

### RegenerationMK 2030

A Regeneration Strategy for Milton Keynes



2015 - 2030

# Introduction

In 2009, Milton Keynes Council launched it's first Regeneration Strategy. With an ambitious vision to transform the life prospects of the most deprived residents. the strategy initiated a programme which focused on improving the social, physical and economic outcomes in priority neighbourhoods for the benefit of the whole of Milton Keynes. The approach of the strategy was driven by the recognition that services will be improved and communities strengthened only where there is effective engagement and empowerment of that community. It was based on the premise that active, confident communities will drive the shape of their neighbourhoods to deliver a shared vision for the future.

There is strong political commitment to RegenerationMK's focus on People, Place and Prosperity. It is now firmly positioned as one of the Council's priorities, and through strong and developing partnerships with public, private and community sectors, progress is clear to see'. Considerable investment has been made in neighbourhood regeneration programmes across Milton Keynes, with over £2million of additional resources secured to deliver local projects, and targeted community engagement resources provided to support communities that need it most. The Neighbourhood Employment Programme has established itself as one of the region's best performing employment programmes, offering local, tailored support to those people most in need, resulting in over 4600 people receiving support to date and an employment success rate that outperforms the national government funded Work Programme (27% of NEP clients receiving support enter into employment vs typical 17% on Work Programme).

There are great opportunities in Milton Keynes. It is the top city in the country for job creation<sup>2</sup> and is one of the fastest growing places in the country, with a wide range of national and international companies having major offices in the borough. However this success isn't experienced by all with some of our residents facing increasing challenges. Poverty levels remain significant within some estates, and while unemployment in MK is relatively low, many are still struggling to secure reasonably paid work with a continued reliance on benefits and social housing provision. Child poverty is a real concern, and the declining condition of some of our homes means that the living standards for many of our residents on the lowest incomes are unacceptable, with consequences for physical and mental health and wellbeing. It is perhaps then not surprising that some of our residents can expect to live 11 years less than their more affluent neighbours.

- 2 Cities Outlook 2015 (Published 19 January 2015) by the Centre for Cities.
- 3 Evaluation of Milton Keynes Neighbourhood Employment Programme (published November 2013) by the New Economics Foundation.

The existence of inequalities impacts adversely on the whole of Milton Keynes, through a depressed council tax base, increased local spend on health and support services, and a reduced qualified resource pool for local businesses. Nationally child poverty alone costs the UK £29 billion a year, and in MK by supporting 280 clients into work, the estimated savings to the State are approximately £559,000<sup>3</sup>. Put simply poverty is a cost we cannot afford.

From a comprehensive review of national and local evidence, the RegenerationMK 2030 Strategy has been developed to proactively respond to the opportunities and challenges. It looks forward to 2030 with focused priorities built around People, Place and Prosperity, and with funding structures in place to enable delivery. The Council's RegenerationMK team have led on the delivery of much that has already been achieved, and have learnt an enormous amount in the process. With this knowledge and the additional expertise of partners, Milton Keynes could successfully deliver our regeneration vision; working with residents to understand every issue, every aspiration, we can reverse the decline and bring about lasting improvement across our city.

# Key Drivers for Regeneration<sup>4</sup>



### Community

From 1st April 2013 to 31st March 2014, feedback from local residents living in some of our high need areas was collated. From analysis of over 5000 conversations, 3 common themes for local priorities emerged<sup>5</sup>:

- Residents want to feel empowered and have ownership of local activities;
- Residents want support to improve and maintain the physical spaces in their neighbourhood;
- Residents want support to increase their skills and get a job.



### **Milton Keynes Council**

- Milton Keynes Council owns around 11,500 properties spread over 70 locations, with approximately 25% situated in just 7 areas. Many of the properties in these areas are of non-traditional construction in a very poor state of repair.
- Financial modelling shows that the average 30 year capital investment per property on 6 out of 7 priority estates<sup>6</sup> ranges between £76,000 to £106,000 versus an average of £48,000 for the remainder of the general needs housing stock<sup>7</sup>.

The drain of high maintenance costs in the Council's Housing Revenue Account reduces the opportunity for the Council to tackle the shortage of affordable housing from its own resources.

5 A summary of community dialogue can be found at Appendix 3.

7 Figures represent the unadjusted Keystone data including any backlog works.

<sup>4</sup> A summary of data and sources can be found at Appendix 2.

