# **Topic paper: Housing land supply**

# (also covering site selection)

### 1) Introduction

1.1. The aim of this topic paper is to examine each element of the Plan:MK housing land supply, discussing why the Plan:MK approach represents an appropriate strategy, taking into account the reasonable alternatives.

1.2. A final section then discusses options for addressing any shortfall in supply that might be identified through the examination (as a result of supply figures being reduced, or need figures being increased), and in doing so presents a discussion of the Plan:MK site selection methodology.

1.3. The discussion within this topic paper takes into account analysis presented within the Strategic Housing Land Availability Assessment (SHLAA; 2017), Sustainability Appraisal (SA) Report (2017) and other evidence-base documents, as well as consultation responses / representations received.

#### Structure of this topic paper

1.4. This topic paper is structured as follows -

- Sections 2 to 8 consider each of the elements of housing land supply.
- Section 9 considers **options** potentially available for addressing any identified shortfall in supply, and in doing so presents a discussion of the Plan:MK **site selection methodology**.

#### Scope of this topic paper

1.5. The aim of this topic paper is to focus on certain headline strategic matters. Outside the scope of this topic paper is detailed discussion regarding the number of homes that it is safe to assume will be delivered at individual non-strategic sites contributing to the housing land supply.

### 2) Completions

2.1. The first row within Table 4.3 of Plan:MK (Housing Land Supply) establishes that **1,247** of the homes needed in the plan period (2016 to 2031) were completed in the monitoring year 2016/17.

2.2. Data for the 2017/18 monitoring year may become available, and may be requested by the Inspector as a material consideration to inform the examination of Plan:MK. Monitoring data could serve to increase confidence regarding the number of homes anticipated to come forward through commitments and allocations (see discussion below), or vice versa.

2.3. In **conclusion**, the figure of 1,247 homes is factually based, and hence there is no basis upon which to suggest a lower or higher figure.

# 3) Commitments

3.1. The second row within Table 4.3 of Plan:MK establishes that **20,603** of the homes needed in the plan period will come forward at sites already committed, namely at sites with planning permission or with an allocation in a Neighbourhood Plan.

3.2. The first point to note is that the situation is naturally changeable, as planning applications are constantly being determined. Where new permissions are for sites not accounted for elsewhere within the land supply (i.e. double counting is avoided), then the effect of new permissions is to increase the Plan:MK land supply.

3.3. Latest understanding is that the commitments figure has increased to 20,831, on the basis of the following decisions, updates (following receipt of information from the Milton Keynes Development Partnership, MKDP) and corrections -

- Long Street Road Hanslope 141 homes granted on appeal (16/02937/OUT)
- Walnut Tree Reserves sites A & D, Hindhead Knoll increased from 25 to 85 homes (+60)
- Fishermead Gurnards Avenue increased from 14 to 37 homes (+23)
- Bradwell Common, Land off Hampstead Gate increased from 16 to 30 homes (+14)
- Shenley Brook End, Manifold Lane increased from 18 to 30 homes (+12)
- Bradville Land off Harrowden decreased from 27 to 25 homes (-2)
- Grange Farm Reserve Site (off Nicholson Grove) removed as found to be also included under another name (-19 homes).

N.B. it is also anticipated that several sites will imminently be allocated through the Milton Keynes Site Allocations Plan (SAP); however, at the current time these sites are not commitments.

3.4. Finally, there is a need to note that representations have been received questioning the number of homes that will come forward at committed sites within the plan period, recognising that delivery of sites can be delayed, and planning permissions can lapse. There is also a need to consider the possibility of sites delivering a different mix of housing than originally anticipated – e.g. fewer affordable homes. These are important considerations, but fall outside the scope of this topic paper.

3.5. In **conclusion**, the size of the commitment figure (79% of the total housing supply target figure) means that it is naturally worthy of detailed examination; however, that examination is beyond the scope of this topic paper.

### 4) CMK and Campbell Park

4.1. The third row within Table 4.3 of Plan:MK establishes that **1,900** of the homes needed in the plan period will come forward at sites allocated by Plan:MK within CMK and Campbell Park. Specific sites are listed within Appendix A, with the list comprising ten sites in CMK and four in Campbell Park.

4.2. There are limited arguments for a **lower figure**. All sites have existing policy support for housing, and the density figure for each site reflects established design principles and in some cases the findings of detailed site-specific investigations. There may be some detailed arguments for adjusting the number of homes at certain sites; however, such considerations are beyond the scope of this topic paper.

4.3. With regards to arguments for higher growth, there are three initial points to make -

- Firstly, the figure of 1,900 homes reported in Table 4.3 of Plan:MK, as published in 2017, should actually have read 1,950 homes. The cumulative yield of the sites listed in Appendix 1 of the 2017 Plan:MK totalled 1,950 homes.
- Secondly, there is a need to increase the yield of the "Wyevale Garden centre" from 162 to 280 homes (+118), due to comments received from MKDP
- Thirdly, an omission site has been identified as being potentially suitable for allocation. Specifically, a site known as "Land to the North of Glebe Roundabout, Overgate, Campbell Park" (60 homes) has been identified as having been omitted from the Proposed Submission Plan in error. The site is owned by The Parks Trust and the land formed part of the outline permission for Campbell Park, which expired in March 2017. The Parks Trust submitted a reserved matters application (16/03648/REM) prior to March 2017; however this was refused on a design ground, subsequent to which the Parks Trust lodged an appeal. The site is deemed to meet the criteria necessary for allocation, noting that it had outline permission until recently, and also noting that surrounding sites are allocations within Plan:MK.

