

# Milton Keynes Strategy for 2050 Strategic Implications of the Covid-19 Pandemic

Milton Keynes Council is seeking your thoughts about how the Covid-19 pandemic might impact on its draft <u>Strategy for 2050</u><sup>1</sup>. This is not a formal consultation but an opportunity for you to share your views on these issues. We have included some questions below which may help to frame your thoughts.

The Strategy for 2050 is intended to provide a long-term flexible framework that allows for uncertainty and new situations. This was also the approach of the original 1970 Plan for Milton Keynes that has stood the city in good stead through major economic, social and technological change. In the light of the possible implications of Covid-19, the strategy needs to have long-term relevance and maintain a focus on the important issues that have already shaped our thinking, such as the climate emergency and the need for growth that benefits everybody in Milton Keynes.

In line with the content of our draft strategy we are especially interested in the following questions:

- 1) What might the impacts of Covid-19 be on our economy and work life? How might it affect CMK and our other town centres?
- 2) How might Covid-19 change the way we travel in Milton Keynes? Do you think people will be more interested in walking or cycling to work in the future, or perhaps commuting less often if they are able to work from home?
- 3) How might Covid-19 change the way we live? How might we help communities and places to be more adaptable, or to be more resilient in the face of future pandemics?
- 4) Has Covid-19 changed what you value most about living in Milton Keynes and are there long term lessons that can be learnt from this?

Covid-19 has led to significant disruption in our lives. But we are also keen to hear about potential opportunities and where existing or proposed policies and approaches have become even more important.

To aid thinking we have produced the attached note that brings together information and opinion from a variety of sources. It is not intended as a Milton Keynes Council view but as part of a conversation about how the Strategy for 2050 might respond to Covid-19. The note focuses on the main policy areas of the Strategy for 2050 (the economy, housing and mobility), and considers immediate 'crisis' impacts and those that might emerge over the long-term. The long-term impacts are the main area of interest for the Strategy for 2050 but we have included short-term impacts to help thinking about what might emerge as long-term trends.

We received hundreds of helpful responses to the draft Strategy for 2050 during the engagement that ran from 20 January to 22 May 2020. If you responded there is no need to repeat the comments you made at that stage as we want people to focus now on Covid-19 issues. We will review all responses in developing a revised Strategy for 2050 which will be published for a final round of comments later this year.

Responses should be sent by email to MKFutures@milton-keynes.gov.uk or in writing to MK Futures Team, Milton Keynes Council, Civic, 1 Saxon Gate East, Central Milton Keynes, MK9 3EJ by Friday 17 July 2020.

<sup>&</sup>lt;sup>1</sup> The Strategy for 2050 Engagement Draft (January 2020) is available at <a href="www.mkfutures2050.com">www.mkfutures2050.com</a> with other background evidence documents also available on that website.

## **Economy**

## 2020-21 crisis years

- The economic recession triggered by the Covid-19 pandemic will be severe. Milton Keynes is in the mid-range for affected economies in the South East Midlands Local Enterprise Partnership (SEMLEP) area but all economies will experience severe impacts. The Bank of England (7 May 2020) has warned that UK GDP could shrink by 14% for 2020. Major increases in bankruptcy, unemployment, underemployment and working poverty are likely and will have huge impacts on people's quality of life. There has been an immediate emphasis on supporting people and ensuring employment. Established charities have come under financial pressure through reduced donations and fund-raising ability.
- Analysis by Centre for Cities<sup>2</sup> identifies MK as having a relatively high proportion of jobs in "very vulnerable" or "vulnerable" sectors (MK = 43.6%, national = 40.2%). The "very vulnerable" sectors are:
  - Wholesale and Retail Trade;
  - Repair of Motor Vehicles And Motorcycles
  - Accommodation
  - Arts, Entertainment and Recreation
  - Other Service Activities
- Government imposed restrictions on specific businesses impact mainly on the retail, tourism and leisure sector. The existing trends towards online shopping and increased home working will be accelerated and in combination with economic recession will impact heavily on retail. Local grocery shopping has benefitted from renewed interest in local, non-supermarket options. In Milton Keynes, as in many other cities, these changes are likely to have significant impacts upon our city centre and our town centres.
- The housing crisis was already having a significant impact on people's lives. Covid-19 will make the situation even more difficult as housebuilding rates will be well below levels of need for the immediate future. A national policy focus on stimulating house building and house sales is likely. Central government and private sector infrastructure investment will be geared towards stimulating economic activity. Truly affordable housing will likely be in even greater demand as the recession causes hardship for many citizens.
- The recession will not just impact firms that were weak many 'good' firms will also be impacted due to social distancing and other constraints. Changes in business models (eg. wholesalers moving from retail to home delivery) means some jobs may not return. Economic recovery plans may focus on desirable changes such as promoting a 'Green Economic Recovery'.
- Increased home working will reduce the demand for office space and car parking during the immediate crisis and for some time beyond.
- Reliable and high capacity broadband infrastructure has been critical to enable remote meetings, virtual family gatherings, 'live' school lessons and university lectures, and essential online shopping.

