

Strategic Housing Land Availability Assessment

1	STUDY OVERVIEW	2
2	STAGE 1: PLANNING THE ASSESSMENT	8
3	STAGE 2: DETERMINING SOURCES OF SUPPLY	10
4	STAGES 3 & 4: DESKTOP REVIEW & DETERMINING SITES TO BE SURVEYED	14
5	STAGE 5: CARRYING OUT THE SURVEY	15
6	STAGE 6: ESTIMATING THE HOUSING POTENTIAL OF EACH SITE	16
7	STAGE 7: ASSESSING WHEN & WHETHER SITES ARE LIKELY TO BE DEVELOPED	18
8	STAGE 8: REVIEW OF THE ASSESSMENT	33

1 . STUDY OVERVIEW

1 STUDY OVERVIEW

Introduction: purpose and context

1.1 The Strategic Housing Land Availability Assessment (SHLAA) is part of the evidence base supporting the production of the Milton Keynes Local Development Framework (LDF). Its primary function is to verify that there is sufficient land across Milton Keynes to meet local requirements, as set out at a regional level ⁽¹⁾.

1.2 A SHLAA is required as evidence under national Planning Policy Statement 3: Housing (PPS3)⁽²⁾ to ensure that land availability is not a constraint to the delivery of homes across the country. It is part of a more responsive approach to land supply at a local level.

1.3 The SHLAA Practice Guidance⁽³⁾ issued by the Department for Communities and Local Government, July 2007 (referred to as the Practice Guidance from now on) lists the main requirements of a SHLAA as to:

- Identify sites with potential for housing
- Assess their housing potential
- Assess when they are likely to be developed

1.4 This report includes the outcomes of the SHLAA assessment which supports work that has been ongoing over the last 5 years to prepare a strategy for growth in Milton Keynes. Work on the strategy for growth pre-dated the requirement for a SHLAA to be undertaken, meaning that this SHLAA report has not been used to inform the strategy for growth. It has been prepared in a 'period of transition'⁽⁴⁾ and as such reviews land availability across Milton Keynes, both in areas included within the strategy for growth and areas currently not identified for development.

1.5 Stage 8: Review of the Assessment, summarises the conclusions for land availability within the areas identified in the strategy for growth, disaggregating the information from the wider, more general assessment across the whole borough.

1.6 **It should be noted that the inclusion of sites in areas not identified for growth does not mean that the Council has altered its emerging strategy for growth or that these sites will actually be allocated for development. This is a matter for the planning process and, as with all sites in the study, the identification of a site in this study does not mean it will actually be allocated or that planning permission for residential**

1 In the case of Milton Keynes, the local housing requirement is set out in the South East Plan, May 2009.

2 PPS3- <http://www.communities.gov.uk/publications/planningandbuilding/pps3housing>

3 SHLAA Practice Guidance-
<http://www.communities.gov.uk/publications/planningandbuilding/landavailabilityassessment>

4 The period of transition refers to the fact that the Council has already undertaken work on the strategy for growth, meaning the SHLAA cannot inform the decisions made, but can simply help to verify the deliverability of the strategy. The SHLAA report has covered all areas that would have been covered if these decisions had not already been taken, but also considers the supply of deliverable and developable sites within strategy areas- see chapter 8

development will be granted. This will need to be considered through the normal planning process. This report is simply a piece of technical work supporting the Council's evidence base.

1.7 Conversely, sites not included in the study could still be considered for allocation though the LDF or be granted planning consent for development if it was deemed suitable.

1.8 The SHLAA has been prepared in accordance with the Practice Guidance, which provides practical advice on the stages of carrying out an assessment. The Practice Guidance has been adapted where necessary to take into account local circumstances and the purpose of the SHLAA for Milton Keynes Council. The methodology can be viewed on the Planning website at <http://www.milton-keynes.gov.uk/planning-policy>

1.9 Other Guidance Notes have also helped to inform the SHLAA, including 'SHLAA and Development Plan Documents Preparation' and 'SHLAA- Frequently Asked Questions', both published in January 2008 by the Planning Advisory Service (PAS)⁽⁵⁾. Although these are not formal guidance notes, they provide important practical guidance for practitioners preparing a SHLAA.

1.10 The Practice Guidance states that the SHLAA should aim to identify specific sites for at least the first 10 years of a plan from the anticipated date of its adoption and sites or broad allocations for at least a further 5 years of the plan.

1.11 In the context of Milton Keynes, the Council is required to deliver the housing targets set out in the South East Plan (see table 1.1), which cover the period from 2006 to 2026. The SEP was approved in May 2009, with the figures in line with those in the Panel Report, which were originally used as the basis for the SHLAA. The housing requirements assessed in this SHLAA are therefore the final figures for Milton Keynes.

1.12 These figures have been adapted to take into account housing completions between April 2006 and March 2009, which is the base date for the assessment. The outcomes of this assessment report on 15 years from April 2009, to give an up-to-date picture of land availability.

Planning policy context and housing requirements

National Policy

1.13 PPS3: Housing provides the national context for SHLAA preparation. Annex C of PPS3 sets out that a SHLAA should:

- Assess the likely level of housing that could be provided if unimplemented planning permissions were brought into development.
- Assess land availability by identifying buildings or areas of land (including previously developed land and greenfield) that have development potential for housing, including within mixed use developments.
- Assess the potential level of housing that can be provided on identified land.

5 Documents can be viewed at <http://www.pas.gov.uk/pas/core/page.do?pageld=110885>

1 . STUDY OVERVIEW

- Where appropriate, evaluate past trends in windfall land coming forward for development and estimate the likely future implementation rate.
- Identify constraints that might make a particular site unavailable and/or unviable for development.
- Identify sustainability issues and physical constraints that might make a site unsuitable for development.
- Identify what action could be taken to overcome constraints on particular sites.

1.14 These requirements are picked up in the Practice Guidance, as outlined in the previous section, and have formed the basis for this assessment.

Regional Policy

1.15 At a regional level the SEP sets out the level of housing that needs to be provided in Milton Keynes. The requirements for Milton Keynes are set out in the table below.

Table 1.1 Regional Housing Requirements

Area	Housing requirement
Urban Area	34,160
South East Strategic Development Area	4,800
Rest of the borough	2,400

1.16 In addition to housing growth within the existing boundaries of Milton Keynes Borough, additional growth is also planned across boundaries with Aylesbury Vale and Central Bedfordshire. There is a requirement for 5,360 homes to be found on the edge of Milton Keynes in Aylesbury Vale and for up to 5,600 ⁽⁶⁾ homes to be found in Central Bedfordshire as a continuation of the SE SDA set out in table 1.1 above.

1.17 This SHLAA has only considered sites **within the boundaries of Milton Keynes**. Cross boundary growth however is acknowledged in the report with a summary of the findings of the Aylesbury Vale SHLAA and work undertaken by Central Bedfordshire in section 8. In the future, work will be undertaken to aggregate SHLAA information across the wider sub-regional area to gain a full picture of land availability to inform future policy decisions.

Local Policy

1.18 Locally, Milton Keynes has an existing Local Plan which identifies sites for development up to 2011, as well as additional capacity beyond this point. The Local Plan focuses development on the urban area of Milton Keynes, allocating key brownfield sites for redevelopment, as well as allocating expansion sites on the edge of the city.

1.19 The Local Plan also identifies Key Settlements and Selected Villages across the rural part of Milton Keynes, where small extensions to village boundaries and sensitive redevelopment of sites will be planned.

6 Provision in Central Bedfordshire to be determined through a review of the East of England Plan

1.20 The Council is in the process of preparing a Core Strategy as part of its LDF. The Preferred Options were published in September 2007. The Preferred Options document was prepared in line with the regional policy for the area which governed the housing numbers and the split between urban growth, further expansion and rural development.

1.21 As set out in paragraph 1.4, this SHLAA report has been prepared after a significant amount of work has been undertaken on developing the Strategy for Growth in Milton Keynes. Work on the MK2031 Growth Strategy⁽⁷⁾, the Core Strategy and their Sustainability Appraisals have helped to establish a strategy which focuses development on the city and Strategic Development Areas (SDAs), with a limited amount of sensitive growth in the rural area, in line with previous rates of growth in rural settlements.

1.22 The emerging approach for the rural areas is a continuation of the existing Key Settlements and Selected Villages policy, whereby development is focused on the largest, most sustainable settlements (Newport Pagnell, Olney and Woburn Sands⁽⁸⁾) and areas where there is local support for additional housing (currently only Sherington).

Existing commitments

1.23 As was acknowledged in paragraph 1.12, there have already been significant housing completions towards the SEP requirements between April 2006 and March 2009. There are also a significant number of dwellings either already under construction, with planning permission or allocated for development. This is summarised in the table below.

Table 1.2 Existing Housing Commitments

Completions (April 2006-March 2009)		5,845
Permissions (inc under construction)	Full/Reserved Matters	6,057
	Outline	14,296
Local Plan Allocations		9,511

1.24 The sites which make up the totals above (excluding completions) can be considered suitable for housing development under the requirements of PPS3. Before considering their availability and deliverability, the sites equate to a potential 14.3 years of land supply (against the South East Plan requirements. This SHLAA report assesses their availability and deliverability (see section 7) to give a true reflection of land availability across Milton Keynes.

1.25 It can be seen that there is a significant amount of suitable land already identified for development across Milton Keynes. However, it is important for the SHLAA in this period of transition, the first for Milton Keynes, not just to focus on these existing commitments and the areas identified for future growth. It is required to look at land availability in all areas of

7 http://www.miltonkeynespartnership.org/future_plans/MK_2031.php

8 Land around the north of Woburn Sands lies within the South East SDA.

1 . STUDY OVERVIEW

the borough to be able to give a true report on the availability of land in Milton Keynes. This will provide a thorough assessment to support the development of future Local Development Documents.

1.26 The SHLAA considers each of the SEP requirements (urban, rural/rest of the borough, expansion) separately from this point forward.

SHLAA outcome requirements

1.27 The SHLAA requirements are to:

- Identify specific deliverable⁽⁹⁾ sites for the first 5 years of the plan which are ready for development;
- Identify specific, developable⁽¹⁰⁾ sites for years 6-10, and ideally years 11-15, in plans to enable the five year supply to be topped up.