4.4. These three changes result in the 'CMK and Campbell Park allocations' supply figure increasing 1,900 to 2,128 (+228).

4.5. Higher growth might also be achieved through allocation of one or more additional sites; however, in practice there are limited arguments for such an approach, with no representations having been received on this matter. The SHLAA and SA Report (Chapter 6: "Establishing the reasonable alternatives") discuss two omission sites; however, these can be discounted for quite clear and unambiguous reasons. The two sites are: E1.1, CMK, where residential development would be contrary to the CMK Neighbourhood Plan; and Station Square, CMK - a highly complex site, necessitating further work ahead of allocation.

4.6. In **conclusion**, there are compelling reasons for increasing the 1,900 homes figure to 2,128, but limited reasons to suggest a need to increase the figure beyond this.

N.B. as a final point, it is worth noting here that representations have been made on the approach to zoning for retail and employment uses within CMK; however, there is no reason to suggest that the approach to zoning has a bearing on housing delivery at any of the allocated sites (or on delivery at committed sites, or on windfall site delivery).

### 5) Infill and redevelopment opportunities within the urban area

5.1. The fourth row within Table 4.3 of Plan:MK establishes that **1,000** of the homes needed in the plan period will come forward at sites allocated by Plan:MK elsewhere within the urban area (i.e. outside of CMK and Campbell Park). As per the CMK / Campbell Park sites discussed above, the specific sites allocated are listed in Appendix A of the plan.

5.2. As per CMK / Campbell Park sites discussed above, there are limited arguments for a **lower figure**. However, with regards to **higher growth**, there are a number of points to make.

5.3. Firstly, there is a need to increase the figure from 1,000 homes to 1,068 homes, to reflect latest site specific understanding.

5.4. Secondly, there is a need to discuss certain options for achieving higher growth that have been explored in detail, and might feasibly be explored further through the Plan:MK examination. Options fall into three broad categories –

- 1) Omission sites identified as 'not deliverable or developable' by the SHLAA
- 2) Estate regeneration
- 3) Bletchley town centre regeneration

5.5. With regards to (1), this matter was given careful consideration ahead of finalising Plan:MK, as reported within the SA Report. Specifically, Chapter 7 of the SA Report presents an appraisal of three scenarios involving 1,600 homes, comparing and contrasting these scenarios to the preferred Plan:MK spatial strategy (and also other scenarios) involving 1,000 homes.<sup>1</sup> The additional 600 homes that comprise the higher growth option are spread across 28 omission sites (as listed within the SHLAA) that meet the following two criteria: A) capacity above 10 homes; and B) deemed to be 'not deliverable or developable' only on the basis that residential development would be contrary to an existing policy designation, i.e. the land is currently designated for a non-residential use. In effect, the higher growth option involves addition of 20 sites currently designated as open space (capacity c.400 homes) and 8 sites currently designated for an employment, commercial or community use (capacity c.300 homes). The headline conclusion reached within the SA Report is that *"loss of urban open space would impact on the amenity of residents...; however, it is difficult to conclude on impact significance."* 

5.6. With regards to (2), whilst no supply is reflected in the 1,000 homes figure, the Urban Capacity Study (2017) serves to identify that significant opportunities do exist.<sup>2</sup> The Study undertakes detailed work to examine three estates, and then extrapolates findings to identify indicative opportunities for another four, before reaching the conclusion that there is capacity for 2,480 net additional homes through estate regeneration. There is support for estate regeneration;<sup>3</sup> however, equally there is recognition of a need to progress work cautiously, with upmost sensitivity to the needs of existing residents. As such, there is little reason to assume that the figure identified by the Urban Capacity Study will be achieved in full within the plan period.

<sup>&</sup>lt;sup>1</sup> N.B. the SA Report considers CMK / Campbell Park jointly with other locations within the urban area. <sup>2</sup> See <u>www.milton-</u>

keynes.gov.uk/assets/attach/43337/urban%2520capacity%2520study%2520february%25202017.pdf+&cd=2& hl=en&ct=clnk&gl=uk

<sup>&</sup>lt;sup>3</sup> See <u>https://www.milton-keynes.gov.uk/housing/regenerationmk; https://yourmk.co.uk/about/regeneration;</u> and <u>https://www.miltonkeynes.co.uk/news/schedule-for-regeneration-in-milton-keynes-announced-1-</u> 7933290; http://www.bbc.co.uk/news/uk-england-beds-bucks-herts-39718340

5.7. With regards to (3), whilst no supply is reflected in the 1,000 homes figure, a Central Bletchley Urban Design Framework is currently in preparation, reflecting the ambition to deliver transformational regeneration over the plan period in conjunction with delivery of East-West Rail (EWR), which will place Bletchley at the intersection of both east-west and north-south rail routes. There is the opportunity to deliver significant housing and mixed use redevelopment within the plan period, with Policy SD19 (Bletchley Town Centre Regeneration) of Plan:MK stating that: *"The density of residential development to be 150-250 dwellings per hectare."* However, at the current time there is no certainty regarding the quantum of additional supply that might be achieved. More will be known in the near future following completion of a masterplan.

