Fox Land and Property

Written Submissions to the Hearing of the Independent Examinations of the Milton Keynes Core Strategy DPD

Matter 7: Other Areas of Change (Policy CS8 & Table 5.7) Sustainable Construction, Community Energy Networks and Renewable Energy (Policies CS 14-15)
Introduction

These submissions have been prepared by Fox Land and Property on behalf of the Bow Brickhill Consortium. They do not replicate our written submission provided for the Core Strategy Consultation during the period 6th October to 17th November 2010.

Matters 7: Other Areas of Change (Policy CS8 & Table 5.7) Sustainable Construction, Community Energy Networks and Renewable Energy (Policies CS 14 -15)

7.1 Having regard to the scale of growth expected in the other Areas of Change, does Policy CS8 give sufficient guidance about the planning priorities for them?

7.1.1 Policy CS8 is predicated on a housing target of ‘At least 29,000 new Homes’ (which statement in itself is inconsistent with the housing supply provision of 28,000). Should the extent housing requirement housing target of 25,063 be based on either the RS requirement (28,210) or the SHMA (47,124), to leave such housing provision to be dealt with either by Development Frameworks, Site Allocations DPD or through an immediate review of the CS is at odds with sound planning.

7.1.2 The proper policy approach is to react to small changes in housing supply based on change in local circumstances. This Policy could quickly become the guiding instrument in identifying land to deliver a further 22,061 homes.

7.1.3 In Paragraph 8.9 the CS appears at odds with the process provided in the statement of identifying new sites that should be prioritised to support the objectives in Policy CS8. The locations for taking the growth are finite. If there is a serious shortfall in the number of houses required to meet both the housing need and economic growth of the City then new locations will be required, and these will be provided solely by those listed as priorities in the Policy.

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1 Policy CS8: First sentence
2 MK Assessment of 5 yr Land supply 2012-17: Table 1
3 2065 dwellings pa * 14
4 3,366 dwellings pa *14
7.2 Are the interrelationships between these areas and the proposals for Central Milton Keynes and the Strategic Land Allocation properly considered?

7.2.1 There is no mention of how the SLA will be integrated in the City and more particularly to the Central Milton Keynes District (CMK). CMK is very much seen as an economic hub with its own characteristics far different than the housing growth in the remaining areas of the urban area.

7.2.2 There is a focus within Policy CS7 that CMK is acting as both regional centre and a district centre for surrounding estates. Its role for the remaining area and new areas of growth is largely ignored.

7.2.3 Is this important in considering the integration of the Strategic Land Allocation (SLA) and the additional areas of growth to meet the anticipated housing need? Absolutely. Without considering such matters as

- Transport links/Journey times to the City Centre
- Non-transport links
- Likely employment opportunities to the new residents as a result of CMK expansion as a regional centre

It will undermine any sustainability appraisal as to whether the SLA or indeed any other areas of growth can integrate into the CMK dominate commercial quarter.

7.2.4 This is important consideration as the SLA is located on the fringes of the City.

7.3 Having regard to Policies CS4 and CS8, should the priorities for Bletchley and Wolverton town centres be set out more clearly in the Core Strategy? Is it appropriate that the development management policies DPD should set out priorities for the key centres (reference to Core Strategy paragraph 8.8)?

7.3.1 The priorities set out in the frameworks for the existing town centres should be viewed as aspirations to see redevelopment rather than any reality that a holistic regeneration will occur.

7.3.2 The achievement of the schemes rely on Private investment at a time where there is little appetite to take on such risks both for new housing, retail or commercial. There

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5 Policy CS7 Objectives 3 & 5
is no programme of delivery of the public spaces, from where is the public investment required likely to become available and when.

7.3.3 This dilemma is repeated nationally\(^6\) and without the public intervention to act as a catalyst the frameworks referred to are unlikely to make that step change needed to revitalise those town centres.

