of land; the removal of the detail growth locations in preference for an area of search; and phasing any green field extensions to 2011 with M1 widening/J11a and northern bypasses - allowing for significant lead times. The Panel considered that detailed growth locations should be determined through preparation of Local Development Documents (LDDs). Thus all growth options will have to be re-examined in considerable detail and then debated at public inquiries. Green belt reviews would be needed as a priority and would include safeguarded provision 2021 to 2031 for some 15,400 dwellings and 7,400 jobs.
- 2.4 The Panel Report also recognised, that the resources to deliver this work may be insufficient and may need enhancing. The Panel advocated a role for the UDC to deliver early regeneration of the conurbation and the infrastructure improvements / additions that the area needs. A UDC seems to be a point at which significant funds may be released to the area.

3. Draft Proposed Changes to MK-SM SRS

- 3.1 The Secretary of State's draft proposed changes to the MK-SM SRS largely endorse the recommendations of the Panel Report. There is support for achieving a step change in housing delivery and the Regional Economic Strategy aiming for a high growth scenario. It is also stated that as well as meeting local needs, that the growth areas have a role in meeting wider regional development needs associated with the economic driver of Greater London and the South East. MK-SM SRS retains the format of a Part A dealing with the broad strategy for the whole sub-region followed by Part B statements for the sub-areas of Bedfordshire and Luton, Milton Keynes and Aylesbury Vale and Northamptonshire. A spatial diagram is retained in Part A but the more detailed diagrams are now removed from Part B.
- 3.2 The scale of housing has been increased by 500 to 19,500 for B/K/GA to reflect commitments and trend growth, and that if a step change is achieved that further increases should be considered when the strategy is reviewed. The L/D/HR contribution is increased by 5,700 to 26,300 to reflect a contribution from Leighton Linlade and early emphasis on previously developed land.

- 3.3 Urban extensions are to be provided via LDDs and a review of green belt boundaries as a priority. Compensatory green belt provision is to be determined via the preparation of RSS14 for the East of England. A new requirement has been included in MK-SM SRS that safeguarded land or 'headroom' be provided beyond 2021 to 2031 via "provisional planning assumptions" without commitment and subject to review. For L/D/HRGA this should accommodate 15,400 dwellings while for B/KGA should assume equivalent development rates as for 2011 – 2021 i.e 10,000 dwellings.
- 3.4 A further change is the inclusion of the need to monitor housing provision against job targets of net additional 22,400 jobs for B/K/GA and 12,600 for L/D/HRGA (proposed policy 2(b) Luton/Dunstable/Houghton Regis and Leighton Linlde states 13,500 jobs for Luton Borough and South Bedfordshire District). However, these are indicative values for monitoring as a whole and are not to be tied to specific locations or phases of housing. LDDs will also need to make provision for new employment land where there are quantitative or qualitative gaps in the growth areas to meet growth sectors and economic drivers (e.g. London Luton Airport Master Plan will need to input into joint LDD preparation to the south east of Luton) and should undertake employment land assessments.
- 3.5 Delivery of affordable housing is considered as a key to delivering sustainable communities and the balance between low cost ownership and social rented tenures should be provided in accordance with local needs and assessments and the Regional Housing Strategies. The Regional Housing Boards for the three regions will need to co-ordinate with the Housing Corporation and providers. LDDs will be able to set and monitor targets if necessary.
- 3.6 The draft proposed changes also endorse the need for the highest standards of design and energy efficiency in new developments and urban extensions, including provision of community and green infrastructure. The need for protection and enhancement of natural environments and bio diversity in developing LDDs is also stated. These principles are set out in a new policy 3 'Sustainable Communities'. A requirement for appropriate 'Green Infrastructure' is now specifically included in the general spatial section A and section Bs.
- 3.7 The infrastructure deficit and additional growth related investment (i.e. £8.3 bn) is recognised and that failure to deliver could delay the strategy. Policy 4 'Effective Delivery' requires Regional Assemblies, aided by the local authorities and public agencies and utilities, to submit 'annual sub regional monitoring [implementation] statements' and review the strategy where it is failing. The strategy promotes delivery through a Partnership culture. Policy 4 requires the Inter Regional Board to tackle cross regional deficiencies and priorities, while Local Delivery Vehicles be established with business plans in all of the growth areas. Policy 3 'Sustainable Communities' requires a strategic approach to investment whereby utilities and delivery agencies are under an obligation to plan adequately for growth implications and to input to LDDs. In particular for water resources, demand management to deliver 20-30% water usage savings is advocated.