5.8. In **conclusion**, the 1,000 home figure (to be increased to 1,068) is highly conservative, in particular once account is taken of the fact that regeneration schemes will deliver additional housing within the plan period.

N.B. it is worth noting that there is no potential to account for the additional supply likely to arise through estate regeneration and Bletchley Town Centre regeneration through the windfall calculation (see discussion below). This is because the windfall calculation must reflect past trends.

# 6) South East Growth Area

6.1. The fifth row within Table 4.3 of Plan:MK establishes that **3,000** of the homes needed in the plan period will come forward within the strategic site allocated as the 'South East MK Growth Area'.

6.2. A number of representations were received questioning the allocation of this site, and the ability to deliver 3,000 homes within the plan period; and it is anticipated that this site will be the subject of detailed consideration over the course of the Plan:MK examination.

6.3. The first point to note is that Council recognised delivery uncertainties relating to this site when preparing the proposed spatial strategy for publication in 2017. It is for this very reason that the strategy involves the allocation of land sufficient to deliver up to 29,000 homes in total, i.e. a 9.7% 'buffer' on the 26,500 home target. In effect, the site is allocated in Plan:MK to deliver **up to 3,000 homes**. As such, the pertinent question is *"will the site deliver significantly fewer than 3,000 homes, such that there is a risk that the housing target of 26,500 homes might not be delivered in practice".* 

6.4. Secondly, there is a need give consideration to the primary factor that gives rise to uncertainties in respect of delivery, namely the impending decision on a preferred route for the Oxford to Cambridge Expressway. Should the preferred route option be though the site, then housing delivery would be delayed and the housing capacity of the site would be reduced. There remains uncertainty regarding precise implications, but an initial view suggests that c.350 homes could be lost for each kilometre of the road that passes through the site, which in turn leads to an indicative figure of 1,050 homes lost from the site (350 x 3km).<sup>4</sup> With regards to the timetable, latest understanding is -

- the preferred broad corridor will be announced in summer 2018;
- route options within the preferred broad corridor will be shortlisted in Autumn 2019;
- a preferred route option will be announced in Autumn 2020; and

<sup>&</sup>lt;sup>4</sup> This calculation assumes the width of the road corridor to be 100m.

 there will subsequently be a need for detailed design work, consultation and a public inquiry, prior to construction, with Highways England recently stating an aim to begin construction in 2025, with completion in 2030.

6.5. Thirdly, there is a need to consider the ability of the site to deliver 3,000 homes (or *in the region of* 3,000 homes) under a scenario whereby the Expressway does not pass through the site. In this respect, a key point to note is that the Council is working closely with the site promoters on an ongoing basis, and that a development framework for the site is emerging. A key consideration relates to linking the site to the existing grid-road network, bridging the railway such that it is not a barrier to movement and assigning land for delivery of a secondary school and other non-housing uses.

6.6. Finally, there is a need to give consideration to wider sustainability arguments for potentially supporting lower growth, or removal of this site from the housing supply. There are a number of issues/impacts to report – see **Box A** – however, it is considered that these are of limited significance, i.e. not of such significance that allocation of the site begins to be seen as less preferable to alternative options involving replacement of this site with one or more omission sites, or the alternative option of not providing for the housing target (26,500 homes) through Plan:MK.

6.7. In **conclusion**, the Council feels that Plan:MK suitably balances deliverability risks with the desire to proactively support the most sustainable growth strategy for MK.

Draft Plan:MK (2017) proposed allocation of the site in its entirety, but with delivery of only 1,000 homes in the plan period (with completion of the site beyond the plan period). This approach reflected deliverability considerations to some extent (relating to the Expressway), but also certain sustainability considerations. Specifically, para 4.15 of Draft Plan:MK explained: "...in recent years the east and south east area of Milton Keynes has supported a large amount of growth and it is recognised that time is needed for this development to be completed and for facilities in the local area to become established before more growth can be supported."

Chapter 6 of the SA Report explains how work was then undertaken in Summer/Autumn 2017 to compare and contrast SE MK to other strategic growth locations. Ultimately, the site was identified as performing relatively well, with the following conclusion reached: "Would mostly link to the existing urban edge, albeit much of the site would not link directly to the grid road network. Would extend MK close to the edge of Woburn Sands and Bow Brickhill; however, the landscape has 'low' sensitivity (albeit landscape assessment work suggests the need for 'small scale development) and new communities would benefit from good access to the train stations at these two villages. The site extends across the railway line, which will result in the need for one or more new bridges. There is the potential for the preferred route of the Oxford to Cambridge Expressway (a major trunk road) to pass through this site; however, the risk is considered relatively low. Were the Expressway to pass through the site, then it would have considerable implications for masterplanning and phasing."

