



MILTON KEYNES COUNCIL: EXAMINATION OF PLAN:MK.

Response on behalf of the Guinness Partnership. Representor ID1147068.

Matter 3: The overall need and requirement for housing. The strategy and land supply to meet the requirement. (principally Policy DS2 and Table 4.3)

Issue 2 – Determining the full OAN

Q3.4 Has the housing requirement figure of at least 26,500 dwellings (2016-2031) (equivalent to 1766dpa) as set out in Policy DS2 been informed by a robust, credible assessment of the full objectively assessed need (OAN) for housing and is it positively prepared and consistent with national planning policy? In particular:

- i) Is the February 2017 Strategic Housing Market Assessment (SHMA) an appropriate starting point for setting the requirement in terms of its demographic assumptions (including future trends in household formation and migration), the account taken of market signals and affordability, forecast growth in employment including assumptions on economic activity rates and commuting and any other local circumstances?
- ii) Are the various uplifts from the demographic starting point from the 2014 CLG Household projections of 1,513dpa to 1,766dpa soundly based? iii) Is the SHMA's estimate of 8,200 affordable dwellings in the Borough robust?

1.1 No – see response to question 3.15 within this statement

Q3.6 Taking into account the SHMA's approach to other adjustments, is a 10% uplift for market signals a reasonable adjustment in light of the evidence on house prices and affordability in the context of the wider HMA?

1.2 No – see response to question 3.15 within this statement

Issue 3 Translating OAN into a housing requirement/target

Q3.15 Will the housing requirement in Plan:MK significantly boost the supply of housing as sought by paragraph 47 of the NPPF? Does it reflect the objectives to keep the planned growth of MK 'on track'?

1.3 No. Table 1 of the Annex to the Report to the Council's Cabinet on 2 January 2018 (Report and Annex include as appendix 1) provides a comparison of housing delivery in Milton Keynes over the last 10 financial years against the relevant requirements derived from either the regional plan or the Core Strategy

1.4 Table 1 within appendix 1 indicates that other than 2007/08, the authority has consistently under delivered.

- 1.5 When comparing delivery during the plan period associated with the current Core Strategy together with the submitted Plan, table 1 (below) indicates that since 2010, the authority has under delivered by over 3,100 dwellings (or 26% of the total cumulative requirement). Whilst the under delivery in 2016/17 is 29% of the requirement of the annual requirement in emerging Plan:MK, this must be considered in the context of the increases in lower quartile affordability ratios within the authority.
- 1.6 Paragraph 9 of the SHMA's Summary (MK/HOU/005) notes that affordability in Milton Keynes are higher than in comparable locations and have increased faster than for England since 2010. This follows the analysis in paragraphs 4.57 to 4.60 of the SHMA which reviewing lower quartile affordability from 2010 to 2015.

Table 1: Comparison of delivery against requirements of Core Strategy and emerging Plan:MK

Year	Net dwellings completed	Core Strategy		Emerging Plan:MK	
		Requirement	Difference	Requirement	Difference
2010/11	1,306	1,750	444	n/a	n/a
2011/12	1,586	1,750	164		
2012/13	1,315	1,750	435		
2013/14	1,001	1,750	749		
2014/15	1,440	1,750	310		
2015/16	1,202	1,750	548		
2016/17	1,247	1,750	503	1,766	519
Total	9,097	12,250	3,153	1,766	519

Table 2 – comparison of lower quartile affordability ratios

Location	2015 affordability ratio	2017 affordability ratio	Difference	% increase
England	7.11	7.26	0.15	2.11%
Milton Keynes	8	9.38	1.38	17.25%

- 1.7 The SHMA (Figure 50) information on lower quartile affordability is updated in table 2. Table 2 indicates that this has significantly worsened in Milton Keynes since the analysis undertaken through the SHMA. Therefore, although the OAN envisaged by the SHMA has been adjusted to address under-delivery (figure 58), as this has been subsumed into the overall requirement. Therefore, there will be no boost in the short term to compensate for past under delivery (table 1), particularly if the assessment of 5 year supply is solely based upon the proposed OAN. Furthermore, the adjustment only relates to under delivery during 2015/16 and not the whole period since 2010.
- 1.8 Instead, to resolve the issues of affordability which have arisen due to the continual under delivery of housing, the housing requirement for Milton Keynes must include an appropriate boost within the first five years to ensure the shortfall of 3,153 dwellings at the plan start date is resolved in the early part of the plan period. Re-phasing the housing requirement to address the deficit in supply against the current Core Strategy at 1 April 2016 would provide the appropriate boost as required by the NPPF. It also provides the relevant response to addressing the worsening affordability issues as envisaged in the PPG (ID ref 2a-015-20140306 & 2a-020-20140306).

Q3.16 What explains previous under-delivery of housing in MK? If the housing requirement were to increase in the plan period what evidence would indicate that it would be (a) sustainable and (b) deliverable?

- 1.9 The SA (paragraphs 6.2.13-6.2.18) (MK/SUB/005) indicate that housing delivery in Milton Keynes has been a consequence of the limited number of landowners and delivery primarily by the largest housebuilders. The SA therefore advocates increasing the number of small and medium sized sites to increase the number of homes that would be delivered.
- 1.10 The Report to the Council's Cabinet (2 January 2018) (including associated Annex) (copy within appendix 1) highlights the consequence for housing delivery resulting in the limited number of developers building in the area together with the solutions (see recommendation).
- 1.11 The allocation of additional sites in sustainable location i.e. Levante Gate would increase delivery, especially as the involvement of the Guinness Partnership who is an important and experienced affordable housing provider whose involvement would both increase the range of developers and diversify available product reflecting the solution highlighted in the SA (paragraph 6.2.18) and recommendation 3c) in the Report to Cabinet.

Conclusion on Housing Requirement

Q3.25 Overall, is the housing requirement in the plan justified? If not, what should it be?

- 1.12 No – See response to question 3.11 where we advocated increasing the requirement for the period 2016-21 to ensure that the shortfall in delivery against the Core Strategy of 2,439 is addressed at the earliest opportunity. The annual housing requirement should be phased accordingly – this would be for 2,092 dwellings annually 2016-21 with 1,604 required annually 2021-31. This will still provide the 26,500 dwellings total requirement envisaged in the SHMA (figure 58).

Matter 3: Issue 5 - Housing Land Supply

Q3.26 Overall, will the submitted allocations in Plan:MK provide sufficient flexibility to help deliver the spatial strategy?

- 1.13 No. Although the SA (SUB/MIS/005) highlights the issue of housing delivery due to the reliance on larger housebuilders (paragraph 6.2.17), it is not considered that the submitted Plan has adequately considered the solutions identified in the SA (6.2.18), such as the allocation of sustainable medium sized sites together with options to increase the number of developers operating in the area.
- 1.14 The allocation of Levante Gate controlled by the important and experienced affordable housing provider – the Guinness Partnership accords with the identified solutions. This is also recognised by an anticipated recommendation to approve planning application 17/03233/OUT for 500 dwellings at Levante Gate by Milton Keynes planning officers at 5 July 2018 Planning committee. Approval of the scheme that is immediately available and deliverable will improve the short-term supply of housing to meet the gap in housing land supply that characterises the district at present. The deliverability credentials of the site are confirmed in the letter of 19 March 2017 sent by The Guinness Partnership (copy enclosed as appendix 2)
- 1.15 The trajectory indicates that between 1/4/16 and 31/3/31, 29,591 dwellings will be completed in Milton Keynes. Table 3 indicates that of these, 16,447 dwellings (55%) are expected to arise from sites with a capacity of at least 1,000 dwellings. Given the concerns in the SA that Milton Keynes' poor track record of delivery is a consequence of allocating large strategic sites, it is not considered that sufficient small and medium sites are included within the supply to provide flexibility, if past trends of poor delivery from large sites continues.

Table 3 – Sites contributing at least 1,000 dwellings towards housing delivery in Plan:MK (data derived from MK/SUB004a2)

Site	Dwellings remaining at 1/4/17 for completion by 31/3/31	Dwellings for completion after 1/4/31	Dwellings expected for completion within 5 years period (2017/18 – 2021/22)
Brooklands, Milton Keynes	1,549	0	1,549
Tattenhoe Park, Milton Keynes	1,009	0	846
Western Expansion Area, Milton Keynes	6,009	0	3,253
Glebe Farm, Milton Keynes	1,140	0	790
Cambell Park, Central Milton Keynes	2,540	0	600
South East Milton Keynes	3,000	0	0
Tickford Leys, Newport Pagnell	1,200	0	250
Total	16,447	0	7,288

- 1.16 Table 3 also indicates that of the sites providing at least 1,000 dwellings, the authority expects 7,288 to be completed within the next 5 years. This is 51% of the 14,359 dwellings envisaged according to MK/SUB/004a1 & MK/SUB/004a2).
- 1.17 As the SA (paragraphs 6.2.13-6.2.18) highlights an over reliance on large scale housing sites, it is considered that the housing trajectory is too focused on such sites. To resolve this, it is necessary to increase the number of identified small and medium sized sites where expectations of delivery can be robustly justified. This would include sites such as Levante Gate, controlled by the Guinness Partnership.

Q3.27 Having regard to the Housing Supply Topic Paper (MK/TOP/002) and proposed trajectory and accompanying spreadsheet of sites submitted in the schedule of proposed modifications (SUB/MK/004), is the housing implementation strategy in Policy DS2 sufficiently clear? In particular is the submitted Plan clear on:

- (i) What comprises and justifies the housing trajectory?
- (ii) What is the anticipated deliverable and developable supply of housing land over the plan period, including any contingency for resilience (for example: the submitted 9.7% buffer)?
- (iii) How decision makers should calculate a five year deliverable supply?
- (iv) What contingency measures would be called upon were monitoring to identify a deficiency in the deliverable supply prior to a plan review?