1.28 Working to the SEP figures and taking completions from April 2006 to March 2009 into account, this means that the SHLAA should show how the following housing requirements can be delivered over the next 15 years⁽¹¹⁾:

Urban area⁽¹²⁾

- Deliverable sites for at least 8,510 homes between April 2009 and March 2014
- Developable sites for a further 17,020 homes (at least 8,510 plus broad areas/windfall)
- Sites for 25,530 homes in total

Rural Area⁽¹³⁾

- Deliverable sites for 535 homes between April 2009 and March 2014
- Developable sites for a further 1,070 homes (at least 535 plus broad areas/windfall)
- Sites for 1,605 homes in total

Strategic Development Area (SDA)

- Deliverable sites for at least 1,410 homes
- Developable sites for at least a further 2,820 (at least 1,410 plus broad areas)
- Sites for 4,230 homes in total

9 Deliverable sites should be available now, be suitable and development achievable in the next 5 years (PPS3, Para 54)

10 Developable sites should be a suitable location for housing and there should be a reasonable prospect that the site is available for and could be developed at the point envisaged (PPS3, para 56)

11 The SEP housing requirements have been annualised over the remaining 17 years of the plan period.

12 Based on the requirement to deliver an average of 1,702 homes per year to fulfil the remaining SEP requirement over the next 17 years.

13 Based on the requirement to deliver an average of 107 homes per year to fulfil the remaining SEP requirement over the next 17 years.

1.29 The requirement for the SDA has been based on a yearly average in the same way as the urban area and rural area requirements. However, it is not anticipated that development in the area will commence until 2016⁽¹⁴⁾, as a new long term growth proposal. This means that under the SHLAA methodology there will appear to be a shortfall in delivery in the early years. This shortfall is artificial and will be made up by higher annual completion rates post 2016, as per the anticipated delivery programme for the area.

1.30 By assessing the outcomes of the assessment against these requirements (see Stage 8: Reviewing the Assessment), a true reflection of the land supply in Milton Keynes to continue to support the delivery of housing targets will be provided.

Picture 1 Innovative Housing at Oxley Park



14 The start date of development in the SE SDA is discussed in more detail in section 8. The area is part of a wider development area including existing strategic reserve sites, the development of which is anticipated as starting in 2014.

2 . STAGE 1: PLANNING THE ASSESSMENT

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Study Area

2.1 As outlined previously, the SHLAA has been undertaken just for the Milton Keynes local authority area. The Practice Guidance advocates the preparation of SHLAAs for housing market areas where possible, but in the case of Milton Keynes, given the differing timescales of LDF production this was not possible. The SHLAA report does however address cross boundary issues in section 8, providing a summary of land availability across the wider Milton Keynes area.

Partnership Approach

2.2 Ideally a Housing Market Partnership (HMP) would be used to take forward the SHLAA. However, the existing HMP in Milton Keynes disbanded in 2008 so this has not been possible. Work on re-establishing a HMP, possibly at a sub-regional level, is underway. Once established, this forum will have involvement in future SHLAAs for Milton Keynes.

2.3 Milton Keynes has an existing Joint Housing Delivery Team (JHDT) which has been set up to support housing delivery across the growth area. The JHDT has representatives from Milton Keynes Council and Milton Keynes Partnership/Homes and Communities Agency, with meetings attended by representatives of the Government Office for the South East (GOSE). Officers on the team are in constant contact with developers and landowners to ensure the continued supply of housing land, and the delivery of homes, by identifying and tackling any blockages in the system. The JHDT and its members have provided key support to the preparation of the SHLAA throughout the study.

2.4 In developing the methodology for undertaking the SHLAA, all existing Council contacts with an interest in housing issues were asked to consider issues such as the scope of the study, which sites should be surveyed and the approach to estimating housing potential. The findings of this initial partnership engagement and how it influenced the methodology can be seen in appendix 2.

2.5 As part of the process the Council has sought additional input from the development industry to support the robustness of the study. There was initially limited interest in partaking in a developer panel but several stakeholders did agree to participate in an email forum through which key assumptions around the suitability and deliverability of sites were confirmed (see Sections 7c/7d). This was supplemented by an additional Developer Workshop where the outcomes of the study were discussed and reviewed to aid the robustness of the study.

2.6 The Council has also sought to involve local members, Town and Parish Council's in the SHLAA process where possible. Each Town and Parish Council was contacted to let them know about the SHLAA process and to give them an opportunity to identify sites they felt should be investigated through the SHLAA. It was felt important to involve Town and Parish Councils throughout the process to minimise any misunderstanding of the purpose and impact of the assessment on local areas.

Project Team

2.7 The SHLAA has been prepared in-house by members of the Development Plans team. Expert advice on housing issues has been sought from members of the JHDT and other stakeholders. Tim Watton at RPS kindly provided independent advice and experience based on past involvement in SHLAA steering groups in a previous role for the Home Builders Federation.

2.8 The Council's existing housing monitoring team have also been involved in the preparation of the SHLAA. Milton Keynes, as a major growth area, has extensive arrangements in place to monitor housing delivery and land supply, meaning much of the base work for the SHLAA was readily available. The monitoring team have played an important role in ensuring figures are up-to-date and robust, as well as clarifying the outcomes of the study.

2.9 The SHLAA has also been reviewed by Planning Officers Society Enterprises, who helped to prepare the Practice Guidance. Their advice has helped to ensure that the process for carrying out the SHLAA is robust and that it communicates the key messages effectively.

Timescales

2.10 A baseline of April 2009 has been used for the SHLAA. Originally, April 2008 was set as the base date but slippage in the study progress and the speed of the monitoring team in updating the 2009 housing figures has allowed the more recent figures to be used, giving an up-to-date view of land availability.

3 . STAGE 2: DETERMINING SOURCES OF SUPPLY

3 STAGE 2: DETERMINING SOURCES OF SUPPLY

3.1 The Practice Guidance outlines a series of sources from which potential housing sites can be identified. These cover both sites already within the planning process and sites outside of the system. Not all of these sources are relevant to Milton Keynes. Those which are relevant are listed in table 3.1 below. The reason for excluding certain sources listed in the Practice Guidance are discussed after the table.

Table 3.1 Sources of sites with potential for housing

Sites in the planning process
<ul style="list-style-type: none">• Land allocated (or with permissions) for employment or other land uses which are no longer required for those uses
<ul style="list-style-type: none">• Existing housing allocations and development briefs
<ul style="list-style-type: none">• Unimplemented/outstanding planning permissions for housing
<ul style="list-style-type: none">• Planning permissions for housing that are under construction
Sites not currently in the planning process
<ul style="list-style-type: none">• Vacant and derelict land and buildings
<ul style="list-style-type: none">• Surplus public sector land
<ul style="list-style-type: none">• Land in non-residential use which maybe suitable for redevelopment for housing, such as commercial buildings or car parks, including part of mixed use developments
<ul style="list-style-type: none">• Additional housing opportunities in established residential areas, such as under-used garage blocks
<ul style="list-style-type: none">• Sites in rural settlements and rural exception sites
<ul style="list-style-type: none">• Urban extensions

Types of site excluded from the assessment

3.2 The investigation of large scale redevelopment of existing residential areas was not considered necessary for the SHLAA as there is no current context for this to happen over the next 15 years. The majority of housing estates in the urban area, although including some area of low quality stock, are all currently still occupied and functional, unlike in some areas of the country. An early analysis of the figures of existing commitments also identified no pressing need to pursue options for delivering significant additional housing numbers through redevelopment in the urban area, which may have necessitated a more thorough investigation of residential redevelopment.

3.3 The Practice Guidance (page 11) states the need for new free-standing settlements will normally have been identified in the Regional Spatial Strategy (RSS). As this is not the case in the SEP, free-standing settlements have not been looked at in this assessment. This includes smaller areas of land, with no relationship with any urban areas, speculatively put forward to the Council as potential housing sites.

Urban extensions

3.4 The Practice Guidance also says that the need for urban extensions will have been identified in the RSS. Urban extensions of Milton Keynes are promoted in the SEP and have therefore been covered in the SHLAA. The emerging SEP identifies the location of the Strategic Development Areas to the South East and South West of Milton Keynes (the latter is in Aylesbury Vale). However, as the SHLAA has been prepared in a period of transition, all options for urban extensions in the context of the MKSM Sub Regional Strategy have been assessed in the SHLAA. This is advocated by the PAS note.

3.5 Where numerous small sites have been submitted (see below) within an area of expansion, these have been considered together as part of one larger growth area, to simplify the assessment. The individual submissions, however, have all been recorded in the assessment and can be seen in the SHLAA tables (see appendix) for transparency.

3.6 All other sites will be included in the assessment. Other sites may be excluded from the assessment when considering their suitability (See section 7a) but this will be explained later in the report.

Call for sites

3.7 As part of the search for sites the Council issued a 'call for sites' to land owners and developers in January 2009. This is not a formal requirement of the SHLAA but is considered best practice in identifying land available for development. Sites received by the 18th February 2009 have all been taken into account in the assessment. Any sites received after this date will be included in the next review of the SHLAA.

3.8 Sites were also put forward to the Council during consultation on the Core Strategy. As with the 'call for sites', any sites received by the Council before 18th February 2009 either through formal periods of consultation or as part of ongoing discussions have been included in the assessment. The example of the proforma for submitting sites to the Council can be seen in Appendix 3.

Rural settlements

3.9 The Practice Guidance notes the requirement to not narrow down the assessment by applying existing policies designed to constrain development, as these may change in the future, maybe due to changes in national/regional policy or a change in local administration. In the case of Milton Keynes, such a policy would be the designation of Newport Pagnell, Olney and Woburn Sand as Key Settlements and Hanslope and Bow Brickhill, as Selected Villages, in the Local Plan.

3 . STAGE 2: DETERMINING SOURCES OF SUPPLY

3.10 Even though a similar policy approach is emerging through the Core Strategy, the assessment has not used this policy designation to limit the scope of the SHLAA. A pragmatic approach has however been taken to the scope of the assessment in the rural area, based on the requirements of PPS7; Sustainable Development in Rural Areas, for rural housing growth to promote sustainable patterns of development.

