

**WHAT IS THE EFFECT AND IMPLICATIONS OF THE
DEVELOPMENT PROPOSAL FOR MILTON KEYNES?**

The concern of the Council is that a blanket extension of the proposed permitted development rights throughout the city is not strategic and not conducive to good spatial planning and may have implications for the vitality and viability of the city centre. It could potentially prejudice the Council's development plan strategy and emerging proposals within the CMK Business Neighbourhood Plan.

Since residential property values and rents are higher than those for offices the market if left to itself will encourage the conversion of offices to residential use. With the introduction of permitted development rights property owners will terminate the leases of the businesses that are occupying their buildings and convert and change the use of the building. The process will start slowly at first as owners have to give notice to tenants but will gradually gather momentum over time.

Once residential use is established some owners will seek planning permission for new buildings (having already established the principle of residential use) The supply of offices and other workspace will shrink and rents will rise. It will be more difficult to find office accommodation. Job creation will also be reduced potentially impacting on the economic growth of the city and the achievement of 1.5 jobs per dwelling. Business start ups will inevitably be affected in the recent Centre for Cities, Cities Outlook 2013 report; Milton Keynes had the fourth highest business start up rate of any city in the country. Once residential uses have been introduced into major areas of office employment there is no going back on this policy. Land ownership is fragmented, which makes subsequent redevelopment of sites more difficult.

The biggest impact of this proposal is expected to be on small businesses occupying cheaper office accommodation. These kinds of businesses have traditionally occupied property on short term leases so may well find themselves out on the street with nowhere they can afford to go. In spatial terms the biggest impact of this proposal is likely to be in Central Milton Keynes (CMK) since as table one illustrates that is where the bulk of vacant office accommodation (46%) is. Therefore it is recommended CMK including Campbell Park defined as the area from the west coast main railway line to the Grand Union canal and between the H5 and H6 should be exempt from this change

**TABLE 1: VACANT OFFICE FLOORSPACE IN THE BOROUGH OF
MILTON KEYNES JANUARY 2013**

	TOTAL OFFICE SQF	CMK OFFICE SQF	OTHER OFFICE SQF
BUILT SPACE	6,658,858	3,599,688	3,059,052
VACANT SPACE	1,258,734	580,526	678,208
%	18.90%	16.13%	22.17%

The other areas where this proposal would impact are the strategic employment areas identified within the Core Strategy such as Knowlhill, Walton, Kents Hill, Shenley Wood and the Western Expansion Area (WEA) the development of which is important if the Council is to achieve its aspirations for employment growth.

There are some grid squares in the city such as Old Wolverton, Stonebridge and Bleak Hall which were specifically designed to accommodate industries which can cause nuisance by reason of noise, smell or visual intrusion. If there is a change of use of an office at these locations the amenity of residents may be affected by the existing development around them and there is no scope for the Council to obtain any financial contributions through section 106 agreements.

There are some older industrial estates in the city which have office accommodation pepper potted throughout them with industrial and warehousing activities where there is 24/7 activity so introducing residential development into these areas is likely to raise significant amenity issues. Environmental Health have proposed that the following areas should be exempted from the extension of permitted development rights Mount Farm, Denbigh East, Denbigh West, Barton Road and Tilbrook.

Finally, members have indicated that they are concerned about the potential effect of the proposed change on the older historic town centres of Bletchley, Wolverton and Newport Pagnell and the implications of this proposal for the regeneration of the towns or emerging Neighbourhood Plans in the case of Wolverton. The Council does not object to the change of use of offices to residential use provided the development is satisfactory in all respects. However, the Council considers that the most appropriate way of mitigating the impact that a change of use could cause is the requirement to seek planning permission from the Local Planning Authority (LPA). This will allow the LPA to adequately consider all the issues raised by the proposal on a site by site basis and impose planning conditions to mitigate the impact where appropriate.