- 1.18 It is not considered that the Housing Supply Topic Paper and accompanying trajectory and spreadsheet (MK/SUB/004a2) is sufficiently clear regarding the housing implementation strategy of Policy DS2. As previously explained, we consider that the trajectory is too reliant on large sites, which have had a record of poor delivery. Therefore, although the Council contends that they have a contingency for resilience, it is considered optimistic given the authority's track record. We consider that there would be greater resilience if the authority increased the number of identified small and medium sized sites within the trajectory.
- 1.19 The current reliance on large strategic sites (1,000+ dwellings) means any delays in initially commencing work on site would be compounded if construction rates fall below that expected. It is noted that sites providing between 1,000 and 1,500 dwellings (Brooklands, Tattenhoe Park, Glebe Farm and Tickford Leys) have annual completion rates varying from 100

dwellings (typical from 2 housebuilders selling on a site) up to around 400 dwellings annually. This is a significant range and having regard to the requirement for clear evidence of delivery PPG (ID ref 3-023-20140306 & 3-031-20140306), it is not considered that the information provided supports the Council's conclusions, especially as the annex to the 2 January 2018 Cabinet Report (within appendix 1) notes **"Most major housebuilders work on a rough model of one unit being completed a week"**.

Q3.29 Is there robust evidence underpinning the calculation of the land supply for the Plan Period? In particular:

- i) are the allowances for total existing commitments clear? To what extent, if any, does it include allocated sites from the un-adopted Site Allocations DPD? Do any allowances from SADPD allocations take into account proposed main modifications to that plan?
- ii) Is the capacity from estate regeneration and urban intensification (for example Campbell Park) justified?
- iii) Is the windfall allowance adequately justified?
- iv) Has appropriate consideration been given to lapse rates for planning permissions?
- v) Is there any dispute that a 20% buffer should be added to the deliverable supply to address persistent under-delivery?
- vi) Having regard to the PPG (3-035-20140306), and the preference for Sedgefield, what would be the justified approach to make good the shortfall in delivery since 2016?

- 1.20 It is not considered that the Council has provided robust evidence to underpinning the calculation of land supply during the Plan period as required by the PPG ((ID ref 3-023-20140306 & 3-031-20140306).
- 1.21 Having regard to the extent of under delivery in Milton Keynes, together with the conclusions of the SA (paragraphs 6.2.13-6.2.18) that this has been a consequence of the limited choice in sites and developers operating in the market, the preparation of Plan:MK provides an opportunity to address this. To address the current under delivery, it is essential that boosting housing delivery occurs at the earliest possible opportunity.
- 1.22 Paragraph 6.2.14 of the SA (MK/SUB/005) states **"During the Core Strategy period (i.e. since 2010) the annualised housing delivery rate of 1750 dwellings per year has not been reached in any year. In fact the level of 'under delivery' to date is more than 3,000 homes against that target."** Therefore, although the SHMA recognised that household growth was likely to be higher during the early part of the plan period (figure 5), the authority has consistently under delivered. Furthermore, due to under delivery, the SHMA (paragraph 4.85) included a potential uplift of 553 dwellings to take account of the backlog in delivery during 2015-16. However, this shortfall will be addressed over the plan period using Liverpool rather than Sedgefield and consequently, it is not considered appropriate to apply Liverpool again.
- 1.23 It is therefore essential that the Sedgefield approach is applied thereby ensuring that the under delivery of housing is addressed at the earliest opportunity, thereby reflecting the Government's objectives in paragraph 47 of the NPPF to boost housing supply. The local planning authority have received number of recent section 78 appeal decisions confirming the application of the Sedgefield methodology in the calculation of the five-year housing land supply (paragraph 27 of the appeal decision for land at Long Street, Hanslope allowed on 5 March 2018 (PINS ref APP/Y0435/W/17/3177851) (appendix 3), paragraph 23 of the appeal decision for land at Moat Farm, Chicheley Road, North Crawley dismissed on 30 April 2018 (PINS ref APP/Y0435/W/17/3186814) (appendix 4) and paragraph 22 of the appeal decision for land at Linford Lakes, off Wolverton Road, Milton Keynes dismissed on 17 March 2018 (PINS ref

APP/Y0435/W/17/3175391 (appendix 5)). The Council's justification for adopting the Liverpool methodology has not been supported. The Hanslope appeal Inspector (paragraph 23) also confirmed that the Core Strategy does not support the Liverpool methodology. In light of the change in circumstances together with the correct application of national policy and guidance the new local plan and the calculation of the five-year housing land supply should, rightly, be based on the Sedgefield approach.

- 1.24 To assess the realism of the Council's forecasts for delivery, a copy of the delivery record over the last 10 years is included in Table 1 of the annex to the Report to Cabinet of 2 January 2018 (included in appendix 1. Table 1 in the annex indicates that over last 10 years, the highest delivery in Milton Keynes was 2,317 dwellings (2007/08), with an average annual rate of 1,469 dwellings. Therefore, given this history, it is reasonable to assume that delivery of the OAN of 1,766 is realistic since the authority has delivered above this rate in the relatively recent past, and this represents a 20% increase on the historic annual rate. Such an increase is therefore considered feasible.
- 1.25 However, the Council's trajectory (MK/SUB004a2) details the Council's forecast for delivery increasing to an annual rate of 3,697pa in 20220/21. This is over double the annual OAN requirement and 2.5 times the historic annual average rate. We do not consider that this is realistic based upon the current reliance on large strategic sites delivery over 1,000 dwellings (provides over 50% of 5 year supply). However, increases in delivery could be achieved through the allocation of additional small and medium sized sites thereby reducing the reliance on large strategic sites.
- 1.26 The consistent under delivery of housing against both the Core Strategy and OAN derived from the SHMA reinforces our view that the 20% buffer is appropriate. As explained in paragraphs 1.8 and 1.12, we do not consider that the shortfall in delivery 2015/16 should be addressed over the plan period as indicated in figure 58 of the SHMA (MK/HOU/005).

Q3.31 What lead-in times and delivery rates (including number of developers/outlets per site) have been used to underpin the assumptions regarding the deliverability of strategic sites (in particular SD6, 7, 8, 9, 13, 15)? What is this based on? Where is it set-out? Are the projected delivery rates, particularly in the next five years, on some of the established strategic sites (notably SD6, 7 and 8) reasonable given past performance?

- 1.27 It is not considered that sufficient robust evidence (as required by the PPG ((ID ref 3-023-20140306 & 3-031-20140306)) has been provided to demonstrate the lead in times and delivery rates forecast for the strategic sites. The current information within the trajectory is not considered to reflect the PPG as there is insufficient evidence to support the Council's contentions regarding delivery.

Q3.32 As of 1 April 2018 (or 1 April 2017 if 2018 data not available) what would the five year requirement be, for both the 'Sedgefield' and 'Liverpool' methodologies, assuming a 20% buffer for under-delivery against an annualised, flat trajectory?

- 1.28 We have not provided an assessment of 5 year supply based upon the annual requirement in the emerging Plan (1,766dpa) as this discounts the shortfall of 2,650 dwellings which has arisen compared to the requirements of the current Core Strategy between 2010 and 2016 (see Table 1 in annex to appendix 1).

Q3.33 Is there robust, credible evidence demonstrating the capacity of the development sector to complete and sell this quantity of housing in the Borough in the next 5 or so years?

- 1.29 No. The SA indicates that the reliance on large scale strategic sites (1,000+ dwellings) has led to under delivery in housing. Our response to question 3.26 indicates that over half the houses expected to be delivered in Milton Keynes over the plan period, together with the next 5 years will be from such sites. Our response to question 3.27 refers to the average sales rate expected by housebuilder.
- 1.30 The SA recognised that the limited number of large scale housebuilders was a factor meaning delivery was not at the rates envisaged. The SA therefore advocates increasing the number of small and medium sized sites to provide the opportunity for other entrants into the market. This would happen through the allocation of Levante Gate which is controlled by the Guinness Partnership who are an important and experienced affordable housing provider. This difference enables increased delivery in the short term from reduced reliance on the volume housebuilders.

Q3.34 What has inhibited the achievement of comparable annual housing delivery targets in the 2013 Core Strategy? Is Plan:MK's approach to strategic sites at risk of repeating a similar performance? If so, what measures have been considered to de-risk delivery of the Plan?

- 1.31 Our response to question 3.26 notes that delivery from the current Core Strategy has been below expectations due to the heavily reliance on large scale sites. The response to question 3.26 notes that the expectation that over half the dwellings required in this plan will come from large scale sites risks continuation of the under delivery, which is compounded by applying the Liverpool rather than Sedgfield methods. Recent appeal decisions (see paragraph 1.23) confirm that the Sedgfield methodology is most appropriate and in fact was applied in the Core Strategy. The SA (paragraph 6.2.18) highlights measures which the Council can adopt to reduce these risks. Given the clear advice of the SA, it is considered that the approach of the submitted Plan is not positively prepared nor justified in that it does not provides evidence to depart from the clear recommendations. Instead, the submitted Plan looks to continue the current flawed approach.

Q3.35 Is there a sufficient range of housing supply sources (and sites) in Plan:MK to bolster delivery? To achieve significant growth in a sustainable way (including critical mass to support infrastructure) are there realistic, reasonable and sustainable alternatives in a MK context other than sustainable urban extensions? How have the SHLAA and SA processes considered small and medium sized housing sites?

- 1.32 No. There is an insufficient range of housing supply sources and sites included in the Plan. The SA (paragraph 6.5.1) (MK/SUB/005) explains how some medium and large sites were rejected prior to the reasonable alternative stage. It is not considered that the SA includes the necessary justification for rejecting these sites as reasonable alternatives

Q3.36 Is the proposed buffer in the housing land supply (29,000 homes to meet the need for 26,500 homes equivalent to 9.7%) justified and positively prepared? Does this provide a sufficient and robust approach for potential uncertainties over capacity at South East MK? Would a 9.7% buffer in supply provide reasonable resilience? Housing Land Supply Conclusions

- 1.33 The proposed buffer in the housing land supply does not provide adequate contingency. As explained in paragraph the statement, it is considered that the submitted plan is too reliant on sites delivering at least 1,000 dwellings. Any delays in delivery will consequently reduce the size of the buffer. To address this, further small and medium sites must be allocated.

Q3.37 Will there be a five year supply of deliverable housing land on adoption of Plan:MK?