3.11 The PAS Report (page 6) suggests that:

“There is no expectation that every possible greenfield site should be assessed within the SHLAA. In many rural areas there will be large numbers of theoretically possible sites, many of which are patently unsuitable for housing because of their isolation from settlements or for other reasons. Rather, the assessment should concentrate on those sites which have the best potential as possible housing areas.”

3.12 Considering this, only sites in and on the edge of rural settlements deemed to be 'sustainable' were considered in the assessment. Sustainable was defined as having a school and at least 7 of the 16 facilities identified in the Rural Services Audit, 2007. Despite some suggestions that sites in all areas should be considered, the majority of stakeholder feedback agreed with this definition of sustainable and the scope of the study. The settlements are listed in the table below.

Table 3.2 Sustainable Rural Settlements

Settlement	Range of facilities
Newport Pagnell	16
Woburn Sands	16
Olney	15
Hanslope	12
Lavendon	9
Sherington	9
Stoke Goldington	9
Wavendon	8
Bow Brickhill	7
Castlethorpe	7
North Crawley	7

3 . STAGE 2: DETERMINING SOURCES OF SUPPLY

3.13 In addition, all brownfield sites within the existing development boundaries of rural settlements were considered. This includes some additional settlements to those identified above, but it was felt necessary to include them given that it would be realistic to expect such sites to be able to come forward for development through the planning system.

Picture 2 Brownfield SHLAA site, New Bradwell



4 STAGES 3 & 4: DESKTOP REVIEW & DETERMINING SITES TO BE SURVEYED

Desktop review

4.1 As a starting point existing information from the housing monitoring team was collected on sites within the planning system. This was supplemented by information from the Joint Housing Delivery Team (JHDT), which provides monthly updates from developers on the progress and expected completion times on major sites across the city.

4.2 At this stage other desk-based sources of information including the National Land Use Database (NLUD), the Vacant Properties Register and aerial photography, were also used to identify potential housing sites.

4.3 Each of these sites were compiled in a database and their boundaries mapped on Geographical Information Systems (GIS) software. In some cases sites were picked up from two or more sources. At this stage, duplicate records were removed.

4.4 For each site basic information on size, current use, site constraints (such as flood risk and conservation issues) and planning history was compiled based on desktop information.

Size threshold

4.5 Given the significant number of new dwellings to be delivered in Milton Keynes it was not felt necessary to investigate any new sites that would accommodate under 5 dwellings. The majority of development will be on larger sites and given that over 30,000 dwellings need to be found, the work that would be required to assess potentially 300 sites for 1 to 4 dwellings, that could contribute as little as 1% of the total housing requirement is not justified.

4.6 However, where information is already held about sites with planning permission for 1-4 dwellings, these have been left in the assessment as they involved far less assessment work as they are already deemed suitable.

4.7 This approach is advocated by the Practice Guidance (page 25) which suggests that the nature of the housing challenge and the resources available are two of the considerations in determining the sites and areas to survey.

Site surveys

4.8 Undertaking a 'call for sites' period helped reduce the number of sites to be identified via site surveys. With a number of Town and Parish Councils identifying sites in their areas and approximately 100 sites put forward to the Council through the 'call for sites', many sites that would have been identified via sites visits had already been brought to the Councils attention.

4.9 When carrying out the survey (see Stage 5) Officers assessed areas they were visiting for potential housing sites. This covered the whole of Milton Keynes and was primarily focused on identifying brownfield and underutilised sites.

5 STAGE 5: CARRYING OUT THE SURVEY

5.1 All sites identified through the desktop study have been visited. In the case of sites in the planning system, these sites are visited as a matter of course by monitoring staff as part of the ongoing housing monitoring arrangements. These visits note progress on site and assess any changes in site circumstances that may affect housing delivery.

5.2 For sites not in the planning system, site visits were used to update information that could not be ascertained through the desk-top review. This primarily involved looking at constraints that could affect the suitability of the site for housing development or could affect the rate or time at which it would be delivered.

5.3 Factors recorded on site visits included:

- The character of the surrounding area
- Neighbouring uses
- Topography e.g. steep slopes, ground conditions
- On site constraints e.g. pylons
- Existing on-site use
- Access arrangements

5.4 An example of the proforma used can be seen in Appendix 4.

5.5 At this stage an initial view on whether there were specific factors that could limit the use of the site for housing was noted to help with Stage 7 (assessing when and whether sites are likely to be developed) of the assessment process. Specifically, when issues of access or conservation have been noted these have been raised with the Highways, and Design and Conservation teams to get an expert opinion of the suitability of the land. Feedback from this consultation fed into Stage 7 of the assessment.

5.6 The character of the site in relation to its surrounding was also considered here. In some cases large sites on the edge of settlements could, in part, be realistic extensions to a settlement boundary, but as a whole would be inappropriate. Where a site is felt to only be partly suitable for housing, this has been noted and the change in site boundary considered prior to Stage 6 (estimating housing potential) of the process.

5.7 The findings of the site surveys have been combined with the desktop survey in a database which will be able to be updated on an annual basis, or as required, when land availability needs to be reviewed.

6 . STAGE 6: ESTIMATING THE HOUSING POTENTIAL OF EACH SITE

6 STAGE 6: ESTIMATING THE HOUSING POTENTIAL OF EACH SITE

6.1 For sites with planning permission, the housing figures agreed through the planning permission have been taken forward into the assessment. In the case of sites that are under construction, site visits in April 2009 by the monitoring team have helped to confirm the remaining capacity of sites and this figure has been taken forward into the assessment. Where there are discrepancies between the the Council's interpretation of remaining site capacity and that suggested by a developer, the Council's figure has been used to allow for consistency in monitoring.

6.2 The SHLAA has not carried out detailed design appraisals of each of the other sites to ascertain whether particular housing densities could be accommodated on individual sites. This was not felt necessary for the purpose of this assessment and would have been unrealistic due to both time and budgetary constraints. The Draft Strategic Housing Market Assessment (SHMA) Update 2009 shows that there is a requirement for a range of house types and sizes across Milton Keynes, meaning it is not essential for the ability of sites to accommodate a particular type of development is tested in detail.

6.3 However, where more detailed design work has been undertaken on individual sites, either by developers, landowners or the Council and partners, this has been taken into account in the assessment. This is the case for a number of the larger sites put forward through the 'call for sites' and Core Strategy consultations. In particular, capacity work by GVA Grimley for the defined South East SDA has been taken into account in the assessment along with the draft masterplans submitted for other alternative growth areas.

6.4 In other cases, a density multiplier approach has been used to provide a practical and effective assessment method that can be applied to all sites. This has made for a consistent approach that can be applied relatively quickly and fairly across Milton Keynes.

6.5 The existing Local Plan policy on average housing densities across different areas of Milton Keynes has been used as the basis for the estimates. These are summarised in the table below.

Table 6.1 Average housing densities across Milton Keynes (Local Plan, 2005)

Zone	Settlements/areas	Density
1	CMK (including Campbell Park)	100dph
2	Adjoining grid squares north and south of CMK, Bletchley, Kingston, Stony Stratford, Westcroft and Wolverton	40dph
3	The rest of the City, City Expansion Areas, Newport Pagnell, Olney and Woburn Sands	35dph
4	The rest of the Borough	30dph

6 . STAGE 6: ESTIMATING THE HOUSING POTENTIAL OF EACH SITE

6.6 To give a realistic interpretation of the housing yield from individual sites, it has been assumed that in the case of the larger sites that not all of the available land could be developed for housing. On the largest sites, an indicative 50% of land has been assumed to be available for housing given the requirement to provide jobs, education facilities, open space and other infrastructure, as part of sustainable communities. Some land on larger sites is also likely to be constrained⁽¹⁵⁾.

6.7 In potential expansion areas, an overall capacity based on 50% development yield at 35 dph has been calculated. This has also been indicatively applied to each individually identified parcel. This is for the purpose of the assessment only and it **does not** mean that this would be the number of homes that would actually be expected to be yielded from that parcel. More detailed work on splitting uses over the wider area would need to be undertaken before the yields from each individual parcel could be established. In reality, some parcels are likely to be virtually all housing, whilst others may contain no housing at all but may accommodate other uses, such as open space or employment land. **It is not the role of the SHLAA to establish this mix of uses.**

6.8 Whilst this gives a realistic indication of the development capacity of each site where more detailed work has not been carried out, it is recognised that in reality yields could be higher or lower, depending on individual site circumstances. This can only be determined through more detailed investigation of each site, which has not been carried out in the SHLAA. The table below summarises the assumptions about the proportion of individual sites that is assumed to be available for housing.

Table 6.2 Housing yields by site size

Small (up to 0.3 hectares)	100% available for housing
Medium (0.3 - 5ha)	75% available for housing
Large (over 5ha)	50% available for housing

6.9 As was noted in the previous section, site visits have concluded that certain sites have only partial potential for housing, given their relationship with existing settlements. Where this is the case the reduced capacity of a site has been calculated at this stage to avoid an unrealistic housing projection being included in the assessment.

6.10 **The housing potential of each site calculated at this stage is only indicative for the purpose of the SHLAA (unless a planning permission has already been granted). It should not be assumed that planning permission would be granted for the figures quoted in this report. The true potential of individual sites would have to be determined through a detailed site assessment which takes into account a number of more detailed factors than are considered in this assessment. Final housing numbers on any site that is actually developed may be both higher or lower than the indicative figures in this report.**

6.11 The estimated housing potentials can be seen in SHLAA Tables 1-3 in Appendix 1.

¹⁵ Justification for the 50% yield is set out in appendix 9. This looks at examples of urban extensions in MK and elsewhere, which suggests 50% is a reasonable housing yield from larger sites.

7 STAGE 7: ASSESSING WHEN & WHETHER SITES ARE LIKELY TO BE DEVELOPED

7.1 In terms of the overall assessment process, Stage 7 (a to d) is integral to ensuring the outcomes of the SHLAA are as robust as possible. This stage of the process assesses the suitability, availability and achievability of a site. It needs to be considered whether a site is:

- **Deliverable**- available now, offers a suitable location for housing development now and there is a reasonable prospect that housing will be delivered on the site within five years of adoption of the plan (*in this case the assessment looks at the next 5 years supply in relation to the SEP*); and
- **Developable**- in a suitable location for housing development and there is a reasonable prospect that it will be available for development and could be developed at a specific point in time.

