FLP Response to MKC/34

1. The role of a Site Allocations DPD

In responding to Matter 3.3 at the Examination FLP raised major concerns in respect of the unrealistic annual housing rate delivery assumptions that Milton Keynes Council had made regarding the large site allocations at WEA and in Central MK. This will have implications for both the immediate 5 year supply, and at the back end of the plan period towards 2026. The ‘early’ preparation of Site Allocations DPD will assist in addressing the Council’s acknowledged short term supply shortfall of 1,000 dwellings taking account of the NPPF buffer requirements. However, FLP consider that the scale of the shortfall is substantially higher if a realistic view is taken from these two key areas which together are expected to deliver in the order of 11,000 dwellings. FLP calculated in their representations that the ‘shortfall’ of provision (factoring in a 20% buffer) is in fact closer to 3,000 dwellings than the 1,000 dwellings that the Council is suggesting in its proposed rewording of paragraph 3.5.

FLP consider that this unmet major housing requirement would not be readily addressed in a Site Allocations Document without considering one or more additional strategic site options.

Based on the time it has taken to bring forward large sites recently in the Borough (Oakgrove took 8 yrs from release to commence and WEA has not been implemented since Outline Permission was granted in 2007) it would seem appropriate that the Council should therefore consider identifying a further Strategic Allocation now at the same time as smaller scale housing schemes in the Site Allocations DPD (Unless the Inspector recommends the allocation of a further SLA as part of any Core Strategy recommendations).

The reworded Paragraph 5.3 also highlights that the Council believe 1,000 homes supply are immediately available. Even if this is the case (the only evidence provided is the 2010 SHLAA now to be updated) then, taking the current CS proposition of land for 1,750 homes per annum, this only represents less than seven months additional supply in any one year.
2. Is the housing target of 28,000 a maximum figure?

It appears evident from the Council’s preamble wording that the 28,000 homes is intended as a maximum figure within the plan period. There is no reference to a minimum target or any credible attempt to boost significantly the supply of housing.

The additional supply through the DPD Allocation process appears only designed to respond to deficiencies in any one year. It does not represent planning for a situation where a greater total is required due to any unmet housing need. Most other attendees at the hearing believe there is strong evidence to suggest this is the case. Again reference should be made to those studies that supported the South East Plan and the most recent SHMA of 2009.

3. Revised text in paragraphs 5.1 to 5.3 to reflect plan MK and Site Allocations DPD Process

FLP comments on additional paragraph before 5.2:

The Council (Or to be guided by the Inspector) should consider an early release of a Strategic Allocation to ensure that there is sufficient headroom if housing need cannot be met by the currently defined supply and to ensure Paragraph 47 of the NPPF can be adhered to. The Council’s previous position on the DPD Allocation process was one of a complementary supply and not as a buffer, if the larger strategic allocations were delayed (as has happened recently). The suggestion now is to provide an absolute 1,000 homes supply within 5 years. In our opinion this remains overly optimistic.

FLP comments on reworded existing paragraph 5.3:

Following on from the comments regarding paragraph 5.2 the statement within this paragraph that proposals ‘must be robustly evidenced and justified’ supports the concern that such allocation may be just as complex and require thorough examination as with any strategic site allocation.
It is therefore difficult to understand the Council’s position as to how this source of supply will be available as a short term buffer if other existing allocations do not deliver as expected.

The DPD Allocation route to provide the 20% buffer required by NPPF remains uncertain and unproven.

As an alternative approach the Council could consider a strategic site that also would have the potential to be phased with the knowledge of the total scope and capacity that can be provided if required and necessary. A real identifiable buffer. Such sites have already been assessed as sustainable extensions within both the SHLAA and the Sustainability Appraisal. In the medium term they must be capable of delivery at a size 1000-1500 dwellings and comply with the criteria established by the Council, namely being adjoining the urban area and within the Borough boundary. Such an alternative approach could provide new primary school sites, supplemental community/retail/employment and leisure facilities. This is a major benefit of such a strategy as sites emerging through the DPD Allocations process are unlikely to support such provision. The strategic site at Bow Brickhill is one that could be delivered in a logical phased manner, provide the opportunities as described and is available now.

4. Explanation of the proposed level of land to be allocated in the Site Allocations

As highlighted in our submissions to Matter 3 the 20% buffer, as estimated by the Council, is predicated on supply assumptions which we do not support.

Based on our potential delivery analysis of major large site allocations/commitments at WEA and CMK the overall 5 year deliverable supply between 2012-2017 is only 8,034, as opposed to the 9,637 suggested by the Council. By our calculations (which allow for catch up of under delivery between 2010-2012) the required figure to allow for the 20% NPFF Buffer (and so as to ensure

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1 Matter 3: Appendix 7 –FLP Alternative Five Year Land Supply Assessment 2012 –2017
deliverability) even at the arbitrary CS target of 28,000 would be 11,230 homes. Thus, there is a short term shortfall of 3,196 and potentially three times the deficiency on the housing supply.

Even if the DPD allocation route was to provide an additional 1,000 homes this would still leave a shortfall of 2,196 or 69% of the requirement as set against the NPPF Policy.

5. Consolidated Table 17.1 and D1 – Risk of housing coming forward quicker than forecast?

The whole emphasis of the Council on this issue is that an increase in supply, as a result of housing demand, is to be regarded as a negative effect rather than a positive opportunity which supports and drives Milton Keynes economic recovery. This is certainly not the aspiration of SEMLEP\(^2\) of which the Council are a member.

The statement in the 3\(^{rd}\) paragraph is not supported, as it opines that a significant increase in housing completions is viewed by the Council as being likely to have such a significant impact that the CS could not be “tweaked” to accommodate it. The objective of the document, in respect of something as important as housing, must be to seek to properly ensure the plan’s delivery. It is of great concern that the Council consider that “a full review of the plan and a re-assessment of the overall development strategy to accommodate increasing demand for homes”.

This clearly demonstrates that the current CS (even with the proposed level of contingency proposed by a Site Allocations DPD) is not adequate in terms of allocated or indeed reserve land options to accommodate a sustained recovery position in the housing market to meet previously established needs.

Taking a 20% annual increase would take the housing completions to 2,100. Evidence in the South East Plan provided for an annual requirement for 2,068 homes. As such, the increase would be merely reflecting the most relevant housing need projections (notwithstanding the most recent SHMA indicates an annual requirement of 3,366 Homes pa).

\(^2\) SEMLEP – South East Midlands Local Enterprise Partnership’
It is not the meeting of demand that presents the difficulty but the identified 5 years supply would have been exhausted far earlier, requiring the identification of other suitable sites.

It is for this reason that further strategic sites need to be planned for now.

6. **What happens if a lower housing number is delivered in the tariff area?**

This issue has been largely dealt with in our representations on the response to MKC/33. The risks are more acute with the quantum of planned infrastructure being based on the South East Plan predicated growth, with the potential funding gap between when the Tariff payments are collected and projects implemented.