<sup>&</sup>lt;sup>2</sup> https://www.centreforcities.org/blog/what-does-the-covid-19-crisis-mean-for-the-economies-of-british-cities-and-large-towns/

#### 2025 onwards

- Despite the likely scale of the recession, the Bank of England (7 May 2020) has predicted that the economy will bounce back relatively rapidly by 2022 but concedes that this is difficult to quantify.
- The demand for good quality, affordable housing will remain but it is difficult to predict how long it will take for housebuilding to recover to target levels. There is likely to be increased interest in Milton Keynes and other areas about how the council can play a greater role in house-building.
- Existing trends such as increasing on-line shopping and shop closures that were already impacting on high streets nationally will be accelerated. This emphasises the need for approaches that improve the attractiveness and diversity of high streets and city centres. In time, more affordable rents could attract a greater variety of people, ideas, and companies to centres. This may be particularly beneficial to CMK as an opportunity to increase the presence of independent shops and leisure and to support the wider cultural offer across the city.
- There will be lasting interest in remote working to some extent but for many it will not be possible as their jobs cannot be done from home, they may lack suitable space and working alone may present specific challenges. International research published by University of Cambridge shows the share of tasks that can be done from home varies considerably by sector from 17% for 'Food Preparation and Serving' to 64% for 'Business and Financial Operations'. More remote working will reduce demand for office space and car parking but it is difficult to predict the scale and length of this trend.
- The aspects that make city centres good places to do business such as being close to other businesses,
  opportunities to share ideas, and access to services and facilities will continue to attract companies to locate in
  city centres. MK could become a new investment focus for firms moving out of London or looking for locations for
  satellite offices as it avoids people commuting by train, is cheaper, and is still close enough to London for when
  face-to-face meetings are necessary.
- In recognition of their important economic and community roles there will be a greater focus on attracting key workers and training local people in areas such as teaching, health and social care. Providing affordable homes will also help grow the local pool of key workers.
- International supply chains will be impacted. Moves away from just-in-time approaches to resilience and stockpiling that can help businesses cope with interruptions to the movement of goods and equipment will have implications for the logistics sector and storage requirements.
- Excellent internet and communications infrastructure is required for homeworking and many new business and service models and will provide places with a competitive economic advantage over towns and cities with poorer provision. Gigabit fibre is being rolled out across MK and similar levels of provision will be required in all types of new development.

## **Mobility**

## 2020-21 crisis years

- Major reductions arise in car use, parking and congestion due to home working, social distancing and restrictions
  on gatherings. Increases in journeys by home shopping, takeaway and other delivery services. In Milton Keynes the
  Starship robot delivery service has expanded.
- In the short term, confidence around using public transport is affected and many people switch to a transport mode that reduces the risk of infection. People who own their own car may use it more, while those who previously relied on public transport might, where they are able, switch to another mode such as cycling or walking. Public transport providers take steps to make travel safer through additional cleaning, sanitising, using contactless payments and social distancing measures. The long-term sustainability of bus services on some routes may be undermined by the immediate loss of fare income.
- More attention focused on walking and cycling and the potential of "micro-mobility" such as e- scooters. More
  people are walking and cycling for journeys that may previously been done by car and may be interested in
  sustaining these new habits.