7.2 If it is unknown when a site could be developed it should be classed as currently undevelopable. This could either be because a severe constraint has been identified that it is not known when it will be overcome or, as is the case in the current economic climate, a developer or land owner has clearly indicated that they have no intention of developing their site at the current time. This is discussed further in section 7b.

7.3 The approach taken in Stages a-d is pragmatic and as realistic as possible, and takes into account assumptions on availability and achievability that have been reviewed by a number of stakeholders for robustness, and the input of site owners themselves.

7.4 All sites identified and submitted to the Council have been assessed and are referenced at some stage in SHLAA Tables 1-5 (Appendix 1), whether they are part of the emerging strategy for growth or not. All sites over 5 dwellings are mapped and can be seen in a separate document⁽¹⁶⁾.

Stage 7a: Assessing the suitability for housing

7.5 The Practice Guidance states that a site is suitable for housing development if it offers a suitable location for development and would contribute to the creation of sustainable, mixed communities.

7.6 It is assumed that all sites with planning permission are suitable for housing as their suitability has been assessed through the planning process. These sites have all been included in SHLAA Tables 1-3 (Appendix 1) which list suitable housing sites in Milton Keynes.

7.7 The Practice Guidance requires a series of factors which affect suitability to be considered. The Practice Guidance list covers:

- **Policy restrictions**- such as designations, protected areas, existing planning policy and corporate, or community strategy policy (*this does not mean that sites outside of Local*

16 Each site for under 5 dwellings is not shown in the mapped information, due to their scale and the number of them

7 . STAGE 7: ASSESSING WHEN & WHETHER SITES ARE LIKELY TO BE DEVELOPED

Plan policy and Core Strategy identified areas can be removed from the assessment on suitability grounds);

- Physical problems or limitations- such as access, infrastructure, ground conditions, flood risk, hazardous risks, pollution or contamination;
- Potential impacts- including effect upon landscape features and conservation; and
- The environmental conditions- which would be experienced by prospective residents.

7.8 In terms of sustainability, all sites that have been included in the assessment parameters are deemed to be sustainable. The focus of development is the Milton Keynes urban area and all sites within this area are deemed to have reasonable access to the required day-to-day services and public transport. In rural areas, only sites within settlements deemed to be sustainable (see para 3.12) will be brought forward into the assessment. Therefore, there is no need to specifically assess sustainability as a separate 'suitability' characteristic.

7.9 Taking this into account the criteria in Table 7.1 have been used to assess the suitability of sites outside of the planning system. The information has been collected through pro-formas, desktop reviews and site visits. An example of the sheet used to summarise the findings of site visits, the desktop review and facts for the pro-forma is shown in Appendix 4.

Picture 3 Housing at Ashland



7 . STAGE 7: ASSESSING WHEN & WHETHER SITES ARE LIKELY TO BE DEVELOPED

Table 7.1 Factors affecting site suitability

Environmental impacts	
Landscape character	Is the site within/does it contain designated important areas of landscape character, scenic quality or particular natural asset?
Nature conservation	Does the site contain areas designated for nature conservation value (Local Plan Policy NE1), or important/protected species?
Heritage conservation	Would the development require loss of a listed building or impact on one? Is the site in a conservation area?
Physical characteristics	
Flooding	Is the site within a floodplain? Is there standing water or unstable ground?
Topography	Does the site have steep slopes?
Access	Is there adequate road access to the site? Could it be achieved? Is the local highway network adequate? Is pedestrian access achievable?
Contamination	Is contamination a risk? Is it treatable?
Power lines etc...	Would they constrain development?
Existing use	
Nature of existing use	Is the site already in use? What is the nature of the use?
Amenity of neighbours surrounding uses	Are surrounding uses compatible with housing? Would they impact on the attractiveness of the site?
Loss of community facilities	Would development lead to loss of planned open space (sports pitches etc...) or other community facilities?

7.10 All sites within the parameters of the assessment (i.e. suitable size of site, location) were assessed against these criteria in table 7.1. Sites outside the parameters of the assessment have been listed in SHLAA Table 5- 'Sites ruled out of the assessment' (Appendix 1), alongside the reason for ruling them out of the assessment.

7.11 SHLAA tables 1-5 in Appendix 1 show the suitable sites and those that are unsuitable/have been ruled out of the assessment. The tables are clearly broken down into urban, expansion and sites in the rest of the borough inline with the three distinct areas of housing provision in the SEP.

7 . STAGE 7: ASSESSING WHEN & WHETHER SITES ARE LIKELY TO BE DEVELOPED

7.12 If a site clearly failed to positively satisfy any of the criteria it has been deemed, for the purpose of the SHLAA, as unsuitable for development and ruled out of the assessment (e.g. greenfield site wholly within floodplain, severely constrained by access, a conservation issue or a severe slope on the site). These sites are listed in SHLAA Table 4- Sites assessed as unsuitable (Appendix 1). In cases where there is a constraint but there is reasonable evidence of how it could be overcome, it has been left in the assessment but the constraint noted.

7.13 The fact that sites have been deemed unsuitable for development does not preclude them from consideration in future Development Plan Documents. It is however likely that if the site suffers from a severe constraint, such as flood risk, they would not be viewed positively through this process.

7.14 Sites where survey work identified potential conservation or highways issues were referred to the relevant Council departments for comment. Feedback from these departments has been used to review or clarify initial conclusions of Officers on the suitability of sites at this stage. This has insured that these issues have been reviewed in greater detail where it was felt necessary.

7.15 **The inclusion of a site as suitable does not mean that it will automatically be allocated or permission granted for development. Sites will need to be considered in much more detail through the Site Allocations DPD, where additional constraints to development may be identified.**

7.16 In the case of potential expansion sites, general constraints to development have been assessed and noted. However if allocations and development were to actually be pursued, far more detailed transport, landscape and other assessments, which are outside the scope of the SHLAA as a strategic level assessment, would need to be undertaken to assess impacts.

7.17 For those sites put forward through the 'Call for sites', or that the Council identified, there is a note of any constraints that affect the suitability of the site and would need to be addressed either prior to its development or as part of it. This includes ownership issues. Those sites with planning permission or an allocation are deemed 'already suitable for development' and only have notes where new information is available affecting their suitability.

Suitability Conclusions

7.18 An estimate of the housing potential for each of the suitable sites has been made using the methods set out under Stage 6. This estimates that there are suitable sites for over 29,500 homes across the urban area of Milton Keynes (including existing Strategic Reserve areas), potentially land for over 3,000 homes within the rural area and potentially land for approximately 18,300 homes as part of greenfield expansion areas on the edge of the urban area (within the MK area only- see Section 8).

7.19 Without considering the constraints of the emerging development strategy, these sites individually are all deemed to be generally suitable for housing development, given their location and characteristics. **However this does not mean that there is potential for all of these sites to be developed collectively.** There may well be collective constraints,

7 . STAGE 7: ASSESSING WHEN & WHETHER SITES ARE LIKELY TO BE DEVELOPED

with factors such as highway capacity and service provision at a city wide level, that would preclude them all being developed. This is particularly the case for expansion sites, when a full assessment on the capacity of Milton Keynes to absorb further growth would need significant investigation, and the rest of the borough, when the need to retain rural character would need to be considered.

7.20 There are a number of constraints on individual sites which whilst not making a site unsuitable, clearly makes some sites less suitable than others. In line with the Practice Guidance, the sites are not ranked or compared, but simply assessed on an individual basis. However, where a constraint exists, such as the site lying outside an obvious defensible boundary to the urban area or having a potential impact on local landscape character, details are included in Tables 1-3 in Appendix 1. This information will help inform any future work on site allocations or growth studies.

7.21 For sites in the rural area, a general assessment of suitability has been made of all sites within settlements deemed to be sustainable (as per chapter 3). However, not all of these settlements are within the Council's emerging strategy for development in the rural area and sites identified outside of the key settlements and listed village, although generally suitable for development, are not likely to be considered for allocation and development at this stage (see section 8).

7.22 Their identification at this stage means that the Council has a record of suitable and available land across the rural area and, if the Council does look to vary its rural strategy in the future maybe due to a change in national or regional policy, or a change in local administration, there is a record of generally suitable sites and their ownership arrangements already in place. If the SHLAA were not being prepared in a period of transition⁽¹⁷⁾, this information would have helped to inform strategy choices that have already been made through the emerging Core Strategy. This is discussed in more detail in chapter 8, where effectively sites with a policy constraint are ruled out of the final list of deliverable and developable sites.

7.23 This is also the case with growth areas, where all sites bar those within the identified SE SDA area are removed from the final list of land supply due to an emerging policy constraint.

7.24 Whilst sites within potential growth areas are individually deemed suitable, in most cases, if they were to actually be developed, it is unlikely that each individually identified site would be developed for housing. Through masterplanning of an area suitable uses for individual sites will be established, which will mean some sites would be developed for housing, some for other related uses. This would be considered through the plan making process and **not** the SHLAA. The SE SDA is an example of where this could occur, with issues relating to green buffers around existing settlements, the need for employment and other facilities and the potential retention of the golf course, all needing to be considered through the plan making process. **The figures for individual parcels in the SE SDA in SHLAA tables 4, 9 and 13 should therefore be seen as indicative rather than a true reflection of what will happen on a site by site basis.**

17 See footnote 2, page 2

7 . STAGE 7: ASSESSING WHEN & WHETHER SITES ARE LIKELY TO BE DEVELOPED

7.25 Each of the suitable sites in tables 1-3 in appendix 1 has been taken forward into the Stage 7b of the assessment.

7.26 There are potentially **other suitable sites** within Milton Keynes which it was not felt appropriate to include in the assessment at this time. There are a number of areas identified for **regeneration** across the urban area. At the present time there is no commitment to or basis for physical redevelopment and/or infill in these areas so they have not been investigated through this assessment. If the position changes in future years, such sites and areas will be included in future reviews of the assessment, potentially increasing the supply of suitable sites in the urban area.