Chapter 7 of the SA Report presents the findings of a detailed appraisal of Plan:MK growth scenarios, across which are reflected two approaches to growth at SE MK: lower growth (1,500 homes); and higher growth (3,000 homes). The appraisal notably concludes: *"[The South East Growth Area] is relatively unconstrained, although there is an argument to suggest that growth should be phased, such that some delivery is post 2031, recognising the quantum of committed growth to the east of MK, at the Eastern Expansion Area and the Strategic Land Allocation. This issue/impact is uncertain, and hence does not have a bearing on the ranking of alternatives presented above. Also, there is arguably merit to progressing the whole site (3,000 homes) within the plan period as it will enable delivery of new road infrastructure (a bridge over the railway) to the benefit of the wider transport network. Secondary school delivery is another important issue for the SE MK site..."* 

Chapter 10 of the SA Report presents an appraisal of the Proposed Submission Plan, reaching conclusions including: "... Significant negative effects are predicted only in respect of 'Natural resources' objectives, for the simple reason that the proposed South East MK urban extension would result in significant loss of 'best and most versatile' agricultural land. A range of other specific drawbacks, issues and uncertainties are highlighted, including relating to South East MK (uncertainty regarding strategic community infrastructure, and a concern regarding cumulative impacts of growth here alongside completion of the Eastern Expansion Area and Strategic Land Allocation)..."

Representations received on the Proposed Submission Plan serve to highlight transport/traffic concerns in particular. Specifically, the concern is that challenges linking the entire site to the existing grid road network could lead to traffic congestion. Other concerns raised relate to landscape / settlement character given proximity to Wavendon, Woburn Sands and Bow Brickhill, and biodiversity given proximity to the Greensand Ridge Nature Improvement Area (NIA); however, there is confidence in the ability to address concerns through green buffers / infrastructure.

# 7) Windfall allowance

#### Introduction

7.1. The sixth row within Table 4.3 of Plan:MK establishes that **1,330** of the homes needed in the plan period will come forward as windfall sites, i.e. sites not allocated through Plan:MK. The windfall allowance consists of sites under ten dwellings and is based on delivery of approximately 95 dwellings per annum (60 dpa in the urban area; plus 35 dpa in the rural area).

7.2. The figure is calculated by projecting forward past trends, and so there is naturally the potential to question the data and assumptions used. There is a need to consider the possibility that the future tendency for windfall sites might vary from the past trend.

#### Background to the calculation

7.3. The NPPF sets out that an allowance for windfall can be made by Local Authorities if:

- they have compelling evidence that such sites have consistently become available; and
- such sites will continue to be a reliable source of supply.

7.4. Any allowance should be realistic and have regard to:

- the Strategic Housing Land Availability Assessment (SHLAA);
- historic windfall delivery rates;
- expected future trends; and
- should not include residential gardens.

#### MK windfall data

7.5. MKC has published housing statistics (including annual completions data) on a quarterly basis since 2011. Table A illustrates the annual windfall completions for the past decade ( $1^{st}$  April 2008 to  $31^{st}$  March 2018). During this period the average annual windfall completion rate has been 186 units, with a high of 434 units in 2011/12 and low of 109 units in 2010/11.

Table A Windfall annual co	ompletions
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Monitoring year	Number of homes at windfall sites
1 <sup>st</sup> April 2008 – 31 <sup>st</sup> March 2009	162
1 <sup>st</sup> April 2009 – 31 <sup>st</sup> March 2010	134
1 <sup>st</sup> April 2010 – 31 <sup>st</sup> March 2011	109
1 <sup>st</sup> April 2011 – 31 <sup>st</sup> March 2012	434
1 <sup>st</sup> April 2012 – 31 <sup>st</sup> March 2013	247
1 <sup>st</sup> April 2013 – 31 <sup>st</sup> March 2014	137
1 <sup>st</sup> April 2014 – 31 <sup>st</sup> March 2015	204
1 <sup>st</sup> April 2015 – 31 <sup>st</sup> March 2016	165
1 <sup>st</sup> April 2016 – 31 <sup>st</sup> March 2017	166
1 <sup>st</sup> April 2017 – 31 <sup>st</sup> March 2018 (not including quarter 4)	102
2008 – 2018 Total (not including final quarter 4)	1,860
2008 – 2018 Average (not including final quarter 4)	186

7.6. An analysis of the location of the windfall completions shows that 422 have come forward in rural areas and 1,438 have been built in urban areas, representing a percentage split of: 77/23 in favour of urban windfall sites.

	Completions	Windfall completions	Average Annual Windfall	% windfall of total completions
Urban	11597	1438	143.8	12%
Rural	867	422	42.2	47%
Overall	12464	1860	186	15%

Table B summary of housing completions information 2008 - 2018

N.B. see **Appendix 1** for a detailed table showing the spread of windfall completions per area.

