

HOUSING INFRASTRUCTURE FUND- FORWARD FUNDING BID FOR LAND EAST OF THE M1 (MK EAST)

Responsible Cabinet Member: Councillor Marland (Leader of the Council)

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Executive Summary:

The Plan:MK submission proposes that land to the East of the M1 (MK East) should be developed for housing and other uses. The interim report from the Independent Inspection in Public indicates no major issues with the site. This paper seeks approval to develop and submit a business case to the Ministry of Housing, Communities and Local Government Housing Infrastructure Fund (HIF) by December to seek forward funding of the infrastructure that will be required to deliver the development site.

1. Recommendation

1.1 That a business case for business case for an application to forward fund necessary infrastructure is developed and submitted in the December funding window.

2. Issues

2.1 In July 2017, Government announced the Housing Infrastructure Fund, £2.3 billion of Government capital grant funding to forward fund infrastructure which will directly unlock homes in areas of high demand “to unlock the high quality new homes that this country so badly needs.” Government policy recognises Milton Keynes as an area of high housing demand, centrally located in the Cambridge – Milton Keynes – Oxford growth corridor.

2.2 Infrastructure before Expansion is a principle which has been critical to the success of Milton Keynes, ensuring as far as possible that existing communities are not adversely impacted by the continued growth of the city. The Housing Infrastructure Fund represents an opportunity for Milton Keynes to be proactive about growth, avoiding being done ‘to’ and secure Government funding for vital pieces of infrastructure .

2.3 The Council’s bid is to secure funding for key pieces of enabling highway infrastructure, and for a minimum of £15m of forward funding to deliver a primary school and a new health facility ahead of the homes. The infrastructure will promote sustainable methods of transport across this transport corridor, including linking into the existing Redway routes and a walking route.

- 2.4 A separate development framework process for the site design is underway due to the site's inclusion within Plan:MK (Proposed Submission version: October 2017) as a contingent allocation, with the Council's Planning and Urban Development teams working with the Local Stakeholder Group. A six week consultation period on this submission version of Plan:MK was held in November and December.
- 2.5 Public Engagement on this bid since the Council received notification that its Expression of Interest had been successful has included sessions with affected parishes in Willen and Olney Wards. Officers have also engaged with the Local Stakeholder Group for the Development Framework in two separate sessions.
- 2.6 The funding applied for from Government will not replace developer contributions for the site, which will secure the remaining site and social infrastructure required to support a new development area of the city long term. The funding applied for in the Council's bid to the Housing Infrastructure Fund relates only to the enabling strategic infrastructure required to link the site to the city and provides the opportunity to secure government forward funding for a new Tariff style mechanism, ensuring infrastructure can be built before expansion. Discussions are underway with the developer regarding expected developer contributions.
- 2.7 If successful, a subsequent executive decision will be taken to allocate the funding.

3. **Options**

- (a) Submit the business case as outlined within the funding window.
- (b) Stop development of business case and do not submit to Government. This risks a development coming forward on this land with insufficient funding.

4. **Implications**

4.1 Policy

This supports the Council Plan vision for a 'thriving, dynamic European Destination City of 500,000 people'.

4.2 Resources and Risk

The HIF bid, when submitted will be based on professional evaluations of the likely cost of providing the necessary enabling infrastructure for this development. The delivery risk will be shared with the site developers.

Y	Capital	Y	Revenue	N	Accommodation
N	IT	Y	Medium Term Plan	N	Asset Management

4.3 Carbon and Energy Management

4.4 Legal

No legal implications

4.5 Other Implications

No other implications

N	Equalities/Diversity	Y	Sustainability	N	Human Rights
N	E-Government	Y	Stakeholders	N	Crime and Disorder

Background Papers: [Link to HIF bid website \(available on request\)](#)