<sup>6</sup> In 2015, the average investment required on the Lakes Estate stands at £39,000 due to the recent significant building fabric works which have been completed.





#### **Across Milton Keynes**

- 12,270 children in MK were found to be living in poverty, and of these 21.4% live in areas ranked within the top 30% most deprived, and 62.6% are from single parent families in receipt of out of work benefits.
- 49.2% of Milton Keynes children have a good level of development at age 5, compared with only 31.9% for those accessing free school meals. For GCSE attainment grades 5A\*-C, 61% of children achieve this standard, compared with 41.3% for those with free school meals.
- We have 7 estates which are currently ranked within the top 15% most deprived areas in the country, and an additional 7 estates which are classified as being within the 20% most deprived.

The primary reasons for these estates being classified in this way is because of relatively low levels of income, employment and education and skills.

Local data shows that within these estates there is:

- A very high percentage of social rented properties (47-65%).
- On average 3.5% of working age people (16-64 years) claiming out of work benefits where unemployment is double the MK average.
- Of those in work, on average 20% are classified as in work poor, with the highest percentage across the 7 estates being 29%.
- Approximately 30% of adults with no formal qualifications compared with a Milton Keynes average of 18%.
- At the lowest end, a life expectancy at birth 11 years less than that in the most affluent Milton Keynes areas, and 5 years less than the Milton Keynes average.

# RegenerationMK 2030 Vision and Priorities

The Council Plan sets out the vision for Milton Keynes, capturing the type of place Milton Keynes aspires to be for all those who live, work, learn and visit. It focuses it's priorities on health and wellbeing, transport, skills, employment opportunities, housing and the public realm. In addition, the Council has made a commitment to be a Co-operative Council, following the values and principles of social partnership, democratic engagement, co-production, enterprise and social economy, maximising social value, community leadership innovation and learning. The vision for RegenerationMK blends this ambition and approach with the Council's commitment to respond to the needs we know exist for people living in places in need, framed by national policy and guidance.

The RegenerationMK vision is of a Milton Keynes where:

- People are empowered to take ownership of their future.
- People's surroundings make their lives better.
- Barriers are removed between people and jobs, and ambitions can be realised.

#### The vision is supported by three strategic priorities:

#### **Strategic Priority 1: People**

Through community development we will work in priority neighbourhoods to build the skills, knowledge and confidence of people and community groups to enable them to take effective action and play a role in the development of their communities. We will proactively seek to raise local aspirations, build cohesion and create systems which enable residents to be active partners in the regeneration of their neighbourhoods.

#### **Strategic Priority 2: Place**

We will deliver transformational change across the city focusing on priority neighbourhoods<sup>8</sup> for investment. We will support and deliver ambitious schemes of mixed tenure development, providing high quality living opportunities for existing and new residents and in doing so seek to create vibrant, welcoming and safe places to live and work. We will seek to deliver a befitting legacy for current and future communities that is desirable, affordable and sustainable, and we will remove the postcode stigma.

#### **Strategic Priority 3: Prosperity**

We will tackle the root causes of poverty by improving access to employment and increasing income levels. We will seek to unlock entrepreneurial talent, re-invest in the local economy, develop skills that are matched to the needs of the local labour market, and develop mechanisms that will support educational achievement and help guard against future poverty risk.

# Strategic Priority 1: PEOPLE

Through community development we will work in priority neighbourhoods<sup>9</sup> to build the skills, knowledge and confidence of people and community groups to enable them to take effective action and play a role in the development of their communities. We will proactively seek to raise local aspirations, build cohesion and create systems which enable residents to be active partners in the regeneration of their neighbourhoods.

Community development work is fundamentally about understanding, enabling, facilitating and building capacity for a community to address its own needs<sup>10</sup>. It is a collective process co-produced in conjunction with communities.

Community development engages a community's, and arguably a Local Authority's biggest latent resource – its residents. Done well, community development not only acts as a catalyst for grassroots community action, addressing lack of cohesion within communities and lack of trust between communities and local decision making bodies, but for those who actively participate, it can result in significant improvements in wellbeing and positive functioning i.e. feeling competent, engaged and living life with meaning and purpose.