#### 7.7. Key trends are:

- Proportionately, windfall development made more of a contribution to rural housing growth than urban housing growth between April 2008 and March 2018.
- The contribution of windfall development in the rural area (47%) is a significant contribution to the overall supply of housing in the area.
- The 1,438 units from urban windfall sites is a significant number over a ten year period despite it not being as proportionately significant as in the rural area.
- Hotspots for windfall development are the older parts of the urban area (Bletchley and Wolverton) and the two largest rural towns (Newport Pagnell and Olney). This has been consistent over the ten year period.

#### Conclusions

- Have sites consistently become available? Yes, over the last ten years it can be seen that windfall development has consistently provided a significant number of homes across the Borough. At 47% of all completions, windfall development has been integral to delivery of new homes in the rural area. At 143.8 dpa, windfall development has also consistently contributed a considerable number of homes in the urban area.
- <u>Will such sites continue to be a reliable source of supply?</u> A large number of homes come from the ad hoc redevelopment of previously developed sites, particularly in the urban area. These sites range in size and use from large scale former employment areas to smaller sites. Despite there being peaks and troughs of development there is no sign that this form of development has slowed down over the last 10 years.

Conversions have also made a significant contribution over the last ten years – both large scale conversions of former office blocks and small scale redevelopment of barns or outbuildings. This is likely to continue in the future, particularly given the Government's support for the change of use from B class uses to residential. Currently there are 210 units with prior approval in and around Central Milton Keynes.

Small sites of ten dwellings or less have generally shown a consistency in delivery, and continue to do so through ongoing monitoring. The source of this type of supply is mainly through

redevelopment/ conversion/ intensification of existing built up areas. There is no sign that opportunities from this source of development are likely to stop in the future given the continued evolution of the older centres.

Windfall development in the rural area has been seen in the majority of rural settlements, showing a spread of opportunities. There has also been a continual supply of new homes coming from predominantly smaller sites in the main hotspots of Newport Pagnell and Olney, the largest rural settlements, where it is expected that opportunities will continue to emerge as the towns evolve and develop.

In the main windfall hotspot area, Bletchley, there has been a trend of increasing supply of homes from sites of fewer than ten dwellings, indicating that supply could rise in the future. This has partly stemmed from the subdivision of larger homes in the area into flats. The redevelopment of small, informal employment areas has also boosted supply as older sites, likely in the face of competition from newer sites across Milton Keynes, come forward for redevelopment.

#### Can a windfall allowance be justified?

- Rural area Windfall development has clearly made a significant contribution in the rural area. Given that the rural housing requirement is largely based on continuing past rates of development to meet local need, it is felt appropriate to include a windfall allowance for the area. There is no indication that the rate of development will be significantly above or below that seen previously (an average of 42 dpa). Therefore, under the requirements of the NPPF, the Council can justify an allowance of around 35 dpa from small scale rural windfall sites.
- Urban area Over the last ten years, windfall completions have made a large contribution to total urban completions. Although not as significant proportionately as in the rural area, the number still warrants consideration in land supply terms. As with sites in the rural area, the SHLAA has identified a number of deliverable brownfield sites. Therefore, these should not be taken into account in a windfall allowance unless they are not specifically included in the 5 year land supply assessment. However, in recent years there has been an increase in windfall completions on large greenfield sites. Such sites are not by definition as windfall identified in the five year land supply report, so inclusion of an allowance for their completions would not cause duplication.

In addition, there have also been a number of completions from large scale (over 10 dwellings) conversions over the last 10 years. This trend is likely to increase in future years given a) the proportion of vacant office units across the city b) the aging of this office stock and c) the Government's support for change of use from B1 to C3. There are several prior notification sites identified in the 5 year land supply report. However, as conversions are not specifically addressed in the SHLAA, and the rate of their development is likely to increase in the future, smaller schemes can be considered as part of the windfall allowance.

Therefore, combined with the allowance from small scale sites (excluding garden development), it is considered that the Council can justify a modest urban windfall allowance of at least 60 dpa.

# 8) East of M1 (Land north of junction 14)

8.1. The seventh and final row within Table 4.3 of Plan:MK establishes that East of M1 (Land north of J14) should be allocated as a strategic reserve site. Specifically, the proposal is that the site will deliver additional housing in the plan period if central government funding is in place that enables delivery of enabling infrastructure (notably one or bridges over the M1). If the site does not prove deliverable in the plan period, then it will be safeguarded for delivery at a later date.

8.2. A number of representations were received questioning the allocation of this strategic reserve site. In light of representations, questions to address within this topic paper are -

- 1) How many homes might the site deliver within the plan period?
- 2) Is allocation of the site as a strategic reserve site justified?
- 3) Should the site be fully allocated, with housing delivery taken into account as an element of the housing supply to meet needs in the plan period?

8.3. With regards to (1), whilst the capacity of the site is up to 5,000 homes, it is considered unlikely that the site would deliver more than 3,000 homes in the plan period.

