Additional note on the Site Allocations Plan

January 2013

The purpose of the Site Allocations DPD has changed from that originally envisaged in the Revised Proposed Submission Core Strategy (October 2010). The original purpose of the Site Allocations DPD was to allocate additional non-strategic sites to deliver the requirements of the Core Strategy, particularly in the rural area. However, PlanMK is now to be prepared which will effectively replace the Core Strategy and provide an opportunity to make new site allocations to ensure housing requirements can be achieved up to 2031. The role of the Site Allocations DPD as originally envisaged could therefore be incorporated into PlanMK.

However, the Inspector has suggested that to ensure a supply of deliverable housing sites can be maintained, a separate site allocations process should be undertaken to allocate additional, non-strategic sites, deliverable in the short term. These sites would boost flexibility and provide contingency to existing supply. This land will ensure that the Council can maintain a 5-year land supply prior to the adoption of PlanMK, and provide a 20% ‘buffer’ in accordance with the NPPF.

The wording put forward by the Council (MM 12) suggests the figure for the number of homes to be allocated in the Site Allocations DPD would be in the order of 1,000 homes. This position is explained in more detail below. However, the wording has been left sufficiently open for the figure to be a guide based on current land supply intelligence and the need to potentially allocate more, or less land, based on the specific land supply position at the time of preparing the Site Allocations document.

Details of why the Council has suggested the figure of 1,000 homes – covering the whole Borough, including the rural area, are set out below.

Overall land supply (Borough wide)
Working on the assumption that a Site Allocations document would be adopted in 2015, the additional level of land required to ensure a 5 year land supply plus a 20% buffer as of April 2015 has been considered.

Working from current forecast completion rates up to March 2015, these show that as of April 2015 the annualised housing target to deliver 28,000 by 2026 will be 1,811 homes per year (based on actual and forecast completions from April 2010 to March 2015 being 8,083 (on average 1,617 per year). Over 5 years, this represents a requirement to show deliverable land is available for 10,866 homes (1,811 x 6) including a 20% buffer is incorporated.

At this point in time it is forecast the level of supply deliverable in the 5 years from April 2015 will be 9,754 homes (9,722 as shown in the 2012/13 housing trajectory, plus 32 on additionally identified rural sites). This takes into account an ‘optimum bias’ which effectively reduces overall completion rates in the three years immediately after the current 5 year period. Taking into account the full figure assessed as being deliverable on a site by site basis would increase this supply of sites. The Council is therefore being cautious about the level of supply it can demonstrate.

This means that is a shortfall of 1,112 homes on deliverable sites to enable the Council to be able to demonstrate 5 years deliverable supply plus a 20% buffer as
a result of under delivery against the 1,750 average since 2010. This is where the figure of approximately 1,000 homes is derived from.

**Rural area**
The rural land supply figures are included in the overall above conclusions. The figures can be extracted and looked at separately.

Since 2010, the Council has delivered consistently against its rural housing target. Looking back to 2006, delivery in the rural area has exceeded the requirements set out in the South East Plan. Forecasts are for delivery to remain broadly in line with the Core Strategy target to 2015. It is therefore felt that only a 5% buffer in accordance with the NPPF needs to be demonstrated for the rural area – not a 20% buffer.

At April 2015, it is forecast that the residual rural housing requirement will be 1,141 homes by 2026. This is an average of 104 homes per year over the remaining 11 years. Based on the need to provide an additional 5% buffer, this means that as of April 2015 the Council will need to be able to show it has deliverable land for 546 homes (104 x 5.25). Currently, as of April 2015, it is forecast that there will be deliverable land for 352 homes (including the rural windfall allowance. This is based on the 322 identified in the housing trajectory plus 32 additional homes identified in the rural area). This leaves a difference of 194 homes to be identified.

It is land for these 194 homes that the Council believes it should be looking to allocate in the rural area as part of the 1,000 homes (or 1,112 to be specific).

To allocate more homes through a Site Allocations DPD would miss the purpose of the Site Allocations process, which is to provide flexibility and contingency to existing supply.

As it stands land for 547 homes would need to be found to meet the existing rural housing target in the Core Strategy. It is not felt to be appropriate to allocate land for all of these homes through the Site Allocations DPD given the fact that Plan MK will be reconsidering the rural housing target and will provide an opportunity to allocate further land (if it is necessary) to meet a (potentially) revised target.

The purpose of the Site Allocations document is now to provide contingency and flexibility to existing supply though the allocation of small sites that could be bought forward within a short timeframe, not to replace the work of PlanMK, which should also be adopted in 2015, but in all likelihood not before any Site Allocations document will be produced and allocated. This purpose is reflected elsewhere in suggested changes.