7.27 There are also a number of '**community reserve**' sites across the urban area. These are areas reserved to enable unforeseen community uses (when estates were originally planned and developed) to be developed easily within estates. There is potential for these sites to provide additional housing where it is felt that there is no additional community need, as has happened in a number of cases in recent years. However, they have not been included in the assessment so as not to pre-empt an assessment of their need for community purpose. When they have been reviewed, future SHLAA assessments will incorporate relevant sites.

7.28 Sites identified through other sources after the publication of this report will all be considered in future reviews of the assessment.

7.29 There are also potentially other suitable sites in the rural area that were not identified through the SHLAA. The Council will be beginning the process of producing a Site Allocations DPD for non-strategic allocations in the area later in 2009. Any new sites/areas identified through this process will be included in the review of the SHLAA in 2010.

7.30 **It should be stressed that the inclusion of sites in SHLAA Tables 1-3 does not mean that planning permission for housing development would be granted or that the site will be allocated for housing development at any point in the future, as set out in para 1.6. Likewise, the non-inclusion of a site in the SHLAA does not mean it cannot be developed. Such decisions are still the role of the planning process and will be determined through the Local Development Framework and Development Control processes. The SHLAA is an evidence based piece of work which will help to inform the LDF process- not replicate or replace it.**

7.31 At this stage there are 50 sites ruled out of the assessment or deemed unsuitable. These are primarily sites that are outside of the scope of the assessment (i.e. too small or unsustainable locations), that have a severe constraint (e.g. greenfield floodplain) or that have been ruled out as they are covered by other sites. This is particularly an issue for expansion areas where developers have put forward sites as part of consortia, but where individual owners have also put them forward. These sites are ruled out of the assessment at this stage to avoid double counting.

Stage 7b: Assessing the availability for housing

7.32 To be able to carry a site forward in the assessment, the availability of each needs to be established to check that there is a reasonable prospect of development occurring on site at a particular time. The Practice Guidance states that:

'a site can be considered available for development when on best information available, there is confidence that there are no legal or ownership problems, such as multiple ownerships, ransom strips, tenancies or operational requirements of landowners'. (Practice Guidance para 39)

7.33 Sites should be controlled by a landowner who has expressed an intention to develop, or who has expressed an intention to sell, if they are to be considered deliverable.

Sites in the planning system

7.34 For sites with planning permission or an existing housing allocation it has **not** simply been assumed that an active planning permission means that a site is definitely available for development, as the planning permission has not necessarily been sought by the person who currently controls the land.

7.35 For each site with an active planning permission, the landowner (where known) or their agent was sent a pro-forma requesting up-to-date information on the future of the site. This asked if there was:

- An intention **not** to proceed with development;
- If there were any constraints to development; and
- What the current timescales for development were.

7.36 Where a written response has not been received from the developer/landowner/agent, follow-up phone calls have been made and information recorded.

7.37 This information was supplemented by figures from the Joint Housing Delivery Team who provide monthly updates on projections for major sites direct from the developers and landowners⁽¹⁸⁾.

7.38 At this stage only where a developer/landowner/agent has confirmed that there is no intention to pursue development of the site has the site been deemed 'unavailable'.

7.39 Those sites with an active planning permission or an allocation where clarification of availability has not been received either in writing or via a follow up phone call, have been left in the assessment and carried forward to the next stage. These sites are however kept

18 The most up-to-date JHDT monitoring figures available at the time of writing have fed into the SHLAA report.

7 . STAGE 7: ASSESSING WHEN & WHETHER SITES ARE LIKELY TO BE DEVELOPED

separate in the assessment due to lack of clarity over availability, with their availability classed as 'uncertain'. These sites are developable, but it is the deliverability of the site which is in question.

7.40 This is in line with a quote on land availability from the Inspector of the Tandridge Core Strategy:

"...whilst a site's suitability and achievability can be ascertained from site surveys and other assessments, the reasonable prospect of its availability is much more difficult to assess where there is no hindrance to its developability (as here) other than the landowners' intentions. This is because landowners' intentions beyond the short-term (i.e. the first five years) are often unknown, even to themselves. In addition, the very identification of a site for development can trigger landowner or developer action, thus creating a 'self-fulfilling prophecy'. Therefore, if a landowner has not said categorically that they have no intention of selling their site or that it should not be included for other reasons, then I believe it has a reasonable prospect of being available in the second or third of the five year PPS3 periods."

[Planning Inspectorate's Reference: PINS/M3645/429/3]

Sites outside the planning process

7.41 Those sites submitted to the Council through the call for sites and Core Strategy consultations are generally assumed to be available for development as they have been promoted by the landowners or their agents. Where additional information is available on issues such as ransom strips, this has also been used to supplement the assessment of availability.

7.42 In certain cases, the site surveys have shown there to be activity on sites which could limit their immediate availability, such as continued employment use with potential tenancy issues. Where this is the case, further information has been sought from the developer/landowner/agent to clarify site availability.

7.43 For suitable sites identified by Council Officers or Town/Parish Councils, efforts have been made to establish land ownership and the availability of the land. Where this has not been possible, the sites have been classed as having 'uncertain availability'. In line with the conclusions of the Tandridge Core Strategy Inspectors Report (and clarification from the Planning Officers Society) such sites have been left in the assessment as it can reasonably be expected that, unless there is a particular reason why they would be unavailable, they would be available for development in the second or third of the three five-year periods as developable sites.

7.44 In Milton Keynes there are also a significant number of Homes and Communities Agency (HCA) owned sites which are allocated for development but are yet to come forward. These sites are monitored through JHDT and therefore the monthly update has been used to establish the position regarding the availability of these sites.

Conclusions: unavailable sites

7.45 Rather than list all of the available sites, SHLAA Table 6 (Appendix 1) lists all of the suitable but unavailable sites along with the reason why they are unavailable.

7.46 As a result of the investigations into site availability, only three sites, which could yield an estimated 287 units, have been confirmed as currently being unavailable, and are not carried forward any further in the assessment.

7.47 There are, however, a significant number of smaller sites where availability is uncertain, either due to no further information being forthcoming from land owners or their agents, or as site ownership is currently unknown. These sites have been carried forward in the assessment, but are treated separately from this point forward.

Stage 7c: Assessing the achievability for housing

7.48 A site is considered achievable for housing development where there is a reasonable prospect that housing will be developed on the site at a particular point in time. This is essentially a judgement about economic viability of the site, and the capacity of the developer to complete and sell the housing over a certain period of time (Practice Guidance, page 16).

7.49 The assessment of achievability is affected by a number of issues including-

- Market factors- attractiveness of the location, market demand for the site, potential value of alternative use, projected rate of sales
- Cost factors- site preparation costs, physical constraints, planning standards/s106 requirements, potential to address identified constraints
- Delivery factors- build out rates and phasing, single or multiple developers and their capacity

7.50 In the current economic climate it is extremely difficult to assess the short term achievability of sites, given the reluctance of developers to build homes that they potentially are not going to be able to sell. However, best efforts have been made to give a realistic interpretation of when housing is likely to be achieved on individual sites and what the constraints are to achievability.

Achievability of sites in the planning system

7.51 As with site availability, each developer/landowner/agent has been contacted to see if there were any mitigating circumstances that would affect the achievability of housing on their sites and what the timescales for delivery on their sites are.

7.52 This information has been supplemented by work from the JHDT on the larger sites in Milton Keynes where the speed of progress on sites under construction is monitored and developer aspirations for sites with planning permission/allocated are recorded and updated monthly.

7.53 When considering achievability the stakeholders on the forum were asked to comment on assumptions made about when sites could be achieved. The three key assumptions agreed as logical are:

- Any sites where developers/landowners/agents have indicated that they still intend to progress development but that it is unlikely to proceed until the housing market picks up have been pushed back to the latest possible start time, based on the planning consent. This is on the basis that there is no significant history of unimplemented housing permissions in Milton Keynes. This will be kept under review on an annual basis as part of housing monitoring in April each year.
- Build out rates on the larger sites have been based on feedback from developers, which take into account current predictions about demand for new properties, and lead-in times on previous large expansion sites.
- For sites where availability is uncertain due to a lack of feedback from the developer/landowner/agent (see para 7.34), information from the Council's existing housing monitoring system, used to produce the annual housing trajectory, has been used to estimate completion dates. However, to avoid an unrealistic interpretation of the 5 year supply (given current market conditions), sites will not be included in the first 5 years of land supply (as deliverable sites) but will be included in the 6-10 year period (as developable sites). This is not specifically in line with the Government's Practice Guidance, but is in line with the recommendation of the Inspector of the Tandridge Core Strategy (see 7.39) and aims to give a realistic interpretation of land supply.

Achievability of sites outside the planning system

7.54 Stakeholders were also asked to agree a series of assumptions regarding the achievability of housing on sites currently outside the planning system. The following assumptions were generally agreed to be logical:

- In light of the current economic slow down and the relative lack of activity in the housing market, it is felt unrealistic to assume any sites currently outside of the planning process will be available for development in the first 5 years of housing supply⁽¹⁹⁾. However, it may be realistic to assume that they will be available in the period 5-10 years if owners/agents have indicated that the site is available in the short/medium term, subject to a planning consent being granted. This is based on a piece of general housing market research by Savills, Residential Development Focus, Winter 2008⁽²⁰⁾ (which they have given permission for us to reference in the SHLAA) that suggests that demand for new housing could pick up from 2011.
- It is assumed that the current affordable housing requirements (30% on sites over 15 units), the requirement for high standards of construction (Code Level 4 from 2010 subject to Core Strategy adoption) and general s106 requirements locally, will not prevent any type of site being available for development but in the short term may affect the viability of some schemes. This is based on previous completion history on

19 This does not mean that new sites cannot be developed in this time. This approach helps to avoid providing an over optimistic assessment of the 5 year land supply position. This is discussed in more detail in para 8.19, in relation to the SE SDA.

20 The report is available via the Savills website at:
<http://www.savills.co.uk/research/Report.aspx?nodeID=10292#>

7 . STAGE 7: ASSESSING WHEN & WHETHER SITES ARE LIKELY TO BE DEVELOPED

greenfield/brownfield urban/rural sites alike, the ability for negotiation in cases of uncertain viability and the fact that emerging policy requirements are broadly the same as in previous years.