8.4. With regards to (2) the Council recognises that allocation of the site warrants careful consideration, given its scale and the sensitivities involved, regardless of how many homes the site is expected to deliver in the plan period. It is for this reason that the site was given careful consideration at the Regulation 18 Stage (in particular, the site was proposed as a strategic reserve site in Draft Plan MK) and was given close attention through SA work (in particular work to examine 'reasonable alternatives') in summer/autumn 2017, when preparing the Proposed Submission Plan. **Box B** presents key findings within the SA Report.

8.5. With regards to (3), certainty regarding delivery of the East of M1 site increased significantly in March 2018, when the Government announced that the Council's application for funding through the Housing Infrastructure Fund was successful, in that the Council can *"move to the co-development stage, where government officials will work with [the Council] to further develop [the] bid and assess the [project]"*. However, there is still insufficient certainty to enable full allocation. Ahead of certainty on the site's delivery, the Council does not wish to delay delivery of Plan, recognising that housing supply from the site is - assuming that the South East MK site is not severely affected by the route of the Expressway - not needed to meet the housing target.

8.6. In **conclusion**, whilst delivery of the site is not required to achieve the housing target, delivery of the site within the plan period is supported, recognising the merits of the site - i.e. the potential to deliver a comprehensive new community in a relatively unconstrained location - and recognising the need to plan for the long term target of delivering 1 million new homes within the Cambridge - Milton Keynes - Oxford (CaMKOx) corridor by 2050. Plan:MK can do no more than identify this site as a strategic reserve site, and assign a policy framework to guide any future planning applications, ahead of certainty regarding infrastructure funding.

Chapter 6 of the SA Report compares and contrasts the site to other strategic site options, concluding: "Potential to deliver a comprehensive new community, to include a secondary school and extensive employment land well located on the strategic road network. However, there are also potential draw-backs to this scheme from a communities perspective, recognising that the new community would be relatively poorly linked to CMK, with the M1 acting as a barrier. The site benefits from being well located to a motorway junction, with two existing road bridges and a footbridge; however, there would nonetheless be a need for extensive and costly infrastructure upgrades. The site is significantly constrained by flood risk associated with the river Ouzel, which would have implications for masterplanning."

Also, the following conclusion reached in respect of the adjacent East of M1 (South) site is of note: "On balance, sequentially less preferable the East of M1 (north) site (discussed above). On one hand it would benefit from being located on the edge of the Oxford to Cambridge Corridor; however, on the other hand: the site relates poorly to Newport Pagnell; is associated with a stretch of the M1 where there is no existing junction and few bridges; and would also place pressure on the Eastern Expansion Area / Strategic Land Allocation. There is some (more limited) flood risk."

Chapter 7 of the SA Report then presents an appraisal of four scenarios involving non-allocation, three involving delivery of 1,500 homes and one involving 3,000 homes. The following headline conclusion is reached: *"Focusing on the relative merits of the alternatives, the first point to note is that Option 7 performs well in terms of a range of socio-economic objectives. This is because it would involve a high growth strategy, with a focus of growth to the east of the M1, where the assumption is that there would be the potential to deliver a 'sustainable' new community, to include a secondary school and employment delivered alongside housing. Options involving growth to the east of the M1 (Options 3, 5, 6 and 7) are also judged to perform well in terms of 'Business/ Economy/ Employment' objectives, recognising the potential to deliver significant new employment land (and in particular warehousing, for which there is a need locally). However, Options involving growth to the east of the M1 perform poorly in other respects. In particular, issues/impacts are predicted in terms of 'Transportation', 'Air quality' and 'Noise'..."* 

Chapter 10 of the SA Report presents an appraisal of the Proposed Submission Plan, concluding: "The appraisal finds the Proposed Submission Plan to perform notably well in respect of 'Housing' and 'Businesses / economy / employment' objectives, with the conclusion reached that there is the likelihood of 'significant positive effects' on the baseline. The appraisal also finds the plan to perform well in terms of several other objectives – notably 'Transport' – without going as far as to predict significant positive effects. Significant negative effects are predicted only in respect of... A range of other specific draw-backs, issues and uncertainties are highlighted, including... East of the M1 (distance and separation from CMK). "

The conclusions reached in respect of 'cumulative effects' are also relevant, in that they are supportive of the East of M1 site: "Economic growth matters have emerged as perhaps the key 'larger than local' consideration, with the conclusion reached that the plan performs very well. The proposal is to provide for a quantum of employment growth over-and-above that identified as strictly necessary through modelling work, thereby building-in flexibility to ensure that economic growth opportunities within the corridor can be fully realised... Secondary school provision is potentially another 'larger than local ' issue... Delivery of a secondary school at East of the M1 and/or SE MK could potentially help to 'unlock' growth within Central Bedfordshire District..."

### 9) Options for addressing any identified shortfall

9.1. In light of the discussion presented above, the Council remains confident that Plan:MK is sound, in that it includes a land supply sufficient to deliver objectively assessed needs for housing and employment land, plus a suitable degree of flexibility.

