

5. Economic Strategy & Quality of Place

5.1 In the *Centre for Cities Outlook 2012*, Milton Keynes is identified as one of five cities to watch:

Cities such as Milton Keynes and Aberdeen are well placed to drive the national economic recovery in this difficult economic climate. This is because of their high numbers of business start-ups, high percentage of knowledge workers and more innovative economies.

The Economy of Milton Keynes

5.2 Data from the *Centre for Cities Outlook 2012* indicate that the MK local economy was robust during a period of national economic difficulty.

5.3 The annual population growth rate of Milton Keynes from 2001 to 2011 remains the highest in the country (with Peterborough and Swindon close to MK's rate of 1.6%): this has been the case since the early 1970's and is predicted to continue.

5.4 Although the housing stock from 2010 to 2011 increased by only 1,290 dwellings, rating MK 40/63, the rate of increase of 1.3% was the highest in the UK.

5.5 Business start-ups per 100,000 population in Milton Keynes remain high, with MK ranked 4th in the UK, only behind London, Aberdeen and Reading. With patents running at 6.4 per 100,000 population from 2010 to 2011 (national average 4.1) MK is rated 11th nationally, or 4th after Oxford, Cambridge and Aldershot in the Greater South East.

5.6 The employment rate for MK from 2010 to 2011 was 74.4% (national average 70.1%) which placed the city 6th out of the 18 cities in the Greater South East. Whilst the UK private sector employment rate declined by 1.4% from 2009 to 2010, the rate for MK increased by 0.7% rating it 8th out of 18 in the Greater South East.

5.7 The ratio of private to public sector employment rates MK 5th out of the 63 cities in the UK.

5.8 The growth in average weekly earnings from 2010 to 2011 was £22 at 2010 prices, rating MK 1st out of the 64 cities in the UK.

The Economy of CMK

5.9 There is little data for the economy for the city centre, let alone data comparing it with other city centres.

5.10 However, employment figures by sector in 2011 are available (*Local Economic Assessment*, MK Council, March 2013) – see Table 2.

5.11 CMK is by far the largest employment area in Milton Keynes. Its economic health has a significant impact on the city and the region. It is the focus of employment growth in Milton Keynes.

5.12 Whilst office based jobs comprise by far the largest percentage of jobs in CMK, other sectors are significant and should not be ignored in planning for the future, especially the retail sector.

Industry	Workers	%
Professional, scientific & technical	6100	17.84
Retail	5600	16.37
Business administration & support services	5400	15.79
Financial & insurance	4100	11.99
Information & communication	2800	8.19
Accommodation & food services	2700	7.89
Transport & storage	2300	6.73
Public administration & defence	1900	5.56
Arts, entertainment, recreation	1500	4.39
Health	600	1.75
Property	500	1.46
Wholesale and Motor trades		0.88
Construction	200	0.58
Education	200	0.58
Total	34,200	100.00

Table 2: CMK Employment by Sector, 2011⁹

⁹ Source: ONS - Business Register and Employment Survey

5.13 This economic success is a tribute to the original master plan of Milton Keynes and to the energy and creativity of those who have chosen to live and work here. The following factors have been particularly important:

- » **Accessibility:** Milton Keynes is both well placed between London and Birmingham, Oxford and Cambridge, and its grid road network make it the most accessible city by car in the UK;
- » **Investment:** the creation of a publicly funded infrastructure for the city created a framework within which private sector investment has flourished;
- » **A distinctive place:** the unconventional grid layout and extensive landscaping provide a convenience and quality of life that attracts both investment and workers;
- » **A pioneering spirit:** the new city has attracted people of energy, creativity and aspiration, helping to build an open, engaged and collaborative society;

- » **A strong community and voluntary sector:** for a new place, voluntary organisations have been established in unusually large numbers, helping build communities and teaching new skills; and
- » **Public and private partnership:** a history from the early days of close working between the two sectors.

5.14 The six priorities of the Milton Keynes Council's *Economic Development Strategy 2011* are:

- » **Diverse and competitive knowledge based economy:** Create an environment that will foster business and employment growth within a diverse, more knowledge based and competitive economy by encouraging innovation, enterprise and skills improvement;
- » **Economic regeneration:** Improve access to training and job opportunities, especially for those with no skills or low skill levels, to provide greater opportunities for individuals to obtain sustainable employment;

- » **Skills and learning:** Improve the overall skills and qualifications profile of the resident population through education and training provision, to ensure that the skills of the resident population are able to meet the needs of employers, especially in relation to higher level skills and the development of the University Centre Milton Keynes;
- » **Articulating a compelling MK Offer**
Promote Milton Keynes as a premier location for inward investment and as a visitor destination;
- » **Business support:** Encourage business growth through focused interventions such as support for innovation, assistance for start-ups and ensuring an appropriate range of commercial space is available; and
- » **Enabling infrastructure:** Create, maintain and improve the appropriate infrastructure for growth, especially in relation to transport and digital infrastructure.

5.15 The *CMK Alliance Plan* is focused on these priorities.¹⁰

Quality of Place

5.16 A 2010⁹ study by the London School of Economics identified a strong link between skilled workers and attractive, distinctive cities. The study found that:

Human capital, quality of life and quality of place agendas have merged with the knowledge economy agenda.... Superior quality of life has acted as a magnet for attracting international talent and innovative companies.

5.17 CMK has a strong identify or 'brand' as a place, and the *CMKAP* recognises and supports CMK's unique public realm as a key way to differentiate our city from others.

5.18 The investment potential of almost 50 hectares (120 acres) of land in CMK will be promoted by re-establishing a clear framework for further development. The indicative proposed land uses favour investment in offices, retail and leisure, generating a mix of employment opportunities for both high and low-skilled workers. The Plan places these employment opportunities in the context of a rich and diverse offer of cultural, community and sports provision, attractive to employers and employees alike.

¹⁰ http://aws1.cloud.globalmetrosummit.net/media/nue/2010_NUE_PolicyLessons_gmm.pdf