- Sites in all areas of Milton Keynes are deemed to be marketable, although it is recognised that in the short term sites in areas where sale prices are lower are unlikely to be viable. This is covered by the first point above.
- Build out rates have been adapted from those of similar sites where existing developer information is available. On the basis of updated completion rates in existing expansion areas, in the short to medium term, larger sites are likely to be developed over a longer period than would have been the case a couple of years ago. Information from site promoters has supplemented the assessment⁽²¹⁾.
- It has been assumed that cost factors associated with site remediation are in all cases not excessive to prevent development occurring, as this is not normally an issue in Milton Keynes.

7.55 In general, all potential growth areas will have high infrastructure costs. The SHLAA does not compare the specific infrastructure costs of growth areas, which in general terms will be similar on a case by case basis (i.e. The same ratio of schools to homes etc...). If a site is to be allocated, further more detailed work on deliverability will need to be carried out in each case.

7.56 Information provided by developers as part of 'call for sites' submissions has also helped to inform the assessment of achievability. The pro-forma required information on:

- Perceived marketability of the site/attractiveness of the locality
- The sensitivity of the site to changes in the housing market
- Alternative uses
- Relationship with surrounding sites
- Site preparation costs
- Potential phasing

7.57 This information was supplemented by information recorded in site visits, particularly relating to factors that could affect marketability (i.e. neighbouring uses) or site assembly (i.e. existing uses).

Delivery rates

7.58 The information compiled sets out estimates of completions on a year by year basis. This information has been transferred into 5 year periods, as per the SHLAA Practice Guidance requirements, and is set out in SHLAA Tables 7-9 (Appendix 1) along with clarification as to how assumptions on availability have been made. The year by year completion projections are available in a separate table.

7.59 For those sites outside the planning system, the year by year figures are indicative, based on feedback from the promoters of individual sites and previous completion rates, particularly on large sites. There is an assumption that large sites will be broken down into

21 The constraints to build out rates are discussed in more detail in section 8.

7 . STAGE 7: ASSESSING WHEN & WHETHER SITES ARE LIKELY TO BE DEVELOPED

smaller parcels to increased development potential. The risks associated with the accuracy of these assumptions, particularly in relation to large sites and areas of growth, is discussed in more detail from paragraph 8.22. Given the level and rate of future growth in Milton Keynes, the primary risks to delivery rates are the ability of the market to absorb high annual levels of housing completions and the ability of growth areas and large sites to individually sustain the required build out rates, given the general assumption that developers work on the principle of 1 unit per developer, per week, per site (Calcutt review, page 41 and CLG research, page 6⁽²²⁾).

7.60 SHLAA Tables 10 and 11 (Appendix 1) summarise the additional sites carried forward from Stage 7b where availability is uncertain.

Conclusions- achievability for housing

7.61 The findings of the assessment show that there is a significant amount of developable land across the borough, with 8,231 homes 'deliverable' under the terms of PPS3, in the next 5 years. Table 7.2 below summarises the findings.

Table 7.2 Summary of deliverable and developable sites

Area	0-5 yrs	6-10 yrs	11-15 yrs	15+ yrs	Total
Urban	7,831	14,609 (+ 203 uncertain)	6,746	0	29,389 (inc 203 uncertain)
Rest of the borough	400	1,791 (+ 236 uncertain)	583	0	3,010 (inc 236 uncertain)
Expansion	0	7,365	8,582	2,428	18,375 (inc 492 uncertain)

7.62 The implications of these findings are discussed in more detail under Stage 8: Reviewing the Assessment, where those sites within the emerging growth strategy are disaggregated from the wider supply to provide a true reflection of land availability, given emerging policy constraints.

7.63 SHLAA tables 10 and 11 (Appendix 1) covering sites with uncertain availability show that there is uncertainty around the delivery of approximately 430 dwellings across the borough (203 in the urban area and 236 in the rest of the borough). These are primarily smaller sites with planning permission where it has been difficult to establish current site ownership and to gain feedback on the sites.

7.64 In addition there is uncertainty around ownership of approximately 28 hectares of land in the defined SE SDA. These are primarily small parcels of land, and whilst promoted as part of a draft masterplan by a consortium, who have significant landholdings in the area, some specific land ownerships are currently uncertain. As no development is expected in the

22 Calcutt Review- <http://www.callcuttreview.co.uk/downloads.jsp>. CLG Factors Affecting Housing Build-out rates- <http://www.reading.ac.uk/nmsruntime/saveasdialog.asp?IID=22662&slD=77833>

7 . STAGE 7: ASSESSING WHEN & WHETHER SITES ARE LIKELY TO BE DEVELOPED

first 5 year period, in line with discussion in para 7.39, these sites have been kept in the assessment as developable sites and assumed to be achievable in the second and third 5 year periods. Actions to address this constraint are discussed in the Section 7d.

7.65 Progress and delivery on these sites will continue to be monitored and reported in future SHLAA reports.

7.66 One factor that will generally affect the achievability of all potential growth areas on the edge of Milton Keynes is the associated infrastructure costs of each. These have not been investigated in depth through the SHLAA, with the general assumption being that the infrastructure costs of each will be broadly similar, with a similar number of schools, similar health provision and so on. More detailed work on infrastructure provision will need to be undertaken through the plan making process to verify the deliverability of any sites included within development plan documents.

7.67 There is currently no basis for housing to be achieved on a number of the sites identified in SHLAA tables 8 and 9, which is why they are removed from the assessment in Stage 8. They currently fall outside of the emerging development strategy for Milton Keynes and, whilst being available for development and potentially suitable for housing, the development strategy means that ultimately they should not form part of the available land supply for the borough.

7.68 However, the range of potentially suitable expansion sites on the edge of Milton Keynes and in rural settlements shows that there are opportunities for future changes to the development strategy of the city area and to how development in the rural area is managed, if it is required or deemed necessary in the future.

Stage 7d: Overcoming constraints

7.69 Where constraints have been identified, the assessment needs to consider what actions are needed to overcome them. Actions could include the need for investment in infrastructure, dealing with fragmented land ownerships, environmental improvements, or the need to amend planning policy which is constraining housing development.

7.70 In assessing the constraints identified throughout the assessment, there are **no particular physical issues** that appear to be constraining housing growth in Milton Keynes. There are issues with individual sites that would need to be investigated and overcome on a site-by-site basis, but no major constraints to development overall. The infrastructure required to support sites already in the planning system is planned through the MKP Implementation Plan and the Tariff, with similar arrangements anticipated to support future growth requirements. A number of major sites already have primary infrastructure laid out or approved and are simply waiting for the market to improve before completions pick up.

7.71 At this stage, the constraint of **planning policy** has not been applied to sites. This is considered in more detail in the next section. Generally, planning policy will prevent a number of potentially suitable expansion and rural sites from being available for the foreseeable future. The amount of suitable land in the borough means not all needs to be developed for housing, so the strategy choices made prior to this SHLAA being prepared constrains the potential of a number of sites.

7 . STAGE 7: ASSESSING WHEN & WHETHER SITES ARE LIKELY TO BE DEVELOPED

7.72 The potential expansion of Milton Keynes beyond what could be identified as **logical edges** to the city is one of the most commonly identified constraints to development. **Whilst it is not the role of the SHLAA to determine strategy or compare sites**, it is worth noting that if Milton Keynes is to grow further outside of its current development boundary in the future, more work will need to be undertaken to establish the most appropriate places for this to happen.

7.73 The **fragmented land ownerships** within the area of land to the south east of Milton Keynes, which forms the SE SDA, is a constraint that needs to be addressed to ensure effective and timely delivery. There is however time to address this before any development in the area is expected to occur. Details of the predicted time frame for implementing development in the SE SDA can be seen in appendix 8.

7.74 At the time of writing, work is ongoing to establish further details of land ownership and land deals in the area. This information will help to ensure that all of the appropriate landowners can be fully engaged in the development process at the earliest opportunity. Updates of the SHLAA in future years will be able to report additional information on land ownerships in this area, which will be further supported by work on a Development Framework for the area.

7.75 The **required annual delivery rates** in the growth areas, and on larger sites, will necessitate measures being taken to ensure maximum output across the site on an annual basis. Delivery could be constrained by the **number of development parcels** available at any one time and by the local market to continue to absorb a high level of annual completions. It will be important that the parcelling of land and **phasing of development** is considered early on, ideally through the Development Framework process, to enable a range of appropriate sites to be developed at one time and the demand for homes to remain high. This is discussed in more detail in the next section.

7 . STAGE 7: ASSESSING WHEN & WHETHER SITES ARE LIKELY TO BE DEVELOPED

Picture 4 Land parcels in the Eastern Expansion Area



7.76 In the rural area, in the short/medium term, there appears to be a sufficient choice of sites to enable the regional housing requirement to be delivered. However it is clear that there is a **need to allocate additional sites through a Site Allocations Development Plan Document** soon to allow this supply to be delivered properly through the plan, monitor and manage approach. In the future, however, the supply of larger sites, particularly those brownfield in nature, appears to be limited and there will be increasing pressure on those settlements selected for development. There may be a need to consider amending planning policy to enable sites to be allocated in other rural settlements, enabling a continued supply of sites in the rural area.

7.77 Conversely, given the character and role of the rural area, it could be argued in the future that there is simply insufficient capacity to continue to deliver sites in truly sustainable locations. If this is considered to be the case, rather than reviewing local policy, a case could be made for assessing regional policy to lower the expectation of development in the rural areas of Milton Keynes.

7.78 Constraints and risks to delivery are also discussed in more detail in the Section 8 of this report.

8 STAGE 8: REVIEW OF THE ASSESSMENT

8.1 As the SHLAA has been prepared in a period of transition, it has also looked at sites outside the emerging strategy for growth, covering areas it would have done if it had been prepared at an earlier date, prior to the strategy for growth being established. The earlier sections of this report have established that there are a significant number of potentially suitable, deliverable and developable housing sites in the urban and rural areas, and on the edge of the urban area, to potentially accommodate further areas of growth. This information was summarised in Table 7.2.

8.2 The assessment has shown that there are no major physical constraints to the development of sites across Milton Keynes, but there are individual concerns that would need to be addressed in certain areas, particularly fragmented land ownerships in areas of expansion, and the protection of character in the rural area.