9.2. However, it is feasible that scrutiny during the Plan:MK examination will lead to a conclusion that the plan must provide for a greater quantum of homes and/or jobs, or that one or more elements of the land supply will not deliver as anticipated, such that there is a shortfall that must in turn be addressed.

9.3. Addressing any identified shortfall in housing or employment land supply might be achieved by either planning for increased supply at one or more of the existing elements of supply (i.e. one or more of the elements of supply considered in turn above), or by adding a new element of supply.

9.4. In respect of the former, the discussion presented above has identified that there is feasibly the potential to plan for higher growth within the urban area (outside of CMK / Campbell Park), and that there will be the potential to assume delivery of both housing and employment, within the plan period, at East of M1 should government funding be received for infrastructure.

9.5. However, it could nonetheless prove necessary to consider new elements of supply, i.e. omission sites. The remainder of this section seeks to give consideration to omission sites, and in doing so present an overview of the Plan:MK site selection methodology.

#### Housing omission sites

9.6. The consideration of housing site options, leading to the identification of preferred sites for allocation, is discussed within Part 1 of the SA Report, which answers the question: "What has planmaking / SA involved up to this point?". Specifically, within Part 1 -

- Chapter 6 ("Establishing the reasonable alternatives") identifies a need to focus on MK urban edge site options (i.e. rules-out allocations elsewhere in the District) before then identifying a long-list of 17 site options and then a short-list of eight site options. The shortlisted site options are then subjected to an informal appraisal, which then feeds into the identification of 'reasonable alternatives', i.e. a discrete range of alternative combinations of site options, where each combination would meet needs for housing within the District.
- Chapter 7 ("Appraising the reasonable alternatives") presents an appraisal of seven reasonable alternatives, i.e. alternative combinations of site options (aka alternative 'spatial strategies' or 'growth scenarios'). The alternatives vary in respect of quite a narrow range of sites, reflecting a view that it is these sites that are sequentially preferable.<sup>5</sup>
- Chapter 8 ("Establishing the preferred option") explains that the Council's preferred option is Option 4, which involves taking a lower growth approach within the urban area, allocating South East MK to deliver in full within the plan period, and also allocating Caldecotte South for

<sup>&</sup>lt;sup>5</sup> Pragmatic considerations led to a need to vary the reasonable alternatives in terms of a relatively narrow range of sites. Specifically, because there was also a need to vary the quantum of growth at each site (see references to 'high' and 'low' in Table 6.6 of the SA Report) any attempt to bring further sites into contention would have led to too many variables, and ultimately too many reasonable alternatives. There is a need to keep the number of reasonable alternatives to a minimum, in order to facilitate manageable and accessible appraisal.

employment uses. Chapter 8 then goes on to explain that, in light of the appraisal, the Council also deems it appropriate to allocate East of M1 as a strategic reserve site.

9.7. A key point to note is that SA work completed to date serves to identify six omission sites as 'standing-out' somewhat as potentially having merit. The SA Report does not explicitly seek to differentiate between these omission sites in respect of 'overall suitability / sustainability'; however, there would be the potential to differentiate (i.e. place the sites in some order of preference) on the basis of the analysis presented within the SA Report (Table 6.4 and Appendix III). The <u>six omission</u> <u>sites</u> in question are (in rough size order) -

- Wavendon Golf Course
- WEA Expansion
- Shenley's Den Farm
- Wavendon/Woburn ('eastern') broad area
- East of the M1 (south)
- North of MK

9.8. The next question is whether there are additional omission sites that might need to be considered alongside the list of sites presented above, in light of latest evidence/understanding. The answer is potentially 'yes'.

9.9. One other notable omission site is Levante Gate, to the east of the permitted Eaton Leys site. This site was not 'screened-out' by the SA Report (i.e. not progressed to the 'shortlist' of sites within Chapter 6) on the basis that: *"Sequentially less preferable than the other medium scale site options discussed below, as it would only link to the urban area upon completion of the permitted Eaton Leys site, and even at that point would not relate well."* However, there is feasibly a need to reconsider this conclusion to some extent, in light of the detailed representation received from the site promoters, and in light of the detailed information recently submitted as part of a planning application for up to 500 homes.

9.10. A small number of further omission sites were proposed - for the first time - through representations on the Proposed Submission Plan. The Council is under no obligation to assess these sites as genuine options; however, it is important to be aware of their presence nonetheless, as they could feasibly be assessed and considered as options during the course of the Plan:MK examination, should the need arise. Specifically -

- A small site was submitted that would represent a modest eastern extension to the SE MK allocation. This site is not subject to any strategic constraints, is located in very close proximity to Woburn Sands train station, and could possibly assist with access. As such, it is considered suitable for development, as part of the South East MK allocation.
- A large site was submitted to the south of Bow Brickhill. This is land that has historically not been examined closely for development; however, there could feasibly be a need to re-examine possibilities, in light of the SE MK allocation, and also in light of the Levante Gate proposal (pending planning application) to the south. The entire land parcel is extensive; however, the availability of the southern half of the parcel is unconfirmed. A modest scheme to the north of this parcel might be envisaged, as an extension to the South East MK allocation; however, clearly

there would be a need to consider a range of issues, including on the basis of proximity to Bow Brickhill and the South Caldecotte Plan:MK employment allocation.