- 1.34 No. See our response to questions 3.26 and 3.29 regarding the over-reliance on large sites to maintain supply and the incorrect application of Liverpool.

Q3.39 Is there likely to be a sufficient supply of developable housing land throughout the lifetime of the Plan?

- 1.35 No. See our response to question 3.26 regarding the over-reliance on large sites to maintain supply. Furthermore, the track record of delivery from large strategic sites raises concerns that the authority will not be able to maintain a rolling 5 years supply of housing throughout the plan period as required by paragraph 47 (4th bullet). The non-maintenance of a rolling five year supply throughout the plan period means that the Plan fails one of the soundness tests – compliance with national policy.

Q3.41 For those who submit the Plan would be unsound in terms of housing delivery, how should Plan:MK be changed to ensure that it is deliverable and therefore effective?

- 1.36 To ensure that the plan is sound with respect of housing delivery, Plan:MK must be revised to include the allocation of additional small and medium sized sites which are deliverable within the next 5 years. It should also be adjusted to add additional developable sites which could come forward between years 6 and 15. One such site is Levante gate, a site subject to a planning application (17/03233/OUT) for 500 dwellings. This scheme is about to receive a planning officer recommendation for approval at the forthcoming 5 July 2018 planning committee.

Appendix 1 – Copy of Report to Milton Keynes Cabinet on 2 January 2018 entitled “Delivery of Homes in Milton Keynes” and associated annex

Appendix 2 – Copy of letter dated 19 March 2018 from The Guinness Partnership regarding application 17/03233/OUT at Levante Gate

Appendix 3 – Extract of appeal decision for land at Long Street Road, Hanslope allowed in 5 March 2018 (PINS ref APP/Y0435/W/17/3177851)

Appendix 4 – Extract of appeal decision for land at Moat Farm, Chicheley Road, North Crawley dismissed on 30 April 2018 (PINS ref APP/Y0435/W/17/3186814)

Appendix 5 – Extract of appeal decision for land off Linford Lakes, off Wolverton Road, Milton Keynes dismissed on 27 March 2018 (PINS ref APP/Y0435/W/17/3175391)

DELIVERY OF HOMES IN MILTON KEYNES

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Executive Summary:

Following the Housing White Paper and the certainty of direct Government intervention in Milton Keynes to increase housebuilding, this paper is to update Cabinet on the position regarding performance against the Government's Housing Delivery Test in Milton Keynes (MK), the analysis of delivery failure in MK and options that Milton Keynes Council (MKC) could consider to help increase and accelerate delivery of homes.

A range of options are recommended that would allow MKC to prioritise the development of new homes, proactively facilitate land assembly, use its own land to provide homes, and work with existing and new developer interests.

1. Recommendation(s)

- 1.1 That, given the scale of under delivery of homes in Milton Keynes and intervention from Government, it is recommended:
- (a) That a cross-party agreement be developed on the delivery of new homes.
 - (b) That a comprehensive 'Action Plan' be developed for MKC to increase and accelerate delivery of homes, which includes taking forward the other recommendations in Section 3 of this report.

2. Issues

- 2.1 Delivery of homes is a huge national problem affecting the economy, productivity, health and wellbeing. In February 2017 the Government published the Housing White Paper; 'Fixing Our Broken Housing Market'. Within the White Paper a Housing Delivery Test is proposed. MK has failed to match the projected delivery rates in the Local Plan, Core Strategy, and the annual Housing trajectory resulting in 'under delivery' from 2010 to date of more than 3,000 homes against that target (see **Annex**). This target already includes downwards adjustment of 10% of the projections MKC use, to mitigate against 'optimistic' projections. Against the new Delivery Test MK's delivery rate is at 74% - 26% below target. Within this there is a shortfall of 41% against the affordable housing target. The Government's thresholds for intervention on under delivery are 95% and 85%.

- 2.2 The scale of under delivery in MK will mean direct intervention in from Government. Whilst MKC is not responsible for all aspects of housing delivery, as the Council has fallen below 85% Government will expect an action plan, setting out the Council's understanding of the key reasons for the situation and the actions that MKC and other parties need to take to get home-building back on track, and maintain a 20% buffer (currently equivalent to around 2,400 homes) on the Council's 5 year housing land supply.
- 2.3 Further measures are proposed from November 2018 through to November 2020, where low levels of delivery would mean a presumption in favour of sustainable development as per the National Planning Policy Framework (paragraphs 14 and 49) would automatically apply, as the Local Plan would be considered as 'out of date'.

Planning for Housing Requirements

- 2.4 MKC can show it is planning for housing requirements and keeping that plan on track with the agreement of the Submission Plan:MK, achieved in just 12 weeks. The Plan provides a 9.4% buffer on the housing requirement, plus potential for up to 8,000 more homes east of the M1. Although the Government is consulting on a standardised way of calculating the requirement for homes, this new methodology is comfortably accommodated in the buffer already in Plan:MK.
- 2.5 MKC is currently preparing a new Housing Strategy and Action Plan to identify and support delivery of new homes that meet identified need in light of the key challenges in MK, and can take forward some of the options set out in this paper. It is also working on a Housing Revenue Account Business Plan for its own housing stock that will cover the repair/refurbishment of its existing stock and the scope for building new council homes.
- 2.6 A review of the Council's Affordable Housing Supplementary Planning Document (SPD) is underway to update the position specifically on the need for affordable homes.

5 Year Housing Land Supply

- 2.7 This is a more pressing concern for MKC. The Council considers it currently has a 5 year supply of deliverable sites (plus a 20% buffer), but this is being increasingly challenged through the planning process. An appeal decision central to this issue is awaited direct from the Secretary of State.

Reasons for Under Delivery

- 2.8 MK has a large number of planning consents granted – currently 16,035 homes have planning permission¹. Unimplemented planning consents is a national as well as a local issue. However the market in MK is dominated by a few key landowners and a handful of large house builders on a small amount of large sites. Information on site ownership, planning consents, and housing delivery rates are included in the **Annex**.

¹ 5,655 Full permissions and 10,380 outline

- 2.9 This shows that 60% of housing delivery over the last 7 years has come from 6 large, strategic sites (e.g. the Northern, Eastern and Western Expansion Areas, Oakgrove, Oakridge Park, and Newton Leys), and a further 20% from other large residential grid squares. The strong economy and land use pattern in MK means there has limited conversion of office accommodation to residential, bucking the national trend for conversion.
- 2.10 The delivery 'pipeline' for these large sites is long (up to 30 years on the largest sites), and has also been affected by the Council's own processes in relation to imposing planning conditions and negotiating Section 106 agreements.
- 2.11 Local parking standards also reduce the amount of homes that can be delivered on otherwise 'constraint free' sites and is often a 'deal breaker' (for both a developer and MKC) when it comes to negotiating individual schemes.

3. Options

- 3.1 The Council has a number of options it can identify to accelerate housing delivery:

- (a) Addressing unmet requirements through corporate prioritisation of housing delivery (Recommended)
 - (i) To provide civic leadership and greater stability within the planning process MKC should build a strong culture at all levels to make the delivery of new homes a guiding principle in decision making. **A cross-party agreement on the importance of delivering new homes should be developed so that relevant Council Service Plans can be aligned to this.** This would include agreement to release more Council owned sites.
 - (ii) **When negotiating on planning applications, delivery of homes should be prioritised over other obligations, meaning the prioritisation of affordable housing.** The Cabinet have already agreed to develop an Infrastructure Framework which will help the prioritisation of other requirements for developer contributions to infrastructure projects.
 - (iii) **MKC should review the impact of current local parking standards on the delivery of homes,** and implications for the planning process.

- (b) Assembling Land - Compulsory Purchase (Recommended)

Compulsory Purchase (CP) powers have not been widely used by MKC before. However in order to demonstrate its commitment to helping deliver homes **MKC should develop a model to CP suitable sites** (such as sites in the 'Brown field Register') **and work with development partners to deliver these,** helping MKC identify/ maintain a 20% buffer to its 5 year housing land supply.

- (c) Leading Development - bringing forward small-medium sites for development (Recommended)
 - (i) In the area there are a number of smaller land assets which are suitable for new homes and, critically, would help diversify the market by bringing smaller players in, addressing a key reason for current delivery failure. These sites are often much smaller in scale than those in the Submission version of PlanMK, which only formally allocates residential sites with a capacity of 10 homes or more. **The Council should explore models of delivery** (for example Community Land Trusts, co-living, self-build, and off-site construction) **with a number of different partners, designed to accelerate that delivery.** Some of these sites are in MKC ownership and would only be brought forward in partnership with local communities.
 - (ii) This aligns with the 2017 Autumn Statement by the Chancellor who announced plans to consult on a proposal expecting local authorities to bring forward 20% of their housing supply as small sites, in order to speed up delivery and diversify the market. Outside of Bletchley and Wolverton only about 5% of homes delivered in MK in the last 7 years has come from small urban and infill sites.
- (d) Take action to encourage site delivery – develop partnering and marketing strategies (Recommended)
 - (i) There are opportunities to work across local authority boundaries and with Government departments and agencies to access funding in exchange for delivery of homes ‘at scale’. Oxfordshire have recently secured a Housing Deal with Government and **MKC should work with neighbouring authorities to explore similar opportunities and seek to establish closer working relations with relevant government departments and agencies.**
 - (ii) MK has a unique offer of high demand for homes, an ambitious growth programme, regeneration areas, and a range of sites in MKC’s ownership. Similar to the marketing and engagement undertaken on economic development (with InvestMK [IMK]), **MKC should develop a strategy to proactively market the city to potential development partners through a coordinated, corporate approach** (with Planning, IMK, MKDP, MKC Property Services, and YourMK).
 - (iii) The marketing should promote the significant potential in Central Milton Keynes (CMK) for residential development, which is in line with various emerging policies (PlanMK, MK 2050, Renaissance CMK). Future decision making should support these aspirations.
 - (iv) MKC also needs to work more closely with the key landowner and developer interests in the City to better understand delivery programmes, blockages to those programmes, and to hold

partners to account. **The Planning Service can use 'Planning Performance Agreements' to share information and help streamline its own processes** and use the existing officer 'Growth Delivery Board' to act corporately on delivery issues.