8.3 Given these general conclusions there is no need to look specifically at broad areas or analyse historic windfall completions to show how a shortfall in housing sites could be made up.

8.4 However, it is felt to be important that, given that the key decisions regarding growth and the rural strategy have already been taken through the emerging Core Strategy, and researched through the MK2031 Growth Strategy, that the SHLAA clarifies the deliverability and developability of land in those areas identified for development. These conclusions will help support the robustness of the emerging Core Strategy. It is also important to summarise any risks to the delivery of those sites that have been assumed to be available and the housing yields on them.

Supply within the emerging strategy

8.5 As was acknowledged in paragraph 1.4, the SHLAA has been prepared in a period of transition. It has been undertaken as if there were no emerging planning policy in place, which is not the case. The emerging Core Strategy focuses development within the boundaries of Milton Keynes on:

- The urban area;
- A Strategic development area to the south east of the city;
- Key Settlements of Newport Pagnell, Olney and Woburn Sands; and
- Selected Village of Sherington.

8.6 It is therefore important that the land availability within these areas is disaggregated from the wider assessment of availability to establish supply in these areas as it is in these areas where future housing land allocations will be sought.

8.7 This has been done by applying the emerging policy constraints and removing any sites from the assessment which lie outside of the areas and settlements listed above or which do not lie within the existing development boundaries of any settlements across the borough.

8 . STAGE 8: REVIEW OF THE ASSESSMENT

8.8 This primarily means removing:

- Those sites which would lead to the expansion of the boundaries of rural settlements not listed above; and
- Any sites promoted as potential areas of expansion for the city, excluding sites within the identified SE SDA.

8.9 Availability within these areas are shown in SHLAA Tables 12 and 13 in Appendix 1.

8.10 For the urban area, all sites listed within SHLAA Table 7 are part of the emerging strategy for growth. There is therefore no need to revisit them.

Conclusions and risk assessment

Table 8.1 Summary of assessment outcomes against housing requirements over next 15 years (Core Strategy Spatial Strategy Sites only)

Area		0-5 years	6-10	11-15	Total
Urban	Requirement	8,485	8,485	8,485	25,455
	Supply	7,831	14,812	6,746	29,389 (inc 203 uncertain)
Rest of the borough	Requirement	535	535	535	1,605
	Supply	400	942	440	1,782 (inc 236 uncertain)
Strategic Development Area	Requirement ⁽²³⁾	1,415	1,415	1,415	4,245
	Supply	0	750	3,000	3,750

8.11 It can be seen from Table 8.1 that **there are developable sites available to meet the overall annualised SEP housing requirement in Milton Keynes**. This does not take into account any 'broad areas' or 'windfall' development. Specifically, in the case of the urban area, the number of sites identified through the assessment is in excess of the annualised housing requirements for that area.

8.12 In the case of the rest of the borough, including the developable sites with uncertain availability, there is sufficient supply to fulfil the SEP requirements for the next 15 years.

8.13 For the SE SDA, it can be seen that there is a slight shortfall over the 15 year period. This is discussed in more detail from paragraph 8.15 below.

8.14 It can be seen from the first column that there is a shortfall in specific, deliverable sites for the first 5 years of the plan. This can be directly attributed to the economic slow down, which has had an impact on the rate of house buying and subsequently the desire of

23 Annualised indicative requirement. Completions not anticipated until area has been planned

landowners to sell land (due to decreasing land values) and the desire of developers to build homes, due to the lack of demand for their product and a decrease in viability of some schemes. **This is NOT a land supply issue as there are already 14.3 years worth of developable sites in the planning system.** The opportunities, constraints and risks to readdressing this shortfall over the plan period are discussed from paragraph 8.37.

SE SDA

8.15 Constraints to development of the SE SDA have already been acknowledged and discussed in the previous section. This section discusses the constraints and risk management in more detail.

8.16 For the purpose of the assessment a notional build out rate has been applied to the whole of the developable area that will allow the SEP requirement to be achieved by 2026. It should be recognised that the market slowdown since the targets have been set is likely to have an impact on the deliverability of the target. This section looks closely at the constraints to delivering the site by 2026, particularly in relation to the next 15 years covered by this SHLAA.

Capacity

8.17 Work by GVA Grimley has shown that there is suitable land to deliver the 4,800 required by 2026 (4,230 which should notionally be delivered by 2023 if split on average over the plan period), and subject to addressing outstanding land assembly issues and adoption of a suitable development framework, which protects the integrity of the existing settlements and their rural character, and which delivers an appropriate phasing of development, there are no major physical constraints to development of the area. The projected start date on site does however mean that over the next 15 years covered by the SHLAA, the notional requirement, based on the per year average, set out in paragraph 1.29, is not anticipated as being achievable.

Comprehensive planning

8.18 It has been assumed that there will not be any housing completions in the SE SDA in the next 5 years as the SDA is a recent requirement of regional policy. In line with the plan-led system, the area will need to be comprehensively planned and primary infrastructure established before house building can begin.

8.19 The planning of the area also needs to include the strategic reserve areas, which are classed as part of the urban area supply rather than part of the SE SDA⁽²⁴⁾. The phasing of these two areas will need to be considered in more detail through a Development Framework for the area, which is due to be produced by 2010. Work on producing the Development Framework is currently underway.

24 The strategic reserves are assumed to have an additional capacity of 2,500 dwellings. When combined with the 4,800 dwellings in the SE SDA, this provides a total supply of 7,300 dwellings.

8 . STAGE 8: REVIEW OF THE ASSESSMENT

Timing of development

8.20 The first completions for the strategic reserve areas have been assumed in 2014/2015, the 6th year of supply. The first completions in the SE SDA in 2016, with the assumption that development in the combined area will start in the strategic reserve areas⁽²⁵⁾.

8.21 Given previous experience in delivering urban extensions in Milton Keynes, the first completions could begin slightly earlier than 2014/15. The Local Development Scheme assumes the Development Framework will be adopted in December 2010. Assuming outline planning consent is secured soon after the adoption of the Development Framework, previous experience from planning and developing the Eastern Expansion Area suggests the first completion could be as early as July 2013⁽²⁶⁾. This is however only a year earlier than the projection in the SHLAA, and until work on the Development Framework begins and the timetable is confirmed, the current assumptions in the SHLAA are felt to be realistic. The assumptions support a trajectory that, in the short-term, is realistic about the availability of land in Milton Keynes. This can be updated annually in the review of the SHLAA, when more detailed information on phasing can be established after work on the Development Framework begins.

Uncertain land ownerships

8.22 As was acknowledged in para 7.64, there is uncertainty around the ownership of a proportion of the land in the SE SDA. This is a slight risk to the deliverability of the land. However, work is ongoing to clarify any gaps in information to ensure a comprehensive development plan for the area can be prepared which takes into account individual land ownerships. There are still 8 years until the first housing completions for the SE SDA are anticipated and it is realistic to expect ownership issues to be resolved in plenty of time to allow delivery to happen as programmed. By the time the SHLAA is updated in 2010, information on all land ownerships and land availability in the SE SDA are anticipated as being available.

Phasing and annual completion rates

8.23 From 2014/15 the majority of housing land supply in Milton Keynes will be from larger sites, including the SE SDA. Work on the strategy for growth has established the South East SDA (along with the South West SDA in Aylesbury Vale) as the preferred planning response to the housing challenge in Milton Keynes, allowing homes to be provided as part of sustainable new communities and allowing the required infrastructure to be delivered effectively.

8.24 In the SE SDA it is anticipated that there will need to be up to 900 completions from the area per year to fulfil the current SEP housing requirement. This will be a significant challenge and, as was acknowledged in section 7d, the appropriate phasing and parcelling of land will be integral to working towards this target. Milton Keynes does however have a history of delivering growth and already has success in delivering high housing numbers

25 This is indicative for the purpose of the SHLAA report only. The phasing will need to be considered through the Development Framework for the area.

26 See appendix 8 for key dates in development of the Eastern Expansion Area and the SE SDA equivalent.

annually from individual sites, through ensuring multiple developers are on site at any one time. The Council and partners will need to learn from and build on this experience to help ensure annual supply achieves the required level over the coming year.

8.25 Both the Callcut Review of Housebuilding Delivery⁽²⁷⁾ and the CLG paper on Factors Affecting Housing Build-out Rates⁽²⁸⁾, acknowledge that there is a limit to the number of homes one developer will build from one outlet in a single year, felt to be around 1 per week (52 per year). The Callcut review suggests that this is based on housebuilder experience of how to make the best returns over time balancing volume against price and risk.

8.26 However, the Review also suggests that splitting larger sites up into smaller parcels has a significant affect on the build-out rates across larger sites. This has the benefit of allowing different marketing strategies, introducing different design philosophies and a wider range of product type and style (Callcut Review, pg 41) which effectively increases demand by offering more choice (CLG paper, pg 8). The smaller parcelling also allows for different parts of larger sites to be developed at one time, which can also help to stimulate demand and supply. The CLG paper concludes that over prescriptive design guidance can narrow the potential of developers to alter the market offer reducing the number of developers who can operate successfully on a large site at the same time.

8.27 From the research it appears that it is the ability of developers to differentiate their products that is key to maximising outputs. It will be important that the Development Framework for the SE SDA considers these issues closely and looks to support developers in maximising build-rates and minimising risk to the deliverability of land. As was acknowledged in paragraph 6.2, the draft SHMA Update shows that a range of property types and sizes are required in Milton Keynes. There is demand for both small and large market and affordable homes, providing the scope for differentiated products to be provided.

8.28 These principles also apply to other major sites in Milton Keynes, including the Eastern and Western Expansion Areas. In 2008 and 2009 there were 13 active building sites within the Eastern Expansion area, highlighting the ability to get multiple housebuilders on site at one time. However, during the downturn, annual completion rates from each parcel have slowed in line with the demand for new homes, showing the susceptibility of housing supply to changes in the market.