#### We will:

- Build stronger collaboration and coordination at a local, regional and national level, working through existing and new networks and partnerships to make the most effective use of the resources available to support the development of communities and the regeneration of neighbourhoods.
- 2. Establish and utilise a tested toolkit for involving residents and community groups in the development of their community, giving them the knowledge, skills and confidence to influence their quality of life and shape the services that affect them.
- 3. Target resources on building strong, sustainable community anchor organisations and local leaders, providing a crucial focus and support for community development and change in their neighbourhood, both now and in the future.
- 4. Lead the development of a capacity building programme, establishing a comprehensive and coherent menu of learning opportunities for community development, for communities, practitioners and local policy makers.

9 Priority neighbourhoods are identified by the Index of Multiple Deprivation together with local intelligence on housing condition and levels of unemployment.

10 Catalysts for community action and investment (published in 2010) by the New Economics Foundation.

### **Measured by:**

- **Understanding:** Number of residents from priority areas engaged and involved in the development of regeneration and community led plans.
- **Involving:** Number of residents in priority areas delivering local priorities.
- **Enabling:** Community reach of anchor organisations in priority areas.
- **Capacity:** Increase in community capacity through assessment of 'distance travelled' for community leaders.

# Strategic Priority 2: PLACE

We will deliver transformational change across the city focusing on priority neighbourhoods for investment. We will support and deliver ambitious schemes of mixed tenure development, providing high quality living opportunities for existing and new residents and in doing so seek to create vibrant, welcoming and safe places to live and work. We will seek to deliver a befitting legacy for current and future communities that is desirable, affordable and sustainable, and we will remove the postcode stigma.

Where people live shapes their lives, affecting their job prospects, access to goods, services and affordable housing and their health and wellbeing.

A well designed, sustainable development can deliver a desirable, safe and enjoyable neighbourhood that promotes low carbon consumption and encourages a clear and green environment with excellent links to existing transport and infrastructure hubs and links.

### We will:

- Create an environment where public and private sectors can work jointly or independently to identify, develop and deliver viable regeneration outcomes in the most economically effective manner. Such opportunities are expected to range from small infill sites to substantial neighbourhood remodelling, focusing on all tenures and balancing deliverability for RegenerationMK with maximising household resources for those on low incomes.
- 2. Deliver a range of accommodation types providing a ladder of ownership, supporting mobility, independence and choice.
- 3. Working jointly with teams across the council, local councils and other stakeholders, strengthen partnerships and develop local policy that enables delivery of regeneration to the benefit of our communities.
- 4. Deliver a step change in the quality of life for residents across all regeneration areas, utilising funding and social value generated from physical regeneration to enable the delivery of targeted social and economic regeneration to the benefit of the whole of Milton Keynes.



#### **Measured by:**

- **Housing**: Number of additional homes built by or for RegenerationMK, and proportion classified as social, affordable, rent buy, shared ownership and private sale.
- **Deprivation**: Reduction in the deprivation levels of priority areas, as measured by the Index of Multiple Deprivation.
- **Social Value**: Generating from physical regeneration, number of people accessing training, apprenticeships and employment, and amount of capital contribution to supporting locally identified community regeneration activity.
- **Perception**: Proportion of residents in priority areas being satisfied or very satisfied with where they live, assessed prior and post regeneration development.

# Strategic Priority 3: PROSPERITY

We will tackle the root causes of poverty by improving access to employment and increasing income levels. We will seek to unlock entrepreneurial talent, re-invest in the local economy, develop skills that are matched to the needs of the local labour market, and develop mechanisms that will support educational achievement and help guard against future poverty risk.

The face of poverty is changing; more than half of people experiencing poverty now live in working households, and families with children are the biggest group. Whilst economic indicators may point to recovery, there is no guarantee that growth will benefit everyone. The UK (and Milton Keynes within that) has a disproportionate reliance on low paid, low skilled jobs and several years of lost ground in wages to make up.

Poverty scars people's short and long term prospects, wasting their talent and potential. It is closely linked to deterioration in physical and mental health and wellbeing, resulting in an increased use of medications and medical services. Add to that the untapped productivity that results from people being out of work and it's clear that poverty prevents the economy from firing on all cylinders<sup>11</sup>.