4. Implications

4.1 Policy

Housing delivery is one of the Council's priorities in the Council Plan. It is also a nationally significant issue with far reaching implications. The Housing Delivery Test was proposed in the Housing White Paper and is proposed to be strengthened through consultation announced in the 2017 Autumn Statement. Delivery rates in MK have triggered the threshold for Government intervention and the need for an Action Plan.

4.2 Resources and Risk

Delivering more homes has a direct impact on services but this is planned growth, and currently the backlog in delivery of homes means there are already 'households' in existence, sharing homes and placing demands on services. Creation of new homes provides income to MKC in terms of Council Tax, New Homes Bonus, Council Tax and financial contributions to infrastructure.

MKC is currently forecast to spend £4.920m in 2017/18 on addressing homelessness and temporary accommodation costs, which the delivery of more homes, particularly affordable homes, will help to reduce.

Compulsory Purchase options will be a cost to the Council, although delivery models (such as a back to back arrangement with a development partner) can mitigate this. Any decision re: CPO would require Cabinet approval.

Conversely, the development of any Council land assets could provide a capital receipt and therefore some income to the MKC. Any disposals would need to be approved in the normal way.

MKC are currently defending a number of planning appeals centred around the Council's 5-year land supply. In the current financial year this is a cost to the Council of over £500k. The Action Plan proposed would mitigate against further liabilities.

With more development opportunities there may be some scope for a greater take up of 'Planning Performance Agreements' - a premium and paid for service that governs the process and timescales for dealing with applications.

Y	Capital	Y	Revenue	Y	Accommodation
N	IT	Y	Medium Term Plan	Y	Asset Management

4.3 Carbon and Energy Management

Relevant policies would apply to specific proposals for more homes as and when they are delivered.

4.4 Legal

Proposals in the Housing White Paper to simplify the CP process are aimed particularly at 'stalled' sites, of which there are only a few in MK. However given the under delivery issues, and the fact that CP is a power that the Council does have, MKC should more thoroughly assess the potential for accelerated delivery through this route.

4.5 Other Implications

Delivery of more affordable homes would assist those disadvantaged groups who are homeless or who cannot currently access a home of their own.

The general development strategy and planning principles that govern physical development are covered in planning policy, which has been subject to its own Sustainability Appraisal.

The right to housing, and in particular affordable housing is covered in Human Rights legislation. The proposals in this paper are aimed at the accelerating the delivery of planned homes, which has not kept pace with targets and demands.

Y	Equalities/Diversity	Y	Sustainability	Y	Human Rights
N	E-Government	N	Stakeholders	N	Crime and Disorder

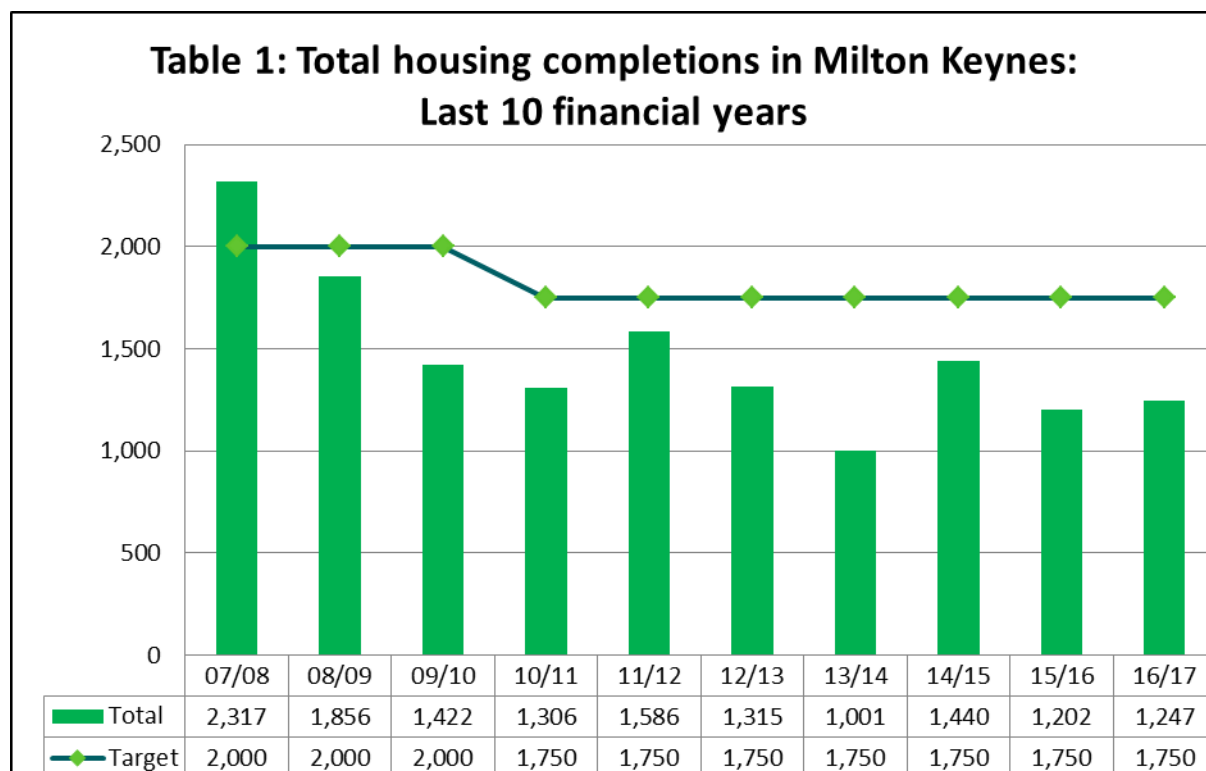
Background Papers: Housing White Paper

Annex: Delivery of Homes in Milton Keynes - evidence and analysis of site delivery

Delivery of Homes in Milton Keynes - Evidence and Analysis of Site Delivery

Housing Delivery

As outlined in Table 1, Milton Keynes has not delivered its annual housing target in any one year since 2007/08. Since the beginning of the Core Strategy period (2010/11), there has been a persistent record of under delivery resulting in a current shortfall of some 3,185 dwellings.



During the period 2010/11 to date, housing delivery within the urban area of Milton Keynes has heavily relied upon a number of large, strategic growth areas.

As Table 2 shows (highlighted), 59% of delivery over this period has been from just 6 large sites; the Western Expansion Area (Fairfields and Whitehouse aggregated together), Eastern Expansion Area (Brooklands and Broughton aggregated together), Northern Expansion Area (Redhouse Park), Oakridge Park, Oakgrove and Newton Leys. The first 4 of these are urban expansion sites, the last two being greenfield urban sites.

Other greenfield urban grid squares yielded the majority of the remaining capacity (21%), which typifies the development of the New Town, on land controlled by the former Development Corporation and its successors.

A further 15% of new homes have been developed in the urban centres on Bletchley and Wolverton.

Only 5% of homes therefore have come from other much smaller or infill sites in the urban area.

Another key statistic of note is that only about 3% of new homes have been delivered in the city centre area (Campbell Park and Central Milton Keynes combined). This is a key location where sites were formerly owned by the Development Corporation and successor bodies, and now Milton Keynes Development Partnership (MKDP).

The Council's current housing trajectory, as outlined in its annual Five Year Housing Land Supply Report (2017), continues to show a reliance on these key strategic growth sites. Of the 16,699 homes across the Borough which currently have planning permission, 65% are on the three strategic growth sites of the Western and Eastern Expansion Areas and the Strategic Land Allocation. If the completion of the large urban sites of Oakgrove, Kingsmead, Tattenhoe Park and Newton Leys were also included, this would take the figure up to 79% - the same profile of site typologies that has been relied upon (and has under delivered against target) in the last 7 years.

Table 2: Housing Completions by Grid Square/Settlement 2010-2017

GRID SQUARE/SETTLEMENTS	DWELLING STOCK 1 APRIL 2010	DWELLING STOCK 1 APRIL 2017	GROWTH IN DWELLING STOCK 2010-2017
Ashland	198	366	168
Bancroft/Bancroft Park	546	545	-1
Beanhill	824	829	5
Blakelands	387	399	12
Bletchley	15787	16501	714
Blue Bridge	277	277	0
Bolbeck Park	390	390	0
Bradville	1664	1666	2
Bradwell	1218	1218	0
Bradwell Abbey	2	2	0
Bradwell Common	1250	1250	0
Brooklands (EEA)	0	1005	1005
Broughton & Atterbury (EEA)	1755	2670	915
Browns Wood	587	587	0
Caldecotte	594	594	0
Campbell Park	373	538	165
Central Milton Keynes	1861	1936	75
Coffee Hall	931	932	1
Conniburrow	1321	1321	0
Crownhill	1057	1057	0
Downhead Park	641	641	0
Downs Barn	963	963	0
Eaglestone	1053	1053	0
Emerson Valley	2072	2102	30
Fairfields (WEA)	0	279	279
Fishermead	1674	1681	7
Fullers Slade	607	613	6

GRID SQUARE/SETTLEMENTS	DWELLING STOCK 1 APRIL 2010	DWELLING STOCK 1 APRIL 2017	GROWTH IN DWELLING STOCK 2010-2017
Furzton	2386	2387	1
Galley Hill	413	413	0
Giffard Park	814	816	2
Glebe Farm	0	0	0
Grange Farm	649	653	4
Great Holm	1220	1227	7
Great Linford	1541	1555	14
Greenleys	847	847	0
Heelands	1439	1439	0
Hodge Lea	523	523	0
Kents Hill	1041	1081	40
Kiln Farm	1	1	0
Kingsmead	462	499	37
Leadenhall	427	427	0
Loughton	1224	1228	4
Loughton Lodge	36	36	0
Medbourne	407	407	0
Milton Keynes Village/Middleton	1024	1155	131
Monkston	1437	1438	1
Monkston Park	624	631	7
Neath Hill	766	767	1
Netherfield	1228	1230	2
New Bradwell	1341	1376	35
Newton Leys	0	989	989
Oakgrove	0	600	600
Oakhill	249	249	0
Oakridge Park	82	577	495
Old Farm Park	814	814	0
Oldbrook	2163	2164	1
Oxley Park	830	1286	456
Peartree Bridge	420	422	2
Pennyland	407	407	0
Redhouse Park (NEA)	84	543	459
Shenley Brook End	1222	1259	37
Shenley Church End	1489	1496	7
Shenley Lodge	1318	1323	5
Shenley Wood	0	300	300
Simpson	317	319	2
Springfield	962	962	0
Stacey Bushes	646	612	-34
Stantonbury/Stantonbury Fields	1465	1467	2
Stony Stratford	2362	2447	85
Tattenhoe	1453	1481	28