7.3.4 Thus what should have been set out more clearly is the strategy and measures that would be undertaken to obtain the investment required and measures to possibly seek powers of compulsion where there are unwilling participants. One example, is the proposals for the Crossways Interchange\(^7\). This requires realignment of the public highway which could lead to ownership issues, the involvement of Network Rail and the substantial costs associated with demolition, new road construction, new public square and an underground concourse. With no public funding there has been no financial assessment as to whether the proposed houses and offices could create sufficient value to ensure the scheme is viable and (if it could) the timing of its delivery.

7.3.5 The previous matters have alluded to the difficulties in respect to viability and deliverability within town centres for housing schemes (by virtue that these will mainly be both brownfield sites and for of apartment schemes) and, in this case, having the massive additional financial burden of creating a new public realm. As such housing supply identified from this source needs to be treated with very significant caution.

7.3.6 It is clear from what has been delivered that are the more readily straightforward sites. For example, in Wolverton recent completions (or committed extant supply) relates to sites such as the former Radcliffe School and Playing Fields.

7.3.7 The issues relating to anticipating dwelling supplies is further reflected in the difference from the 2009 SHLAA to the extant planning permission. Again, for example the West End Wolverton Development was due to provide 466 Homes (Ref: MK 172). The Council has confirmed the final projection is for 398 dwellings; another case where there has been an over estimate of 15%

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\(^6\) For instance the Canvey Island Town Centre Regeneration June 2006 with still no real prospect of delivery.

\(^7\) Central Bletchley Regeneration Framework Chapter 9: 13 Crossways Interchange p27
7.3.8 There is a clear need to reappraise what is actually possible and how a framework can support development that could come forward in an ad-hoc basis but consistent with the overall vision.

7.4 With reference to Policy CS 14, are the standards for sustainable construction in the respective areas of the Borough and in conversion/alteration of existing buildings justified and deliverable and in keeping with national policy? What would be required to demonstrate technical and financial non-viability?

7.4.1 The way in which the policy is worded would deter all but the most experienced developer from renovating any existing dwelling. The expectation is to attain sustainable code 4. There is no specific guidance as to what would constitute a relaxation to the Policy if the required solution is unviable.

7.4.2 The principle on all these matters is that any house could be made to achieve code 4 but at a cost. Retrofitting houses for renewable energy production or solutions for increasing the required energy efficiency of the building fabric are prohibitively expensive as compared to a new home.

7.4.3 The policy should have sought to clarify at what point compliance to Code 4 would be unacceptable in viability terms.

7.4.4 A way in which guidance may have been achieved is by reference to a cost increase percentage above the standard anticipated build cost. Such a mechanism has been suggested for the implementation of Sustainable Urban Drainage System Consultation by Defra and would appear to be a sensible way forward.

7.4.5 Notwithstanding the above comments the only certain way of having the ability to meet the reduction in carbon footprint for the whole Borough is greater support for more strategic housing sites. The Bow Brickhill Masterplan document alludes to the potential for greater improvements in sustainable construction which would compensate the reduction in code 4 targets not being achieved on existing homes that cannot meet the test of viability.

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8 DEFRA Consultation on National Building Standards for Suds Annex A Dec 11: Paragraph 2.3 Affordability
9 Submitted with Matter 2 & Matter 6
7.5 Can financial contributions be expected to the carbon offset fund, given the statutory tests that apply to planning obligations?

7.5.1 The principle of the fund appears highly irregular and questionable as to whether it previously complied with circular 5/2005 or indeed now Paragraph 204 of The Framework. We are aware the Council themselves has sought recent legal advice subsequent to the Policy being adopted in April 2007 as part of a wider Sustainable Construction Guide SPD\(^{10}\) on whether the Council could continue to collect payments into the fund as legitimate against the new CIL regulations but will not be available until after the matter submissions.

7.5.2 With reference to Paragraph 204 a view could be expressed that the Councils’ Carbon Fund does not appear to meet the test in that such a Carbon Fund Policy as it:

- Only becomes necessary as a Developer can choose not to meet the impact of a particular schemes impact by payment in to the fund.
- Allows a cost contribution to be used anywhere in the Borough towards insulating unrelated dwellings not forming part of the planning permission.