#### We will:

- Establish interventions that boost resources for low income households, focused on increasing income through access to benefits, access to good<sup>12</sup>, sustainable employment and improving the ability to progress at work for our most excluded communities.
- 2. With an emphasis on priority neighbourhoods, improve the life chances of individuals and their families by working with public and private sector partners to establish mechanisms that support educational achievement and access to opportunities, capitalising on the scale of the regeneration programme and the commissioning power of the Council.
- 3. Jointly establish and deliver services that insure against future poverty, focused on early intervention and locally provided, better coordinated services.
- 4. Work in partnership with the MK Economic Development and Inward Investment functions to develop a framework of activities to link skills provision to the needs of the local labour market.

11 A UK without poverty (published in 2014) by the Joseph Rowntree Foundation .

12 Good employment is defined as a job that is paid at Living Wage and above.



#### **Measured by:**

- **Polarisation**: Proportion of working age residents that are actively seeking employment, and those that are preparing to return to work, in the priority areas and rest of borough.
- **Poverty**: Proportion of working age residents with no qualifications in the priority areas and rest of borough.
- **Resources**: Proportion of working age residents in priority areas accessing support to secure employment.
- **Income**: Proportion of employed residents in the priority areas securing in work progression.

### Delivering the Vision

Our learning and successes over the past five years, together with the Council's commitment to working cooperatively and national best practice, highlights a clear set of principles driving our approach to regeneration delivery in Milton Keynes.

#### Leadership

Milton Keynes Council will positively lead regeneration, taking a clear and consistent position. We will explore and promote ways for local councils to act as a platform for helping the community to contribute to local outcomes.

#### **Social Partnership**

We will develop and strengthen the partnership between residents, communities, enterprises and Councils, sharing resources to build on strengths and avoid duplication, maximising benefits based on a shared sense of responsibility for wellbeing and mutual benefit.







Through a community development approach, we will develop systems that enable residents to be equal partners in the development of their communities and neighbourhoods, and in determining the use of public resources.

### Equity

Using robust evidence we will build on our targeted approach to focus our regeneration efforts on those communities and neighbourhoods that need it most. Success will be defined not only in terms of income and production, but also by the impact made on what matters to the people who live there.

### Local benefit

We are committed to maximising the local benefit from the opportunities generated by the physical regeneration across the city. We will ensure that our major projects deliver improved local social and economic outcomes focusing these benefits on communities and neighbourhoods that need it most.



### Quality

Sustainable regeneration can only be achieved through the highest quality design and delivery. We will deliver the very best quality we can afford across all elements of regeneration, whilst ensuring the end result is affordable.

#### Innovation

Where it can increase local benefit we will search for new and improved ways of working, challenging the status quo. We will position Milton Keynes in such a way that it opens up access to funding, and we will consider how to make the best use of our land, property and intellectual assets to leverage in additional resource in pursuit of our shared regeneration goals.

Supporting our delivery principles and driving progress to achieve our 2030 vision are key implementation tools.

# Delivering the Vision



# Regeneration Business and Action Plans

Regeneration Business and Actions Plans are the building blocks to the achievement of our 15 year strategy. They will set out a clear delivery programme every five years, with detailed annual plans outlining work to be undertaken during that time. Under each strategic priority they will include:

- The issue being addressed and outcome we are seeking to achieve.
- The proposed solutions and resultant activities.
- Specific and readily measurable performance indicators to demonstrate overall impact of the activity and contribution to the strategic priority and overall vision.



This approach allows for flexibility of delivery, and an ability to adapt to both local and national changes and arising opportunities during the lifetime of this strategy.

A formal governance structure will be established, integrating planning for regeneration with the Council's own planning process, to enable full stakeholder discussion and democratic accountability in the decision making process.

#### **Performance Management**

A basket of performance indicators will be established at a strategic and neighbourhood level, building on those detailed in this strategy, ensuring what we measure reflects progress against what matters. Monitoring and reporting our performance against the action plans will take place through Operational Board meetings and reported annually.

### **Programme Management**

The Council has a robust project and programme management methodology which will be followed by all major projects and programmes. The approach will ensure that programmes and associated projects are quality assured, with a clear gateway process that will provide challenge, and check projects and programmes are:

- Aligned to deliver the regeneration vision and contribute to the strategic priorities of People, Place and Prosperity.
- Working within the framework of the established regeneration delivery principles.
- Firmly rooted in good governance to manage and mitigate risk and ensure appropriate accountability.
- Managed in terms of budgets and expenditure.
- Appropriate and robust in achieving the required outcomes.
- Clearly and appropriately communicated to all key stakeholders.