GRID SQUARE/SETTLEMENTS	DWELLING STOCK 1 APRIL 2010	DWELLING STOCK 1 APRIL 2017	GROWTH IN DWELLING STOCK 2010-2017
Tattenhoe Park	0	128	128
Tinkers Bridge	411	414	3
Two Mile Ash	1819	1822	3
Walnut Tree	1746	1746	0
Walton	0	174	174
Walton Park	258	258	0
Wavendon Gate	956	956	0
Westcroft	1006	1063	57
Whitehouse (WEA)	0	145	145
Willen	608	615	7
Willen Park	597	740	143
Wolverton	3172	3712	540
Wolverton Mill	142	155	13
Woolstone	354	359	5
Woughton Park	74	74	0
Woughton-on-the-Green	242	244	2
TOTAL STOCK	85550	93873	8323

Table 3 outlines the summary details of the largest residential development sites in Milton Keynes in the last few years in terms of the housebuilders who have been active in delivering homes over the lifetime of each development. The 'number of homes delivered' columns reflect all those dwellings which have either been constructed, are under construction, or have Reserved Matters (REM) permission.

Table 3: Housebuilders on the Highest Yielding Sites

Housebuilder	No. of homes delivered
Abbey	251
Avant	670
BDW Trading	2,793
Bellway	230
Bovis	489
Cala Homes	111
Crest Nicholson	1,105
Newcrest Homes	8
Paul Newman Homes	74
Persimmon Homes	348
Places for People	542
Taylor Wimpey	1,829
Total	8,450

As Table 3 highlights, whilst the 8,450 dwellings being delivered across these sites have been/ are being constructed by 12 different housebuilders, three of these (BDW Trading, Crest Nicholson and Taylor Wimpey), have alone delivered/ are delivering over two thirds (67%) of the homes.

Furthermore, as the below breakdown of seven of the sites outlines, BDW Trading and Taylor Wimpey have also been involved across more than one of the sites, with BDW currently the only housebuilder active on Area 11 (Fairfield) in the Western Expansion Area and having built out the large majority of Brooklands in the Eastern Expansion Area.

Breakdown of Housing Delivery

Western Expansion Area (6,550 homes in total)

Whitehouse/Area 10 Lead Landowner: Gallaghers and Milton Keynes Council

Whitehouse/ Area 10 has outline permission for up to 4,330 homes. Those homes which have REM permission are split between the following housebuilders (some of these are already complete or under construction):

House Builder	No. of Homes
Abbey	251
Bellway	230
Bovis	489
Cala Homes	111
Taylor Wimpey	135
Total	1,216

Currently 28% of the homes within the outline permission for Area 10 have been granted REM. These are split between 5 housebuilders.

Fairfield/ Area 11 Lead Landowner: Gallaghers

Fairfield/ Area 11 has outline permission for 2,220 homes. Those homes which have REM permission are split between the following housebuilders (some of these are already complete or under construction):

House Builder	No. of Homes
BDW Trading	1,103
Total	1,103

Currently 50% of the homes within the outline permission for Area 11 have been granted REM. These are all being developed out by one housebuilder.

Summary: Over the whole WEA, 35% of the homes within the outline permission also have REM permission. These are being built out by 6 house builders with BDW trading alone being responsible for 48% of these.

Brooklands - Eastern Expansion Area
Lead Landowner: Places for People

Brooklands has outline permission for 2,501 homes. Those dwellings which have REM permission are split between the following housebuilders (some of these are already complete or under construction):

House Builder	No. of Homes
BDW Trading	1,690
Paul Newman Homes	74
Places for People	542
Total	2,306

Summary: Over the whole Brooklands area, 92% of the homes within the outline permission also have REM permission. These have been/are being built out by only 3 housebuilders (including the lead landowner), with BDW trading alone being responsible for 73% of these.

Newton Leys

Lead Landowner: Taylor Wimpey

Newton Leys was granted outline permission for 1,650 dwellings following an application by O & H Properties. This application has now been extended by Taylor Wimpey and to-date REM permission has been granted for 1,580 homes, with Taylor Wimpey being responsible for all of these.

Redhouse Park/ Northern Expansion Area

The Northern Expansion Area has now been completed and has provided a total of 670 homes. These were built out by what are now Avant Homes and, Country and Metropolitan Homes, which are a subsidiary of Avant Homes.

Oakgrove

Lead Landowner: English Partnerships/ Homes & Communities Agency

All parcels of the Oakgrove development, which received outline permission for 1,105 dwellings, now have REM permission and the development is expected to be completed by 2019/20. The development has been entirely built out by Crest Nicholson.

Oakridge Park

The development of Oakridge Park has now been completed and provided a total of 470 homes. The construction of those homes was split between the following housebuilders:

House Builder	No. of Homes
Newcrest Estates	8
Persimmon Homes	348
Taylor Wimpey	114
Total	470

Analysis

MK has a large number of planning consents granted – currently 16,035 homes have planning permission¹. However as demonstrated above the market in Milton Keynes

¹ 5,655 Full permissions and 10,380 outline

is dominated by a few key landowners and a handful of large house builders on a small amount of large sites.

This has contributed to 'under delivery' due to;

- Fewer market players constrain supply;
- Larger sites have a greater lead in time to provide strategic scale infrastructure (e.g. utilities, roads, schools, etc.).
- Large sites have more onerous 'pre-delivery' planning requirements;

Most major housebuilders work on a rough model of one unit being completed a week. So with a handful of major players developing on a few 'outlets' this constrains annual supply.

The 'development pipeline' illustrated at the end of this Annex shows the lengthy lead in time to the two largest sites that have delivered the most amount of homes in the last few years; the WEA (Area 10 – Whitehouse, and Area 11 – Fairfield), Brooklands in the EEA, and Oakgrove. From this it can be seen that from the start of the Local Plan process through to completion is a development pipeline of between 20 and 30 years. It can also be seen that the grant of outline planning consent is some time into the pipeline.

The data on pre-commencement conditions indicates that this has not been a particularly straightforward, sequential or meaningful part of the process, with some conditions being approved after homes have been started on site. This has already been acknowledged by the Planning Service who have more recently rationalised and standardised planning conditions.

Two other sites are included in the pipeline data to show a couple of urban brownfield sites as a comparison. These have shorter pipelines but the 300 home scheme still has a significant pipeline (12 years), as opposed to the 56 home scheme (3 years).

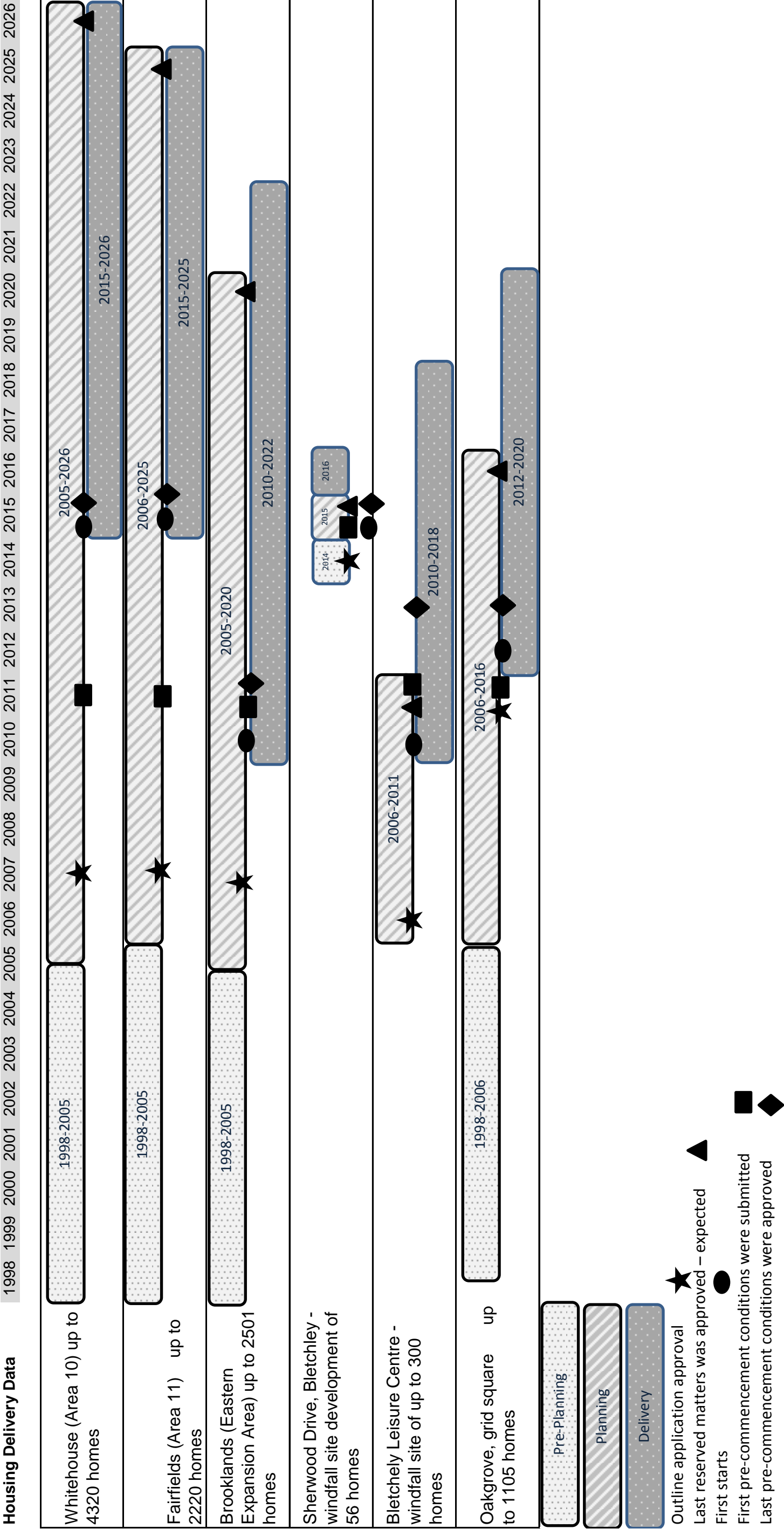
The majority of development in Milton Keynes is on 'greenfield' sites, even in the urban area, and this is related to its New Town heritage. Due to this and other strategically planned, city-scale infrastructure (drainage, transport, open spaces), there are fewer physical constraints to site development than in other traditional urban areas. However negotiating on schemes to meet policy requirements have led to delays during the planning process.