#### 2025 onwards

- Firms which can function effectively with a remote workforce may close offices or reduce the space they use to save costs, whilst many commuters will be reluctant to resume that lifestyle. Flexibility around travel times and fewer people travelling overall will reduce peak hour congestion and push the point of 'grid lock' crisis further into the future.
- Use of public transport may well rebound for the reasons it existed in the first place. The incidence of Covid-19 does not change the fact that (a) a significant proportion of MK's population have no alternatives to using public transport, and (b) there is not enough road space in and through MK to accommodate long-term unrestricted growth in individual vehicles. Public transit systems are therefore likely to remain an important element of long-term mobility strategies.
- On demand and shared mobility services using smaller vehicles (such as the Via Van service in MK) may be more
  attractive and flexible investments for mobility providers facing uncertainty, including bus operators.
- Measures that support walking and cycling may be continued if they promote improved health and reduce
  pollution. Greater emphasis on creating places that support walking and cycling, including giving priority over cars
  at points of potential conflict and responding to more active commuting by providing showers and better cycle
  storage at both ends of the journey work and home. Investment prioritised in MK's Redway/cycling infrastructure
  to support increased use of these networks.
- Electric mobility will increase in popularity, including electric cycles, if air pollution is a contributory factor in Covid-19 deaths. Social distancing anxiety may lead to more rapid growth of the market for individual mobility modes such as autonomous vehicles and micro-mobility.

## **Homes and Places**

#### 2020-21 crisis years

- In the extreme Covid-19 lockdown situation, staying at home is harder for people in poor quality or overcrowded housing. Extended quarantine will have a detrimental effect on the mental health of the population; this may create both positive opportunities (e.g. closer family connections, stronger friendships) and negative reactions (for example, strained relationships, domestic abuse). Novel solutions to combatting boredom and social isolation emerge.
- Demand for housing remains but priorities may change. The increase in home working could change the location
  and types of properties that people choose as they look to strike a new balance between more living space and
  easy access to work and amenities.
- Lockdown has led to some concealed households (for example, those sofa surfing) finding themselves in crisis as
  their current living arrangements have become untenable. As the ban on evictions is lifted and the country enters
  economic crisis, there is a real risk that many more citizens will find themselves homeless and in need of good
  quality, affordable housing
- Increased use of shared green spaces for exercise and pleasure. An increased focus on the importance of 'personal health' both in terms of building physical activity into daily life for all ages and the importance of being outdoors and engaging in social interaction to benefit mental wellbeing.
- Major short-term reduction in air pollution and greenhouse gases. Some risk that the urgent focus on economic recovery impacts on efforts to pursue long-term strategies for carbon reduction and social inclusion.
- Community cohesion increases as people establish community groups to support each other but community tensions may also increase between groups which have been impacted differently by the crisis and the economic recession.

#### 2025 onwards

- Greater priority placed on providing affordable homes for key workers and transport options that provide affordable access to hospitals, schools and care settings.
- More emphasis on bringing access to open spaces, water, woodland and parks into the heart of how we plan cities
  and places so that more people can benefit from them. A more holistic approach that combines grey, green and
  blue infrastructure supports better health, better water management and climate adaptation and mitigation
  strategies. This is something that Milton Keynes has historically been successful at achieving.
- Covid-19 has raised questions about healthy density and the risk of confusing density and overcrowding in
  discussions on housing and public health. Density is a major part of why cities work in the first place as economic
  and cultural powerhouses and makes service provision more efficient. But it needs to be well designed to avoid
  overcrowding, with contagious diseases understood to be spread more rapidly in overcrowded contexts. Housing,
  and the streets, spaces and landscape around those homes, must provide the people who live there with a
  good quality of life.
- Adapting existing and designing new communities with strong place-making principles that help to improve
  physical and mental health, including having local social infrastructure and high quality open space near to homes.

Increased focus on the role of urban design to promote health, fitness and hygiene. Fitter, less overweight people are less at risk from all sorts of diseases, particularly respiratory ones.

- Supporting home working and home learning by providing local services that can be accessed within a short walk.
   With the changes in retailing already happening, this has significant implications for high streets and local centres.
   Opportunities for positive responses include flexible ground floor units in local centres and high streets and a more diverse mix of uses in the 'suburbs'. Potential for a resurgence of the local high street and independent shops.
- Development models will need to incorporate commercial spaces in buildings or within a 10 to 15-minute walk or cycle ride from most homes.
- Future homes will need to provide flexible space to accommodate home working (for those who are able to work remotely) and remote learning with access to good-quality natural light throughout the day and better soundproofing between walls (and traffic).
- A society that spends more time at home during the working week raises questions about the carbon efficiency of homes and fuel poverty if we need to heat our homes more during the day in the winter.
- Spending less time being in the same room as work colleagues, we will look to find connection in our immediate
  communities. New community strength will come from our ability to foster local networks in shared spaces and
  engage in collective activities that help us develop our sense of belonging and community identity. Food security
  concerns will prompt increased interest in home and local community vegetable growing.