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# National Policy and Guidance

#### **Localism Act**

The Localism Act was passed in 2011 and devolves greater power to local councils and neighbourhoods. It gives new freedoms and flexibilities for local government, new rights and powers for communities and individuals, reform to make the planning system more democratic and more effective and reform to ensure that decisions about housing are taken locally. This decentralised approach includes the introduction of neighbourhood development plans as a tool to enable communities to prepare a plan for guiding the future development, regeneration and conservation of their area.

#### **National Planning and Policy Framework**

Planning law requires that applications for planning permission must be determined in accordance with the local authority's development plan, unless material considerations indicate otherwise. The Government's National Planning Policy Framework (published in 2012) must also be taken into account in the preparation of local and neighbourhood plans, and is a material consideration in planning decisions. Informed by George Clarke, the Government's Independent Empty Homes Advisor, a Ministerial Statement was published in 2013 recommending that for housing regeneration areas refurbishing and upgrading existing homes should always be the first and preferred option, and that demolition should always be the last option. This is reinforced by the HCA 2015-18 Affordable Homes Prospectus.

#### **Child Poverty Act**

Passed in 2010, this commits the Government to the eradication of child poverty by 2020 with 4 key targets for families with dependent children: reduction in relative poverty, reduction in low income, reduction in persistent poverty and reduction in absolute poverty. The Act requires Local Authority's to work with relevant agencies to tackle child poverty. In MK a child poverty commission was undertaken in 2012. Its recommendations fell into 2 broad headings: poverty reduction with a strong focus on employment, and poverty prevention with a strong focus on education.

This view is supported by an evidence review of the drivers of child poverty carried out by the Department of Work and Pensions in February 2014. It concluded that the key factor for child poverty now is parental worklessness and low earnings, and the most influential factor of a poor child growing up to be a poor adult is child educational attainment.

#### Welfare Reform Act

The Welfare Reform Act 2012 introduced a wide range of reforms that are aimed at making the benefits and tax credits systems fairer and simpler. Of particular note is the introduction of Universal Credit (UC). UC is a new benefit which aims to make work pay by helping claimants and their families to become more independent. UC will provide a single streamlined payment to those claiming benefits, with a total benefit cap set at £26,000 (to include housing benefit payments).

Approximately 13,000 MK residents, who are currently claiming housing benefit and are working age, will eventually be transferred to UC. The first claims will be made in November 2015. Our estimate is that by the end of 2019 approximately 6,200 Housing Benefit claimants will have transferred to Universal Credit.



The Government's estimate is currently much higher placing the figure closer to 11,800. However, it will not be until sometime after 2020 that all working age people who need help with paying their rent are moved onto the new benefit.

#### Poverty

'A UK Without Poverty', a paper written by the Joseph Rowntree Foundation, a UK-wide research and development charity focused on poverty and inequality, concluded that to reduce poverty, no single response will succeed on its own. They advocate the development of a UK wide comprehensive strategy focused on Pockets – the resources available to households, Prospects – people's life chances, Prevention – stopping people falling into poverty in particular child educational attainment, and Places – where people live, their homes and communities.

#### **Fuel Poverty**

The Hills review of fuel poverty, commissioned in March 2011 by the Secretary of State for Energy and Climate change, concluded that the primary drivers, and the focus of interventions, are low income and high costs, with costs influenced by dwelling characteristics, household characteristics and the prices paid for energy.

#### **Community Development**

'The Estate We're In', a 2014 report from Policy Exchange, a leading public services think tank, uses case studies to extract best practice and key lessons in how to turn around the worst housing estates. They concluded that leaders should be local, interventions should be local, local people should be part of the solution, existing resources should be better deployed, interventions should be underpinned by good intelligence and agencies must work collaboratively.

#### Public Services (Social Value) Act

The Public Services Act 2012 sets out how housing associations and local authorities have a duty to consider social value. Under the terms of the Act, all public bodies in England and Wales are required to consider how the services they commission and procure might improve the economic, social and environmental wellbeing of the area.



# "All this will not be finished in the first 100 days. Nor will it be finished in the first 1000 days, nor in the life of this administration, nor even perhaps in our lifetime on this planet. But let us begin."

John F. Kennedy Inaugural Address: 20 January 1961

Visit us online: www.milton-keynes.gov.uk/regeneration

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