Notably meeting local parking requirements, which are above national standards, has proved to be contentious, particularly on city centre sites. Meeting these standards physically reduces the capacity of sites to accommodate homes and can impact on the viability of proposals. Experience suggests that this is a particularly challenging issue for developments in Milton Keynes, and has in the past been a 'deal breaker'.

Anecdotal evidence from applicants and agents suggests that the process of agreeing developer contributions to affordable housing and infrastructure through legal agreements (Section 106 agreements) has delayed delivery. The Council has little performance data currently to verify this however the Planning and Legal Service have recently completed a review of the process to make it more efficient.

The implementation of new processes will be accompanied by Key Performance Indicators to manage and monitor this part of the planning process going forward.

A review of the Council's policies underlying the negotiation process is also due to be completed in the next few months. This will update the levels of contributions sought for different types of infrastructure. However one of the current issues is the relative weighting to be applied to affordable housing requirements v's infrastructure contributions. This causes delay and uncertainty in the process, particularly when a proposal is considered at Committee.



Brett Leahy, Director of Planning
Milton Keynes Council,
Civic Offices,
1 Saxon Gate East,
Milton Keynes,
MK9 3EJ

Monday, 19 March 2018

Dear Mr Leahy,

Levante Gate Planning Application 17/03233/OUT

This planning application has been worked up with your planning officers in order to secure an implementable housing scheme designed to deliver much-needed new homes for Milton Keynes. One of the characteristics of the Council's housing land supply is the need for sites to be made available and be deliverable in the short term.

In this regard, Guinness Partnership Ltd has the capacity to build over 1,500 units a year. We are one of the 10 largest affordable housing providers in terms of the number of affordable homes delivered in the country. Having a regional headquarters based in Milton Keynes, we are fully aware of the housing issues facing the city. Being locally based we feel we are well placed to deliver new homes in a timely and efficient manner. In addition, we have a responsibility and incentive to work with and support one of the Councils key objectives of the delivering of new homes, including affordable housing.

The Guinness Partnership Ltd is a registered provider of social housing. In pursuit of this activity, we are a large-scale developer of housing for sale. We currently have the financial and technical capacity to build out the proposed scheme the moment planning permission is granted. At present we do not have enough sites ready to deliver new homes but the Levante Gate site is a genuine opportunity to secure a large number of units in the immediate term and would fit very well into our development program.

The site is owned by a single landowner and the company has full control of the site, enabling a speedy delivery of a permitted scheme. We are not reliant upon any third parties. All the necessary funding needed to build out this project is in place and ready to go.

In this regard, the company remains committed to preparing reserved matters and discharge of pre-commencement conditions within a year of the grant of planning permission enabling first completions of new homes to be available in 2020. Attached is a timeline that the company intend to work to in order to secure these objectives. I hope this provides sufficient comfort to the Council regarding the company's commitment to delivering much-needed new homes on this site as soon as possible.

Should you wish to discuss any matter arising please do not hesitate to contact either Douglas Bond, our planning consultant or myself.

Yours sincerely

A handwritten signature in blue ink, appearing to read 'Mark Hanson', with a stylized flourish extending from the end.

Mark Hanson
Head of New Business

[illegible]

[illegible]



Appeal Decision

Inquiry Held on 14-17 November 2017 and 19 December 2017

Accompanied site visit made on 19 December 2017

by I Jenkins BSc CEng MICE MCIWEM

an Inspector appointed by the Secretary of State

Decision date: 05 March 2018

Appeal Ref: APP/Y0435/W/17/3177851

Land at Long Street Road, Hanslope

- The appeal is made under section 78 of the Town and Country Planning Act 1990 against a refusal to grant outline planning permission.
 - The appeal is made by Mr & Mrs John Wakefield Adams against the decision of Milton Keynes Council.
 - The application Ref 16/02937/OUT, dated 12 October 2016, was refused by notice dated 13 April 2017.
 - The development proposed is the erection of up to 141 dwellings (use Class C3) with associated access, earthworks and other ancillary and enabling works. All other matters (appearance, landscaping, layout and scale) reserved.
-

Decision

1. The appeal is allowed and outline planning permission is granted for development described as the *erection of up to 141 dwellings (use Class C3) with associated access, earthworks and other ancillary and enabling works. All other matters (appearance, landscaping, layout and scale) reserved* on land at Long Street Road, Hanslope in accordance with the terms of the application, Ref 16/02937/OUT, dated 12 October 2016, subject to the conditions set out in the attached Schedule of Conditions.

Procedural matters

2. The planning application subject of this appeal is in outline, with all detailed matters, except access, reserved for future consideration.
3. In support of the appeal the appellants have submitted a formally completed 'section 106 agreement' (s106), pursuant to section 106 of the *Town and Country Planning Act, 1990*. I have taken it into account.

Main Issues

4. I consider that the main issues in this case are:
 - 1) The effect of the proposal on the Council's spatial development strategy for the area;
 - 2) The effect of the scheme on the character of the area, with particular reference to the countryside, the setting of Hanslope and the gap between settlements;
 - 3) The effect on the significance of designated heritage assets;
 - 4) Whether the Council is able to demonstrate a 5-year supply of deliverable housing sites;
-

passes from agricultural to residential use. The reduction in the ability to appreciate the existing character of the land and its contribution to the significance of the Listed Building would result in medium adverse harm to that significance. I agree with this assessment. However, the BHS suggests that that level of harm may be mitigated by detailed proposals to provide a rural character to the buffer space. Whilst not disputing that view, the Council's Conservation Officer indicated that there is no evidence to show that the impact would be so minimal as to be neutral. Having had regard to the illustrative details provided in support of the scheme, I consider it is likely that the identified harm could be partially mitigated, through careful landscaping of the buffer space, controlled by condition. In my judgement, subject to condition, the proposal would be likely to cause limited harm to the significance of the designated heritage asset.

18. When approaching the site from the northwest along Long Street Road and along footpaths from the west, the spire of the Church of St James the Great, a Grade I Listed Building, is visible in the distance beyond built development within the village. The illustrative plans submitted in support of the planning application indicate that the proposed built development could be set back from both Long Street Road and the southwestern boundary of the site. Under those circumstances, it is unlikely that the proposal would have a material effect on the views of the spire from the approaches I have identified. Views from the site and Folly Farmhouse towards the spire, which are already limited by intervening development, would be restricted to a greater degree. Nonetheless, I consider overall that the adverse effect on the setting of the church and its significance as a designated heritage asset would be negligible.
19. Furthermore, due to the visual and significant physical separation of the proposed development from the Hanslope Conservation Area, the proposal would have no material impact on the significance of that designated heritage asset, including its setting.
20. Nonetheless, I conclude that the proposal would be likely to cause negligible harm to the significance of the Church of St James the Great and limited harm to the significance of Folly Farmhouse. In these respects it would conflict with CS Policy CS19 and LP Policy HE5.

4) Housing land supply

Requirement-Liverpool v Sedgfield

21. There is no dispute that the CS provides the appropriate basis for the calculation of the 5-year housing land requirement. CS Policy CS2 indicates a requirement of 1,750 dwellings per annum in the period April 2010 to March 2026. Furthermore, it is agreed that in this case the relevant period for the assessment is 1 April 2017 to 31 March 2022. The Council's most recent formal assessment of its housing land supply position is its *Assessment of Five Year Land Supply 2017-2022, July 2017* (ALS). The ALS indicates that in the 7 years since the start of the CS period there have been 9,065 completions, which equates to a shortfall of 3,185 units relative to the average annual requirement figure set out in the CS of 1,750 units. In the *Statement of Common Ground on Five Year Land Supply, October 2017* (SoCGH), the Council and the appellants have agreed corrected figures of 9,019 completions and a shortfall of 3,231 units. I have had regard to those figures and note that the correction is small.