- 3.8 However, the Government considers that the MK-SM SRS provides sufficient growth opportunities to deliver necessary local community and transport infrastructure through careful LDD preparation on the design, density and layout of developments which can leverage the requisite developer contributions and complement partnerships investment by delivery agencies and LDVs.
- 3.9 For B/K/GA, a joint LDD preparation between Bedford Borough and Mid Beds District Council is proposed. For L/D/HRGA, Luton, South Bedfordshire and North Hertfordshire Districts are to prepare a joint strategic LDD with Action Areas covering urban extensions in parallel. This is advocated to allow development to commence in 2009. Aylesbury Vale is included regarding Leighton Linlade. Furthermore, Milton Keynes, Aylesbury Vale and Mid Bedfordshire District may prepare joint LDDs.

4. Key Issues

- 4.1 Outstanding key issues identified by Bedfordshire and Luton throughout the MK-SM SRS process, which are not adequately dealt with in the draft proposed revisions to MK-SM SRS are as follows:-
- The clarification that LDVs will be established in all of the growth areas is welcome – however, there has been a distinct lack of progress and clarification on how and when an LDV will be established for the L/D/HR/GA and also whether this will now also cover the Leighton Linlade part of the growth area
 - Doubts as to Government's commitment to phase and fund necessary infrastructure in terms of public transport and rail in particular- the robustness of the £8.3 billion figure for infrastructure needs further testing
 - The County Council, working jointly with Hertfordshire and Essex County Councils and the South East region counties commissioned consultants to estimate the infrastructure costs that arise from the provision of new households. Based on the Bedfordshire and Luton housing provision figure of 56,500, this suggests the costs of infrastructure are £2.16bn.
 - The "Utilities" section of the Strategy is inadequate. Only water is mentioned. There is a need for additional paragraphs to cover gas, electricity, telecommunications and renewable energy
 - Green Infrastructure (GI) is now required and defined - this largely satisfies earlier concerns - although the County Council is actively involved in the GI Consortium and will be seeking to confirm whether sufficient reference and commitment is now made to this issue
 - The Strategy is still not consistent in its treatment of growth areas in advocating environmental policies in e.g. why in Northamptonshire but not in Bedfordshire? There is a need to ensure that the rural hinterland including the AONB, habitats, wildlife and villages are safeguarded when reviewing green belt and integrating new urban extensions around the conurbation and to ensure that regeneration addresses the existing 'quality of life deficit' of the conurbation's residents e.g. sports, parks and recreation provision – e.g. reference could be made to the 'Gateway' project at Dunstable Downs to boost status/commitment of resources
 - There is a danger that the Government is over relying on the developer contribution towards delivery of necessary transport and community infrastructure provision (e.g. local GPs, local hospitals and specialist hospitals) and that agencies and utilities will fail to plan investment adequately without a clear commitment of funding programmes

- Early emphasis on urban regeneration and recycling of urban land is welcome and phasing of housing with prerequisite transport infrastructure provision – however, this is then weakened as the MK-SM SRS suggests that some earlier green field development may be phased in – it must be made clear that necessary road infrastructure such as the north Dunstable and Luton bypasses must be delivered first or coincident with housing and consideration should be given to earlier delivery of Luton Northern Bypass
- The Strategy fails to resolve the issue of the conflict between growth and continued landfill in the Marston Vale
- Joint Local Development Document (LDD) proposals for MK imply expansion into Bedfordshire which will have an adverse impact on the environment and residents of existing communities
- Similarly joint LDDs for Luton/Dunstable Houghton Regis and Leighton Linslade imply options of westward expansion of Linslade into Buckinghamshire and eastwards expansion of Luton into Hertfordshire - consistency of approach is needed in terms of allocating the houses to each County/District
- Deliverability of the increased housing (see table 1 below) will be of concern if necessary infrastructure is not provided e.g. emerging RSS14 may also require residual Bedfordshire growth of 10,700 (mostly committed) dwellings outside growth areas for the period 2001-2021 giving 56,500 - an implied annual building rate of 2825 dwellings, 15% above the current Structure Plan rate of 2465 and 40% above the average annual completion rate 1991-2003 of 2012 dwellings.