9.11. Finally, there is a need to consider the possibility of the Caldecotte South site coming forward for housing or a mix of uses, rather than as an employment site. The SA Report (para 6.3.7) identified the site as being suitable only for employment use; however, this matter could feasibly be re-examined (see discussion of the site within the 'Employment Land Supply' topic paper).

9.12. In **conclusion**, several housing omission sites are given careful examination within the SA Report, and several others might also feasibly be considered in contention (in light of representations received), should the need to examine omission sites arise.

### **10)** Overall conclusions

10.1. This topic paper has examined each element of the Plan:MK housing supply in turn, as understood from Table 4.3 of the plan document, and in doing so has demonstrated that the proposed supply is justified and robust. A key issue is the uncertainty that exists in respect of the South East MK delivery timescale; however, the risk to delayed delivery is mitigated by: A) the fact that Plan:MK allocations have the potential to deliver significantly (c.10%)<sup>6</sup> above the housing target; and B) East of MK is identified as a strategic reserve site, to deliver within the plan period if possible.

10.2. Should a shortfall in supply be identified through the course of the examination, as a result of the housing target being increased and/or elements of Plan:MK supply being removed or scaled-back, then there are options for meeting that shortfall. Specifically -

- there is the potential to account for delivery of housing through estate regeneration and/or Bletchley Town Centre regeneration;
- there are numerous other urban infill omission sites that are suitable for housing in many respects, but not allocated on the basis of an existing non-housing policy designation; and
- there are perhaps seven or eight MK edge omission sites that -whilst considered sequentially less preferable to South East MK and East of M1 might feasibly be examined further with a view to allocation.

<sup>&</sup>lt;sup>6</sup> Table 4.3 within the proposed submission version of Plan:MK listed sources of supply to deliver 29,080 homes in the plan period, or 9.7% more homes than the 26,500 target figure. This topic paper has discussed a need to account for an increased supply from commitments and allocations within the urban area, such that it is appropriate to describe the buffer as "circa 10%".

# Appendix 1 - Rural and urban windfall completions by area

ASTWOOD	Rural	6
BOW BRICKHILL	Rural	3
CALVERTON	Rural	4
CASTLETHORPE	Rural	
CLIFTON REYNES		17
	Rural	2
EMBERTON	Rural	3
GAYHURST	Rural	1
HANSLOPE	Rural	1
HANSLOPE/LONG STREET	Rural	36
HARDMEAD	Rural	2
HAVERSHAM	Rural	2
LAVENDON	Rural	23
LITTLE BRICKHILL	Rural	9
MOULSOE	Rural	1
NEWPORT PAGNELL	Rural	179
NEWTON BLOSSOMVILLE	Rural	2
NORTH CRAWLEY	Rural	6
OLNEY	Rural	40
RAVENSTONE	Rural	8
SHERINGTON	Rural	8
STOKE GOLDINGTON	Rural	7
WAVENDON	Rural	7
WESTON UNDERWOOD	Rural	5
WOBURN SANDS	Rural	50
BANCROFT	Urban	1
BEANHILL	Urban	19
BLAKELANDS	Urban	12
BLETCHLEY	Urban	297
BRADVILLE	Urban	19
BROOKLANDS	Urban	48
BROUGHTON	Urban	2
CALDECOTTE	Urban	1
CENTRAL MILTON KEYNES	Urban	102
COFFEE HALL	Urban	4
CROWNHILL	Urban	1
FISHERMEAD	Urban	8
FULLERS SLADE	Urban	6
FURZTON	Urban	1
GIFFARD PARK	Urban	2
GREAT HOLM	Urban	7
GREAT LINFORD	Urban	21
KENTS HILL	Urban	40
KINGSMEAD	Urban	
LOUGHTON		4
	Urban	13

MILTON KEYNES VILLAGE	Urban	5
NEATH HILL	Urban	1
NETHERFIELD	Urban	3
NEW BRADWELL	Urban	41
OAKRIDGE PARK	Urban	6
OLDBROOK	Urban	5
OXLEY PARK	Urban	1
PEARTREE BRIDGE	Urban	3
SHENLEY BROOK END	Urban	14
SHENLEY CHURCH END	Urban	4
SHENLEY LODGE	Urban	3
SHENLEY WOOD	Urban	301
SIMPSON	Urban	4
STACEY BUSHES	Urban	22
STANTONBURY	Urban	5
STONY STRATFORD	Urban	53
TINKERS BRIDGE	Urban	4
TWO MILE ASH	Urban	3
WALNUT TREE	Urban	7
WALTON	Urban	176
WALTON HALL	Urban	1
Walton Park	Urban	1
WILLEN	Urban	7
WOLVERTON	Urban	155
WOLSTONE		3
WOUGHTON ON THE GREEN	Urban	2