22. There is a dispute between the main parties concerning the timescale over which the shortfall should be addressed. The appellants favour the 'Sedgefield' method of dealing with undersupply within 5 years and the Council favours the 'Liverpool' method of making up the unmet requirement over the remainder of the plan period. I acknowledge that as the number of years until the end of the plan period reduces towards 5 remaining years, so the difference between the outcomes of the 2 methods reduces. However, to my mind, at present the difference is significant. Assuming the level of supply claimed by the Council, which is also disputed by the appellants, the SoCGH indicates that based on the Liverpool method the Council is able to demonstrate a supply of 5.15 years. However, using the Sedgefield method the level of supply falls to 4.53 years.
23. I acknowledge that the pattern and pace of housing provision planned for in the CS could be a relevant factor when determining which approach is more appropriate. The Council suggests that the examining Inspector was plainly satisfied, with reference to an examination document MKC/4, that the Liverpool approach was justified. I am not convinced that that was the case.
24. The Inspector's report does not refer explicitly to either the Liverpool or Sedgefield methods. MKC/4 shows a housing completions trajectory alongside a requirement based on the 1,750 dwellings per annum set out in the CS. The trajectory shows early year shortfalls and footnote 1 to the MKC/4 table indicates that the annually calculated 5 year requirement figure looking forward had been calculated on the assumption that the remaining requirement in the plan period would be delivered over the remaining period.
25. However, importantly in my view, the pace and pattern of projected completions indicated that there would be no need to spread recovery of the early years shortfall over the remaining plan period. At the time that this evidence was under consideration by the examining Inspector, in July 2012, MKC/4 indicated that the early years shortfall would be made up within 5 years, with a surplus relative to the annual requirement of 1,750 units by the end of year 6. A similar outcome is shown to result from the Figure 18.1-Housing Trajectory subsequently included in the CS. It appears to me that in terms of the proposed pattern and pace of housing provision, a Sedgefield style recovery of the early-years shortfalls, was proposed and accepted. The circumstances then, differ from those subject of the 2014 case of 'Bloor Homes'¹, where the Inspector had found that the Liverpool method was congruent with the approach in the *Hinckley and Bosworth Core Strategy, 2009*. The circumstances also differ from those associated with appeal decisions APP/K3415/A/14/2224354 and 2225799. Those cases fell within the scope of the *Lichfield District Local Plan Strategy 2008-2029 (2015)*, which I understand adopted a Liverpool approach to addressing shortfall.
26. I have also had regard to appeal decision Refs. APP/L1765/W/16/3141664 & 3141667 (Colden Common appeals), which were dismissed and involved proposed residential development on land within the scope of *Winchester District Local Plan Part 1 (2013)* and *Part 2 (2017)*. In that case the Inspector observed that the housing delivery strategy relied on 3 large strategic sites to deliver around two thirds of the housing requirement, such sites tend to take longer to commence and deliver later in the plan period, providing some justification for the curved delivery trajectory anticipated by the Council in that

¹ Bloor Homes East Midlands Limited and Secretary of State for Communities and Local Government and Hinckley and Bosworth Borough Council [2014] EWHC 754 (Admin).

may be achievable. However, it appears unlikely that dwellings would be completed until year 3, given Gallagher Homes estimate of a 3 year lead time after site commencement. To my mind, this indicates that the Council's estimate for this site is unduly optimistic and a reduction of around 140 units would represent a realistic prospect of delivery. At Tattonhoe Park outline planning permission is in place along with some infrastructure and the site promoter has indicated that it is committed to delivering the remaining units as quickly as possible, with the next phase potentially beginning in early 2019 and the development could be complete by 2025. The delivery rates promoted by the Council and broadly supported by TP, appear to be consistent with those aims.

37. I understand that the land identified as 'Campbell Park remainder', forms part of a larger site which has been identified for development for a significant period of time and has otherwise been developed in part. In my view, a lack of progress in the past, does not amount to clear evidence that development will not be implemented in the 5 year period. As observed by the appellants, the allowances made by the Council towards the end of the period are modest and, in my view, realistic. I consider the same can be said in relation to 'Canalside-Marina', in the absence of evidence from the developer to support the appellants' concerns regarding the rate and timing of delivery.
38. Preparation of the *Milton Keynes Site Allocations Plan (SAP)* and *Plan: MK*, which are intended to provide, amongst other things, for flexibility and contingency to the existing supply of housing land, are progressing albeit at a slower pace than expected when the CS was being examined. The ALS includes a number of SAP sites, including SAP18 and 19. Whilst I understand that SAP18 (147 units) and SAP19 (135 units) are employment allocations in the CS, they are now being promoted for residential development by the Council as part of the SAP. Having had regard to the questions raised by the examining Inspector and the justification provided by the Council in response, I consider that until a decision is made to reject those sites, there remains a realistic prospect of housing delivery towards the end of the 5-year period, as set out by the Council and supported by TP.
39. The Council's approach to the assessment of supply levels has evolved over time, taking account of changing circumstances. Having regard to the uncertainties associated with the sites, commented on by both main parties, I consider that overall the realistic level of supply is likely to equate to slightly less than 4.5 years.

Conclusion

40. I conclude, with particular reference to the necessary application of the Sedgefield method in this case, that the Council is unable to demonstrate a 5-year supply of deliverable housing sites, contrary to the requirements of the Framework.

5) Infrastructure

41. A significant number of interested parties have raised the concern that local infrastructure does not have the capacity to cater for the cumulative needs of the proposal and other recently approved schemes, which together would result in a substantial increase in the population of the village, relative to the 2011 census figures.



Appeal Decision

Hearing Held on 28 March 2018

Site visit made on 28 March 2018

by John Morrison BA (Hons) MSc MRTPI

an Inspector appointed by the Secretary of State

Decision date: 30th April 2018

Appeal Ref: APP/Y0435/W/17/3186814

Land at Moat Farm, Chicheley Road, North Crawley MK16 9LS

- The appeal is made under section 78 of the Town and Country Planning Act 1990 against a refusal to grant outline planning permission.
 - The appeal is made by Toft Hill Ltd against the decision of Milton Keynes Council.
 - The application Ref 17/01141/OUT, dated 25 April 2017, was refused by notice dated 14 September 2017.
 - The development proposed is described as outline application for residential development of 76 x dwellinghouses, with approval of access, with all other matters reserved.
-

Decision

1. The appeal is dismissed.

Procedural Matters

2. I have used the more detailed description of development as it appears on the Council's decision notice and appeal form since it specifies the number of dwellings. This is not shown on the planning application form. It is therefore a more precise description. There were no objections from the main parties at the hearing concerning my use of this description.
3. Prior to the commencement of the hearing I was advised by a representative of North Crawley Parish Council of the status of their emerging Neighbourhood Plan (NP). This correspondence was dated 20th March 2018 and set out that a draft submission version of the NP was being readied for a six week consultation period prior to being submitted. At the hearing I was advised that nothing further had happened on this. The plan still appears therefore to be some way off adoption and may potentially have unresolved matters to come out of a consultation period. A period which is yet to begin. I accordingly afford the NP minimal weight.

Main Issues

4. There are three main issues in the determination of this appeal. These are:
 - a) Whether or not the appeal site is an appropriate location for new housing having regard to local and national planning policy;
 - b) The effect of the proposed development on the character and appearance of the area; and

- c) Whether or not the Council is able to demonstrate the supply of housing sites as required by the Framework with particular regard to the Liverpool and Sedgfield methods of calculating a shortfall.

Reasons

Appropriate Location

5. Whilst the proposed development seeks outline planning permission with the matter of access considered, it proposes 76 dwellings. North Crawley is identified by the Core Strategy as an 'other village'¹. This infers a limited range of facilities and services. Indeed, as part of the settlement hierarchy set out by Policy CS1, other villages are ranked only above villages in the open countryside and within which only small scale redevelopment and infill development will be permitted.
6. The appeal scheme relates to the development of what is the corner of an agricultural field beyond the limits of the settlement and I would not consider 76 dwellings small scale. Thus the proposed development would not sit appropriately with CS1.
7. The appellant set out in their written and oral evidence that North Crawley has a convenience store, a primary school, two public houses, a community centre and leisure facilities in the shape of a cricket and football pitch. Whilst these elements are clearly of useful benefit to the incumbent community and would be easily accessible by any new residents, I have strong doubts that the scale of the services available is necessarily geared towards supporting the addition of 76 new households.
8. The appellant has submitted a Unilateral Undertaking (UU). Some of the contributions set out therein do include sports and leisure provision as well as funds towards education. However, there is no clear indication as to what projects such contributions may be directed. Whilst I am also therefore unsure as to whether these contributions will or will not be pooled, I cannot in any event be satisfied that they would be directed at improving or providing new facilities in North Crawley.
9. Moving on, it would not be unreasonable to assume that development of the quantum proposed would likely have a proportion of families with higher school age children as well as dependants and adults with either existing employment elsewhere or future job aspirations. New residents would also need access to a greater diversity of retail choice as well as health care.
10. With these factors in mind, it seems to me that a large number of new residents would have to travel to access the services they would require to meet their day to day needs. I was advised at the hearing and in the written evidence that there is a bus service that stops close to the appeal site which links North Crawley and other settlements with Milton Keynes. However, this appears to be infrequent and in any event this alone would not dissuade me from concluding that the majority of new residents would likely rely on the use of the private car for the majority of their journeys. This is the least sustainable travel option. Journeys would likely be high in number and frequency given the scale of the proposed development.

¹ Policy CS1 Milton Keynes Core Strategy 2013

retrofitted as an afterthought rather than being integral to the scheme's siting or design. I accept that, to some degree, this is driven by the outline nature of the proposed development but the effective surrounding of the appeal site with new planting would have the effect of reinforcing the degree of visual distinction that it would have from the existing settlement and thus add to the harm I have identified.

17. As a result of this harm to the character and appearance of the area, the appeal scheme would conflict with Policy S10 of the Local Plan and one of the core principles of the Framework. These policy approaches seek to ensure, amongst other things, that new development should be contained within settlements and limited in the open countryside in the interests of its intrinsic beauty.

Housing Land Supply

18. There is disagreement between the main parties as to whether the Council are able to demonstrate the supply of housing sites as required by the Framework. The Council state that they can, using the Liverpool method of calculating the shortfall. That is to say making it up throughout the remaining years of the plan. The appellant states that they cannot, using the Sedgefield method of calculating the shortfall which is seeking to make it up in a five year period. Through the application of the Liverpool method, the Council's supply comes in at marginally over five years. This figure includes the required buffer. Using the Sedgefield method, the supply reduces to approximately 4.5 years.
19. The Council's supply is predicated on the delivery of a number of very large strategic sites. They argued that the delivery of these sites stalled longer than expected on the back of the most recent recession. The adoption of the Core Strategy fell in 2013 and in essence the plan therefore inherited a shortfall in housing to begin with. The Inspector examining and finding sound the Core Strategy at the time seemed to favour a Liverpool style approach albeit they did not state so explicitly.
20. Where there is a strong reliance on large scale strategic sites and significant urban extensions I can see how it could drive the need for the application of the Liverpool method. I also accept, as a designed new town, Milton Keynes is not directly comparable to a more traditional authority that might be constrained by matters of landscape, Green Belt or heritage protection. These circumstances are indeed specific to Milton Keynes but do not strike me as unique. The Council brought a number of examples of the use of the Liverpool approach to shortfall calculation to my attention, one specifically being in the examining Inspector's findings with regard to the Canterbury Local Plan.
21. It was established at the hearing that the evidence forming the Council's case contained broadly the same arguments pertaining to the calculation of their supply of housing sites than was put to my colleague in respect of a scheme for up to 141 dwellings at Long Street Road, Hanslope³. Also in the administrative area of Milton Keynes. The Hanslope decision was reached following detailed cross examination of evidence over the course of a five day public inquiry. The decision was issued on 5th March 2018 and as such is very recent.
22. My colleague, in reaching a view on the Council's housing supply in the Hanslope decision, found that the Sedgefield method was most appropriate for

³ Planning Inspectorate Ref: APP/Y0435/W/17/3177851

calculating the Council's shortfall and thus, it was apparent that they were unable to demonstrate the required supply of sites totalling five years with the required buffer. My colleague was not convinced that the Liverpool method was appropriate, having regard to projected build out rates for large sites, the proportion of the overall supply they make up and when the CS housing trajectory would see the highest levels of delivery occur. In addition, it was not explicit that the adoption of the Milton Keynes Core Strategy endorsed a Liverpool approach. It is largely for this reason that I disagree with the Council's view that taking the Sedgefield approach would doom the Core Strategy to failure.