Urban area

'Backed-up' supply

8.29 There appears to be a significant number of sites to support delivery of the urban housing requirement over the next 15 years. Although there is a slight shortfall over the first 5 years, there is a significant amount of 'backed-up' supply, primarily due to the slow down of delivery on large sites which are currently under-construction. The assessment shows that there are over 14,000 homes to be completed in the 6-10 year period, which would be an average of over 2,800 per annum. This may not be realistic given past completion rates and

27 The Callcut Review can be viewed at- <http://www.callcutreview.co.uk/downloads.jsp>

28 The CLG paper can be viewed at- <http://www.reading.ac.uk/nmsruntime/saveasdialog.asp?IID=22662&SID=77833>

8 . STAGE 8: REVIEW OF THE ASSESSMENT

the ability of the local market to deliver and sustain such a level of supply (as discussed in relation to the SE SDA in the previous section), and in reality, a proportion of these dwellings are likely to be delivered later in the plan period. However, it reinforces the fact that there is not a shortage of developable land in Milton Keynes.

8.30 The risk to overall completions is managed during the production of the annual Housing Trajectory. The Housing Trajectory for Milton Keynes (published in the AMR) has traditionally included a 25% 'optimum bias' which effectively discounts 25% of the total projected completions each year. This is on the basis that historically total housing projections made at the start of the year have normally been 25 % above the actual recorded completions. Taking this into account, it is still felt realistic to conclude that there is sufficient land to meet the urban housing requirements over the next 15 years. Although annual completions may not be as high as the projections shown, particularly in the 6-10 year period, there is still scope for development to slip and be completed within the 15 year timescale of the SHLAA.

8.31 Ideally, projections for each site would be 100% accurate and there would be no need for an optimum bias to be added to annual projections. However, given the number of sites in Milton Keynes, the high level of annual completions and fluctuations in the demand for certain types of property locally throughout a year, it has proved extremely difficult to accurately project completions at the start of a year. The optimum bias is therefore seen as an effective tool in managing the risk associated with making housing projections.

High density uncertainty

8.32 Nationally, as confirmed at the Developer Workshop, there is a risk to the deliverability of high density apartment schemes, as there currently appears to be an over-supply in the market. In Milton Keynes, apartment developments are primarily focused on Central Milton Keynes, where development is planned at much higher density than other parts of the city. There have been approximately 1,000 apartment completions over the last 3 years and in the current market, demand appears to be low for further apartment developments.

8.33 The SHLAA includes approximately 6,000 dwellings as part of high density schemes in CMK and Campbell Park over the next 15 years. Although no further completions are anticipated before 2011/12, by which time the market may have changed, some high density schemes could be replaced by a lower density development, meaning the 6,000 units would not be delivered.

8.34 Hypothetically, if development were to halve in density to 50 dwellings per hectare to fit in with changing market demand, or half of sites were held back until post 2024, the total units delivered on CMK/Campbell Park sites would reduce by 3,056. This would reduce the developable urban supply to 25,834. This figure is still in excess of annualised SEP requirement for the next 15 years.

8.35 MKC will work with MKP (landowner of undeveloped sites in CMK) through the JHDT to manage this risk through ongoing reviews of delivery on all sites in CMK and Campbell Park as appropriate.

Rural area

8.36 The largest shortfall in deliverable sites appears to be in the rural area where deliverable supply for the next five years is just over 75% of the annualised SEP requirement for period. However, it can also be seen that there is a significant amount of developable land estimated as being available in the 6-10 year period. This shortfall will be addressed through the production of a Site Allocations Development Plan Document (beginning in 2009), which will help increase the number of deliverable sites. Work on the Site Allocations DPD will also potentially lead to the identification of additional sites that could support housing land supply. It was suggested at the Developer Workshop that a more thorough site search in the rural area may lead to the identification of brownfield sites on the edge of settlements that would have development potential.

8.37 As has been noted previously, the potential of all non-allocated sites to be developed is currently unclear. Each has been assessed for its suitability and developability, but this does not take into account cumulative impact and the level of development that would be suitable for individual settlements. This would need to be considered in more detail through the plan making process where work on service provision, transport impact etc. will need to be undertaken to inform the allocation of land. **This is not the role of the SHLAA**

8.38 There is currently estimated to be an overall shortfall in deliverable and developable sites of around 60 homes over the next 15 years (see table 8.1). Whilst this would be covered by the delivery of units on 'uncertain' sites (236 units), or by any additional sites identified through work on the Site Allocations DPD, the Practice Guidance does allow for windfall development to be taken into account, **but only in the final 10-15 year period.**

8.39 Historic trends show that 45% of housing completions in the rural area over the last 10 years have been windfall development⁽²⁹⁾. These have primarily been smaller developments consisting of small infill developments, conversion of old industrial buildings and farm redevelopments, with the occasional larger development. It is expected that windfall development will continue to play a significant role in rural completion rates over the next 15 years as settlements continue their natural evolution.

8.40 It is difficult to assess whether windfall completion rates will continue at the same rate as they have done in the past but there are still opportunities within rural settlements for small scale infill development and Development Control Officers have reported that they continue to provide pre-application advice for small rural sites.

8.41 If current windfall completion rates continue as they have done historically, over 5 years, **240 homes** (45% of total completions) would be expected to come from windfall development. It is felt that this is a fair assumption given that small sites, which will make up a proportion of this amount, have not been specifically identified through this assessment, and only one new brownfield site has been included, meaning other redevelopment opportunities will not have been double counted.

29 See appendix 5 for a summary of rural completions, including windfall, over the last 10 years.

8 . STAGE 8: REVIEW OF THE ASSESSMENT

8.42 Adding this figure to the already identified available and deliverable sites in Table 8.1 gives an overall supply of **1,786** (excluding units on uncertain sites) **2,022** including uncertain sites , which is in excess of the SEP requirement for the area.

8.43 Plan making will need to consider more fully the role of windfall in overall rural housing completions. This is not the role of the SHLAA, but part of the plan making process and, as such, should be investigated as part of the work on the Site Allocations DPD. The figure of 2,022 does however show that there is scope for choice in the allocation of sites and that all sites identified in this SHLAA report do not need to be developed to meet the SEP requirements.

Managing supply

8.44 Based on the finding of the assessment, housing delivery in Milton Keynes does not appear to be constrained by the supply of land, but by the general housing market. There are opportunities to boost the short term supply of housing at a local level and measures being taken in Milton Keynes include:

- Varying s106 contributions, in exceptional cases. This includes the tenure of affordable housing, the deferral of payments and applying flexibility in the approach to payments⁽³⁰⁾.
- Re-plans- to change housing mix, where this can aid marketability
- Kickstart grants⁽³¹⁾
- Working with the Homes and Communities Agency on site disposals terms⁽³²⁾
- Appropriate use of Growth Area Funds
- The application of a Tariff Agreement for growth areas

8.45 In the downturn, developers have specifically highlighted the s106 contributions (including sustainable construction standards) required in Milton Keynes, along with the ongoing funding for affordable housing, as constraints to increasing housing supply.

8.46 Developers also suggested that in the short term, small, new sites, that aren't already in the planning system, could have more potential to be developed than larger sites that already have planning permission, but were bought by housebuilders when land values were higher.. Supporting the supply delivery of a number of new, small sites, may therefore be a good way of increasing delivery in the short term. There is an opportunity for this to be considered further through the Site Allocations Development Plan Document, to be produced in 2010.

8.47 However, longer term, it needs to be recognised that there are likely to be constraints on the maximum number of completions that the local housing market can sustain per year, as discussed previously. The current SHLAA assumptions on land availability in the period 5-15 years suggests there is already a significant amount of land to sustain development at

30 A paper on how variations in s106 contributions will be considered is due to be considered by the Development Control Committee in November 2009.

31 Details of the Kickstart scheme can be seen at http://www.homesandcommunities.co.uk/kickstart_housing

32 As a major landowner in Milton Keynes, the way that the HCA disposes of remaining land has an impact on the rate of housing delivery. New ways of disposing of sites which help the cash flow of developers are being investigated.

a high level, if the market allows. Completion rates in Milton Keynes have rarely exceeded 2,500 dwellings per annum⁽³³⁾ suggesting that additional land may not help to stimulate the level of supply above what could be delivered from existing sites.

8.48 Additional land supply, although potentially increasing choice in the market, would have the affect of spreading development across a greater number of sites, potentially diluting the number of completions available on each site annually, rather than actually increasing housing supply. Consideration would also need to be given to the additional infrastructure costs that would be associated with additional allocations, and the impact of the effective and timely delivery of infrastructure in the SE SDA.

Supply outside of the Borough boundary

8.49 Aylesbury Vale District Council (AVDC) has undertaken a separate SHLAA for their district. As part of the assessment they considered the growth of Milton Keynes across the boundary into AVDC, as required though the SEP.

8.50 The AVDC SHLAA⁽³⁴⁾ concludes that there are suitable sites for up to 15,900 new dwellings in AVDC to accommodate future growth of Milton Keynes (pg 56). However, as has been acknowledged previously in this report, the assessment does not take into account the ability of the area to support the delivery of all of this land in a sustainable manner, meaning the achievable supply could be less.

8.51 In addition to the sites identified in the AVDC SHLAA, 3 other sites which straddle the boundaries with neighbouring authorities were submitted to the Council for consideration in the SHLAA. These were Eaton Leys (EX3), Lavente Gate (EX4), (in Aylesbury Vale) and Land East of the M1 north west and south east of Salford Road (EX6) (in Central Bedfordshire).

8.52 Whilst the parts of these sites which lie within Milton Keynes have been included in the assessment, the areas outside have not specifically been looked at. If these were to be considered in the future, they would need to be looked at jointly with colleagues from neighbouring authorities.

8.53 In addition, regional policy identifies the potential for land within Central Bedfordshire to form an part of the SE SDA. This principle is also established in the Mid Bedfordshire Core Strategy, but the final capacity of this area needs to be established through a review of the East of England Plan. This area has not been considered in the SHLAA.

33 Rates above 2,500 have only been achieved in the early 1980's when both the private and public sector were producing significant numbers of homes. Annual completions rates have only exceeded 2,000 twice since 1989 1992/93 and 2007/08. Highest rate 3,3,04 (1984/85. Average 1967 to 2005, 2062.

34 Available to view at <http://www.aylesburydc.gov.uk/planning/planningpolicy/affirmative/affirmativehousingevidencestrategiclandavailabilityassessment2010>