7.5.3 The starting principle must be that new major housing developments, unless viability issues are proven that a scheme would not otherwise be deliverable, then the national policy requirement for a reduction in carbon footprint is met.

7.5.4 This is at odds with the fact that any new construction projects is more likely to be more cost efficient. What the fund does is then offers support to more costly retrospective improvements to existing homes, where in Milton Keynes 5,000 homes have been insulated\(^ {11}\). This does not appear to be the right approach.

7.5.5 There is now an opportunity to use the New Homes Bonus (NHB) which is created by new housing development to supplement the Carbon Fund in a very transparent way and in accordance with the national policy principles. As such, the CS could be amended where the NHB can be directed to new developments that are struggling with viability to meet the target and to improve the existing housing stock by way of grants from the fund.

7.5.6 The Bow Brickhill Consortium fully support this commitment and is reflected within our Masterplan Document

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\(^ {10}\) MKC Core Strategy Document LP9  
\(^ {11}\) Mk Webpage: Milton Keynes Low Carbon Living
7.6  **Are the requirements of Policy CS15 justified by substantive evidence of technical and financial feasibility?**

7.6.1  The short answer is that there is a serious lack of technical work or cost analysis to suggest that such a policy can reasonably be met by major developments of more than 100 homes. This type of technology is best suited to developments which have a high and constant demand for thermal energy allowing the CHP engines to operate at maximum efficiency for as long as possible throughout the year. Ideal situations include mixed development sites with over 400 domestic dwellings and those including leisure centres with swimming pools, hospitals or hotels, but a full financial appraisal would be required to assess the viability of such a scheme.

7.6.2  This Policy is predicated on the applicant having to justify that such a community energy network or a large scale renewable energy schemes is not viable or practical from a position of little guidance as to what constitutes proof that such a scheme cannot be implemented.

7.6.3  The logic in having a Policy is questioned as to whether this is the right approach to elevate the sustainability of new developments. It may also be at odds with emerging central government policies or changes in statutory building requirements which are evolving every year. Such a Policy will quickly become in conflict potentially causing delays to the housing land supply.

7.6.4  A far better approach would be to provide a Best Practice Guidance from current research which identifies potential solutions setting out financial, social and practical issues on providing such community wide methods. Indeed, currently such large scale solutions may not be the most efficient use or resource (including financial and time of implementation) where others systems are deemed more appropriate. By imposing such a Policy such superior methods may be ignored.

7.6.5  Community network approaches and solutions are very varied and effected by:

i)  **Type of Development** – A low density scheme of two/three storey housing will be cost prohibitive for a district heating system whereas for an apartment scheme such network would be more deliverable (requires dual pipe network to each of the properties). Other non district solutions may be more appropriate such as individual combined heat and power plants (Micro CHP)
ii) Concession Issues – The practicalities of running a general community network would undoubtedly require a specific management regime where annual payment collection would be needed and may be difficult on freehold property developments.

iii) Community Issues- If such networks are based on a fixed tariff arrangement (which may be required by the energy provider) there may be little incentive to reduce energy consumption as the cost would be comparable for each of the properties.

iv) Large Heating Requirement facility – Where there is a schools or leisure centre that can take the excess heat than such a district heating facility for a major development would have that additional efficiency than if no source nearby

7.6.6 Other solutions are continually being developed and improved which are not on the large scale schemes as envisaged by the policy. There is a danger these may be overlooked.

7.6.7 From the perspective of the Bow Brickhill Proposals the principle of reducing the level of carbon emissions, increasing the use of renewable energy and the use of local energy networks with building efficiency is very much supported. However the most appropriate solutions for a particular site requires detailed site assessments working in partnership with the Council, energy providers and the community.

7.6.8 For the reasons given above if Policy CS15 remains it should be worded on a far more collaborative basis referring to a ‘Best Practice Guide’ which has been fully researched and has formed part of a separate consultation to ensure elements can be delivered. Otherwise, this Policy could inhibit development, force solutions where there are more efficient and practical alternative methods and fail in the objective.

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12 Bow Brickhill Masterplan Document: Sections 10 & 11