23. Taking into account the above, I did not hear a sufficiently justified argument to depart from my colleagues finding on how the Council's housing shortfall should be made up. That finding was, as I have pointed out, reached as a result of detailed cross examination of evidence over multiple days. The findings are very recent and the Council's evidence base that lead to them has not substantially changed. Taking the Sedgefield approach therefore⁴, the Council would be unable to demonstrate the supply of housing sites required by the Framework. The Sedgefield approach is consistent with paragraph 035 of Planning Practice Guidance⁵ and the Framework's commitment to boost significantly the supply of housing. With this in mind, the so called tilted balance advanced by paragraph 49 of the Framework and detailed by paragraph 14 is engaged.

The Balance

24. Whilst engagement of the so called tilted balance is preceded by relevant policies for the supply of housing being considered not up to date and the weight a decision maker may attribute to them reduces, this does not automatically mean that any harm a given development may cause equally reduces.
25. There is little doubt that the erection of 76 new dwellings would make a noticeable difference to an under supply situation and the appellant's UU also seeks to provide affordable housing commensurate with the Council's relevant policy position. I do consider these benefits on a social level. There would also be some additional economic benefit from the construction phase, albeit one that is time limited. In a longer term economic sense, and in the context of my earlier findings, I feel that expenditure in more substantial terms may rest in areas other than North Crawley.
26. The appellant considers other contributions set out in the UU as further benefits of the proposed development. Whilst they would be beneficial, there remains some ambiguity as to whom they would be advantageous. In any event, my view is that in the main, contributions set out in a UU such as the one before me are there to respond to policy provisions that exist to mitigate an impact. In this case, that of the erection of 76 dwellings. Thus, when determining where they feature in a balance, I would have to conclude they would be neutral.

⁴ Also endorsed in dismissed appeal for up to 250 dwellings at Linford Lakes, off Wolverton Road, Milton Keynes, Planning Inspectorate Ref: APP/Y0435/W/17/3175391, issued on 27th March 2018 following eight day public inquiry

⁵local planning authorities should aim to deal with any under supply within the first 5 years of the plan where possible.



Appeal Decision

Inquiry held on 5-8, 12 and 13 December 2017, 26 January and 2 February 2018
Accompanied site visit made on 5 December 2017

by John Felgate BA(Hons) MA MRTPI

an Inspector appointed by the Secretary of State

Decision date: 27 March 2018

Appeal Ref: APP/Y0435/W/17/3175391

Land at Linford Lakes, off Wolverton Road, Milton Keynes, Bucks

- The appeal is made under section 78 of the Town and Country Planning Act 1990 against a refusal to grant outline planning permission.
 - The appeal is made by Templeview Developments Limited against the decision of Milton Keynes Council.
 - The application Ref 16/02270/OUTEIS, dated 10 August 2016, was refused by notice dated 6 April 2017.
 - The development proposed is described as residential development (up to 250 units), with access and provision for drainage, open space and amenity areas; and the creation of an area for car parking (25 spaces) off Little Linford Lane, for use in association with the use of land for an extension to the River Valley Park.
-

Decision

1. The appeal is dismissed.

Preliminary Matters

2. The appeal site is defined by the red line on Plan No D16, and is in two parts: the main site, of around 15 ha, lying immediately to the north of Wolverton Road; and a much smaller area, of 0.2 ha, fronting onto Little Linford Lane. The area proposed for residential development is the larger of these two parcels. The smaller site is proposed to become a public car park.
3. The permission sought is in outline, with all matters reserved except for access. Access to the residential development would be from two points on Wolverton Road, as shown on Drawings numbered BU404-10M-002 and 003. The access to the car park would be from Little Linford Lane, in accordance with details yet to be defined. In so far as the submitted plans also include details of matters other than access, it is agreed that these are all illustrative.
4. The land outlined in blue on Plan D16 ('the blue land') is adjoining land in the same ownership, amounting to nearly 60 ha. No permission is sought for any operational development or material change of use on this land. Under the terms of a Section 106 agreement (S.106) entered into by the appellants and the Council, this area would be dedicated as an extension to the existing Ouse Valley Linear Park (OVLP), and within this area provision is made for landscaping, ecological management, and public access, in accordance with details yet to be agreed.
5. In addition to the OVLP extension, the S. 106 agreement also includes provisions relating to the proposed affordable housing, off-site highway works, and financial contributions to health, education and community facilities.

Emerging plans

16. The draft Milton Keynes Site Allocations Plan (MKSAP) was submitted for examination in April 2017, and the examination is on-going. The draft plan does not propose any allocations or other policies directly relevant to the appeal site.
17. The submission draft 'Plan MK' was published in October 2017, and addresses the Borough's development needs up to 2031. The plan is to be submitted for examination in spring 2018.
18. In view of their relatively early stage of preparation, I have given both of these emerging plans limited weight.

Main Issues

19. The main issues in the appeal are as follows:
 - whether the Borough has an adequate supply of land for housing;
 - the proposed development's effects on the character and appearance of the landscape;
 - the effects on the ecology and biodiversity; and
 - the effects on the MKLP's policy aims for the Ouse Valley Linear Park.

Reasons for Decision

The supply of land for housing

Agreed matters

20. A number of matters relating to the housing land supply are agreed between the Council and the appellants, and it is therefore not necessary for me to set these out in detail. In summary, it is agreed that the relevant 5-year period is 2017-22, and that the starting point is the MKCS requirement of 1,750 dwellings per annum. Applying that figure back to the start of the plan period in 2010, and taking account of completions since then, there was a backlog at 1 April 2017, of 3,231 dwellings. It is agreed that this amounts to persistent under-delivery, triggering the need for a 20% buffer, and also that the buffer should be applied to both the basic requirement and the backlog. These agreed matters are based on the Council's published Housing Land Supply statement¹, dated July 2017, and the Statement of Common Ground agreed between the parties in November 2017.

Liverpool or Sedgefield method

21. Based on these agreed elements, the Council argues that the requirement figure for the 5-year period is 12,654 units, using the 'Liverpool method', whereby the past shortfall is split evenly over the remaining years of the plan period.
22. I appreciate that Milton Keynes is heavily reliant on very large sites, and in some cases this has been held to justify this method. I also accept that the disadvantages of the Liverpool method are to some extent offset by the front-loading inherent in the 20% buffer. However, the Planning Practice Guidance

¹ 'Assessment of 5-Year Land Supply': MKDC, July 2017

(PPG) expresses a clear preference for dealing with any undersupply within the first five years where possible, and in this case there is no clear evidence as to why that approach could not be adopted here. It might well be true that merely increasing the requirement during these five years, and by implication, forcing the release of further sites, would not necessarily increase the rate of delivery. But in the absence of conclusive evidence either way, it seems to me that it is this alternative approach, the 'Sedgefield method', that should be applied. On this basis, it is common ground that the 5-year requirement would increase to 14,377 units

23. In the Council's evidence, the maximum deliverable supply within the relevant 5-year period is 13,727 units. The published Land Supply statement then applies what it refers to as an 'optimism bias adjustment', which is an across-the-board deduction of 697 units, to allow for slippage on the larger identified sites; alternatively, the Council's witness Mr Goodall argued at the inquiry for site-specific adjustments totalling about 670 units, to reflect his assessment of the slippage risk on individual sites. But on either basis, the maximum deliverable supply that can be counted on would fall to just over 13,000 units. Consequently, if the Sedgefield method is used, there is not a 5-year supply.

Draft allocations without planning permission

24. The sites at Harrowden (SAP14), Townergate (SAP 18) and Walton Manor (SAP 20) are identified as proposed housing allocations in the draft MKSAP. However, the Public Examination of that plan is still on-going. At least one of the sites, Townergate, is subject to formal objections which are as yet unresolved. All three sites have been the subject of specific questions raised by the examining inspector, including issues relating to the possible needs for other uses. Until the Inspector publishes his recommendations, there is no basis for speculation as to the outcome of the Examination process.
25. The Townergate and Walton Manor sites are identified as 'potential' housing sites in the Walton Neighbourhood Plan (WNP), which was 'made' in January 2017. But the WNP also states that it does not seek to formally alter their status as employment allocations in the adopted MKLP, in advance of the outcome of the MKSAP. None of the three MKSAP sites has planning permission.
26. The lack of a planning permission need not prevent a site being included in the 5-year supply, provided that there is a realistic prospect of development within the relevant period. But to be considered deliverable, the sites must be suitable for housing. In the absence of either an outline permission, or an unambiguous allocation in a development plan that has reached an advanced stage, the suitability of these three sites remains to be seen. As such, none can currently be counted as deliverable. These three sites should therefore be deleted from the Council's land supply, resulting in the loss of 312 units.

Lead times

27. A number of the sites in the Council's supply are challenged by the appellants on the basis of unrealistically short lead-times for the start of development. I agree that large sites often take a long time to come through the planning process, and for all the practicalities of building contracts, detailed design, discharge of conditions, site preparation and infrastructure works, to take their course. Whilst most of these activities are outside the Council's control, it is important to ensure that the assumptions made are realistic.