Table 1: Proposed Increased Dwelling provision 2001-2021 and requirement for uncommitted phasing beyond 2021 to 2031

	2001-2021	Increase	2001-2031	Increase on 2021
Bedford, Kempston, northern Marston Vale	19,500	+500	29,500	+10,000
Luton, Dunstable & Houghton Regis (with Leighton-Linslade)	26,300	+5,700	41,700	+15,400
Totals	45,800	+6,200	71,200	25,400

- The scale of house building and necessary green belt review up to 2021 and beyond to 2031 has implications for a quick review of green belt boundaries and for the alignment of the northern bypasses of the L/D/HR conurbation and the status of housing figures within the untested “provisional planning assumptions”
- Separate processes of undertaking green belt reviews in MK-SM SRS and then compensatory green belt provision under RSS14 may prove unworkable as they are directly related
- A joint strategic LDD and action area plans for L/D/HR/LL being in place to allow construction to start on one or more urban extension by 2009 – or in 4 to 5 years time is questionable

- Affordable or social housing provision in accordance with needs assessments and RHS is welcome – however, specific reference should also be made to ‘key worker’ housing e.g. nurses, teachers etc
- Balancing housing with economic growth, versus economic restructuring and regeneration is critical and the requirement to monitor the strategy against a balanced delivery of housing a jobs is welcome – however no housing claw back mechanism has been accepted
- the proposed jobs 12,600 target for L/D/HRGA is too low. It represents jobs provided at only 48% of the additional properties, which can be compared to 84% for Aylesbury, 100% for Milton Keynes, 114% for Bedford/Kempston, 124% for Northampton, and 128% for Corby. This apparent anomaly has been raised at each stage in preparation of the MK-SM SRS, but has still not been adequately explained or addressed
- London Luton Airport's major growth prospects to 2031 and role in driving economic growth in Luton has been acknowledged but as a sector in transition - a more positive stance to airport expansion is needed subject to environmental safeguards if sufficient employment opportunities are to be realised to achieve sustainable growth in Southern Bedfordshire
- Division of East West Rail into two sections i.e. East of Bedford pre 2011 and West of Bedford post 2011 of Bedford is not supported and will undermine the delivery of sustainable development when the eastern part of the East West Rail project fails to receive firm commitment and funding while the western section is remitted for a further study
- Road and rail provision are not being treated equally compared to the October 2003 draft MK-SM SRS with roads seeming to take priority - Strategic Policy 2 is practically made up entirely of road schemes
- Omission of the proposed North Luton Parkway and also categorisation of Translink extensions to the northern fringe as ‘not under consideration’ will undermine the sustainability and viability of urban extensions north of the L/D/HR/GA particularly when the MK-SM SRS recognises that joint LDD preparation should build on the existing work which examined the north of the conurbation

5. Conclusion

- 5.1 The recommendations of the Panel Report have largely been accepted by the Secretary of State in the draft Panel MK-SM SRS. However, the strategy is still deficient on the necessary funding streams that will be required and the form and timing of the LDV for the L/D/HR/GA. In addition it is deficient in terms of on East – West rail, the omission of a North Luton Parkway station and the employment target for L/D/HR is too low.
- 5.2 The MK-SM SRS proposes that the work be taken forward by preparation of joint LDDs by the relevant local authorities working under the provisions of the Planning and Compulsory Purchase Act 2004. The implications of this are far from clear, as joint working seems to imply that a formal joint committee, with fully delegated powers, would need to be established. JAC may provide a starting point, but is an advisory committee, whereas the requirement for joint working under the Act appears to be that executive power is transferred to a joint committee. Further work is required on this, including, in the continuing absence of an LDV for the conurbation, the ability of the Government to provide assistance with joint working arrangements

- 5.3 Lord Rooker has recently written to all local authorities in this part of the growth area to offer funding to help establish joint teams and joint committees. This is in recognition of the need to aid capacity building in the local authorities to assist with the scale of joint working that will be required to deliver the Government's growth area agenda.