STATEMENT PREPARED BY VAIL WILLIAMS LLP
FOR
SHL HOLDINGS LIMITED (REFERENCE 415008)

WRITTEN RESPONSE TO INSPECTOR’S
MATTERS AND ISSUES FOR THE HEARINGS IN
RELATION TO MAIN MATTER 3: OVERALL HOUSING
PROVISION

MILTON KEYNES BOROUGH COUNCIL CORE
STRATEGY

Ref DRA/LD/JR038639
May 2012
2.0 REPRESENTATIONS

Is the overall housing figure soundly based?

2.1 The Council proposes a housing target of 28,000 dwellings for the period 2006-2026 against a South East Plan requirement of 41,380 dwellings for the same period. The basis for this considerable reduction has been justified in the ‘Core Strategy: Housing Technical Paper (February 2011)’. This has been arrived at following a balancing act between a variety of factors as detailed at paragraph 2.1 of the Housing Technical Paper.

2.2 Given the significant housing need of 16,830 over a 5 year period from 2008, as detailed in Housing Technical Paper, it is unclear how the Council can justify such a significant reduction. The housing transaction figures are compelling (reducing from 700 per month to 300 per month during 2007 and 2009/10 respectively) (paragraph 2.6). However, this is likely to grow again once the market conditions improve. It is difficult to see how a single target of 28,000 as it is based on reduced demand and suppressed house building output can be flexible and responsive to changing market conditions.

2.3 It is clear that the Council has considered economic factors in reaching its revised housing target; however this does not seem to take full account of the suppressed demand in the market place that could be realised if market conditions improved, certainly during the life of the Core Strategy over the next 15 years. It is considered that a flexible target with an upper and lower limit may be more appropriate given the economic climate, which could take the form of 28,000-34,000 (the latter being the remainder of the South East Plan target).
2.4 It is of concern to SHL Holdings that the difference in housing requirements between the South East Plan at 41,360 dwellings and the Milton Keynes Core Strategy at 28,000 dwellings (a difference of 13,360) can be considered in conformity with the South East Plan. This is compounded by the relatively high housing need figures which will undoubtedly increase if sufficient housing is not provided during the plan period.

2.5 Having reviewed the Assessment of Five Year Land Supply (2011-2016) (November 2010) and given the fact that the majority of completions over the next 5 years are anticipated on the larger strategic sites such as the Western Expansion Area, the Council has not adequately justified that the large number of completions per site suggested (for example the delivery of 1,117 houses in Area 10.1-10.3 from 2012/13 to 2016, and Western Expansion Area 11 to deliver 696 dwellings between 2013/14 – 2016 are considered ambitious). It is therefore considered that further work should be undertaken by the Council to support these assumptions. If the assumptions cannot be supported further sites should be allocated in the Core Strategy in order to make up the shortfall.

Rural Housing Targets

2.6 Most of the documents relating to housing do not split the urban and rural housing to capacity sufficiently to allow a detailed critique of sites that could come forward. However, it is noted that the Core Strategy states that against a target of 1,760 for the rural area to 2026, there is currently a deficit of 1,236 dwellings (Table 5.2 of Core Strategy Revised Proposed Submission October 2010). It is clear that without significant allocations which Table 5.2 asserts will be fulfilled by sites allocated in the Site Allocations DPD, (SADPD) the Council will not achieve its rural housing target to 2026. There is further concern in that the
SADPD is not yet drafted and is unlikely to be drafted until 2013 at the earliest - this is likely to further impact on housing delivery resulting in a larger deficit.

2.7 It is therefore apparent that a great deal of work will need to be undertaken in the Site Allocations DPD to review the village envelopes of the rural settlements to include those suitably located sites in sustainable locations to encourage the delivery of rural housing sites. It is not considered that this element of the housing target should be left to chance in the Site Allocations DPD without some idea of where the sites may come from.

*Housing Provision in Rural Areas*

2.8 Given the Council’s assertion that the current housing supply against the rural targets is in deficit by 1,236 against a housing target of 1,760 to 2026, the Core Strategy should pay a higher regard to addressing the deficit of housing land supply in rural areas to ensure that the target is met. It is appreciated that sites will be allocated in a Site Allocations DPD, however the justification for this approach is not clear and nor is the capacity of the rural area to absorb this housing requirement (although a significant number of sites have been identified within the SHLAA).

2.9 Notwithstanding the content of Policies C52 CS9, the aspiration of which is for sites to be allocated within the Site Allocations DPD based on the hierarchy detailed at Table 5.1 (our statement addressing Matter 2 has explained our objection to the hierarchy in respect of the village of Lavendon), it is considered that the Core Strategy is unsound as it does not provide explicit guidance on how the rural housing need will be met in terms of site allocations or even a broad locational strategy. Conversely, the Core Strategy provides...
some detail on how the vast majority of the housing requirement will be met in and around Milton Keynes. It is considered that on this basis the Core Strategy is unsound.

3.0 RECOMMENDATIONS AND CONCLUSIONS

3.1 In summary, SHL Holdings Limited considers that the Core Strategy is unsound due to the significant reduction in the housing target for Milton Keynes Borough as a whole from 41,360 to 28,000 to 2026 and the inflexibility of the proposed housing target (28,000 dwellings), given the variety constraints to housing supply.

3.2 More specifically, SHL Holdings has significant concerns about the methodology and justifications for both the housing figures attributed to the rural area and the lack of direction on proposed developments in the rural area to enable it to meet the target. It is considered that there is a greater potential to address the rural housing need within the existing villages through a review of the existing village envelopes and by allowing suitable sites in sustainable locations to come forward however this is not alluded to in any detail in the Core Strategy. SHL Holdings Limited would not expect a site specific housing strategy for rural areas in this document (given its strategic nature) and more specific guidance is required. Such guidance could be provided by way of the indication of potential housing numbers that could be attributed to the larger, more sustainable settlements or the assertion within Policy CS2 of a more specific policy for the allocation of housing targets to meet local needs in the rural area.
3.3 Based on the above, we consider that the review of village envelopes should be undertaken as part of the Core Strategy in order to determine the strategic locations and capacity of the rural villages and towns to accommodate further dwellings and therefore provide more certainty to the Core Strategy of the deliverability of houses in the rural area.

3.4 It is not considered that the proposed 28,000 dwelling target is sufficiently challenging for Milton Keynes Borough Council to 2026, particularly given the current housing need. Further work is required to justify the significant reduction from the South East Plan target and demonstrate how future needs can be accommodated.

3.5 A range of 28,000-34,000 is considered more appropriate, although the Inspector may wish to consider other figures.

3.6 In SHL Holdings Limited’s opinion, further guidance is required in the Core Strategy in relation to the key settlements that will provide the proposed rural housing target of 1,760 to 2026 and how it is proposed that this will occur.

3.7 Specific investigations should be undertaken by the Council into rural housing need to ensure that this figure is representative of the housing need in the rural area, and either sites allocated accordingly or a more detailed strategy based on targeted settlements should be developed, possibly in conjunction with Policy CS9.