

Milton Keynes Council – interim assessment of five year land supply **(November 2015)**

1. Introduction and background

1.1. Paragraph 47 of the NPPF requires authorities to identify and publish annually a supply of specific deliverable sites sufficient to provide 5 years' worth of housing. Milton Keynes Council normally publishes its annual assessment of this in June using monitoring information from the previous financial year.

1.2. This interim statement has been prepared to revise the Council's position [as published in June 2015](#) to take into account changes in land supply and requirement. This updated position is important as it will support the Site Allocations Plan, which is being prepared specifically to boost housing land supply. The methodological differences between this interim statement and the June 2015 assessment are twofold:

- On the supply side, an allowance is now made for slippage or non-implementation. Supply forecasts are discounted by 10% each year accordingly.
- On the requirement side, the Council has always applied a 20% buffer to its basic requirement as prescribed by the NPPF. However, this buffer is now also applied to our backlog to reflect best practice and guidance. The backlog continues to be spread over the plan period (the Liverpool method) as this reflects local circumstances in Milton Keynes (see section 2).

1.3. These changes in methodology, combined with general amendments to forecasts made to reflect the latest context (see section 3), mean that Council can currently demonstrate a housing land supply of **4.44 years**. This calculation is disaggregated below:

Total 5-year supply (Appendix 1)	11,497
Total 5-year supply with 10% discount	10,347
Requirement (Section 2)	11,664
Supply as % of requirement	88.7% (4.44 years)

2. The Five-Year Land Supply Requirement

Basic requirement

- 2.1. In accordance with paragraph 029 of the PPG, the starting point for establishing the five year land supply requirement is the housing target set out in the Council's Core Strategy, which was subject to examination in 2012, adopted in 2013 and is NPPF compliant.
- 2.2. The housing target in the Core Strategy is to deliver an average of 1,750 homes across the Borough. This figure remains a robust basis for calculating the five year land supply requirement but will be reviewed in the next full-year assessment to take into account any revised national projections or updated local evidence.
- 2.3. This starting point gives a basic five year requirement for 8,750 homes across the Borough:

$$1,750 \times 5 = 8750$$

Shortfall

- 2.4. In the 5 years since the start of the Core Strategy Plan period (1 April 2010), there have been 6,617 net completions. Against the average requirements of the Core Strategy this means there has been a shortfall of 2,133 homes across the Borough in the first 5 years of the plan period:

$$(5 \times 1750) - 6617 = 2133$$

- 2.5. The Council favours the Liverpool method of accommodating shortfall, which means spreading this backlog over the remaining plan period rather than within the next 5 years (the Sedgfield method). The specific circumstances of Milton Keynes mean that most new housing is delivered in a number of large strategic sites (see Appendix 1), which take many years to build-out. This was acknowledged by the Core Strategy inspector in paragraphs 84 to 96 of her [report](#).

- 2.6. Splitting the shortfall over the remaining 11 years of the plan period gives an additional 194 homes per year and 970 homes in total over the next 5 years:

$$2133/11 = 194$$

$$194 \times 5 = 970$$

- 2.7. Although this is a mid-year assessment, full financial years are used for completions and forecasts. Naturally in the first half of the 2015/16 financial year there have been additional completions but any shortfall from this period has not been included in the calculation above. This is because the corresponding forecasts for later years are not split into 6 month periods, which would be particularly difficult to do accurately for years 4 and 5. For the same reason, the supply outlined in Appendix 1 includes dwellings that have actually already been delivered in the first half of this year.

Buffer

- 2.8. The NPPF (paragraph 49) requires a 5%'buffer' to be added to the basic requirement with the objective of bringing sites forward from later in the plan period to ensure choice and

competition in the market for land. Where there has been a persistent record of under delivery of housing this buffer should be increased to 20% to boost the prospect of achieving planned supply.

- 2.9. In recent years despite delivering a significant number of homes relative to other areas, the planned Borough housing target has not been achieved. The PPG (paragraph 035) states that where this is the case, it is a matter of judgement by the decision maker as to whether a particular degree of under delivery of housing triggers the need to bring forward additional supply (i.e. add a 20% buffer).
- 2.10. Given performance has been below the target requirement for the last 5 years, and because there has been no specific impediment to the deliverability of housing (other than the basic lack of finance and realisable demand), such as a housing moratorium mentioned in the NPPF, it is considered necessary to add a 20% buffer. For clarity, despite adding the 20% buffer to the requirement, the Council does not consider that it has failed to make enough housing land available for development – it is a result of market failings and viability issues that homes have not been delivered, not housing land supply.
- 2.11. In previous assessments, the Council added the 20% buffer only to the basic requirement. However, to reflect best practice and guidance, in this assessment the 20% buffer is added to the shortfall as well, which establishes a requirement of 11,664:

$$(8750+970) \times 1.2 = 11,664$$

3. Quarterly amendments to Housing Trajectory

- 3.1. The housing trajectory in Appendix 1 is updated every quarter. It is reviewed by the Council's Joint Housing Monitoring Team who consider the latest intelligence and completion figures to identify any changes that should be applied to forecasts. The majority of these quarterly changes simply reprofile delivery within the 5-year period and therefore do not affect land supply. However, below are the most significant changes to the trajectory that have occurred since the June 2015 statement was published. Along with other minor changes, these have resulted in a slight decrease in supply since June (-24). However, the impact this has had on 5-year supply is negligible compared to the methodological changes outlined in section 2.
- Following applications submitted in Area 10 of the WEA, new parcels have been added to the 5-year supply. However, the delivery of the remainder of the outline permission in Area 10 of the WEA has been pushed back.
 - Delivery on the majority of parcels in the SLA has been reprofiled with losses from the 5-year period. This reflects in particular an appeal at Church Farm that is likely to delay delivery there.
 - The National Badminton Centre has been removed from supply after indications its development will not go ahead.

- Parklands Care Home has been removed from supply to reflect the Core Strategy's housing evidence regarding extra-care requirement.
- New sites have been added to the supply at Wain Close (Woburn Sands) following an upheld appeal and the Lakes Estate (Bletchley) where a Neighbourhood Plan has been made that allocates various parcels of deliverable land, making them available in planning terms.

Risk assessment

3.2. The Council's annual land supply statements are accompanied by a site-specific and general risk assessment justifying the assumed delivery rate as well as covering issues like the proportion of sites that have planning permission, market constraints, and forthcoming plans and programs that are likely to influence land supply but cannot be quantified.

3.3. This interim statement predominantly relates to changes in methodology and as such the risk assessment outlined in the June 2015 assessment generally remains current. In terms of site-specific deliverability, the amendments outlined above note the most significant changes in circumstances of sites in the housing trajectory. New and detailed commentary on the deliverability of all other sites will be outlined in the June 2016 assessment.

4. Windfall

4.1. The Council currently proposes no changes to the windfall allowance within its 5-year supply. Appendix 2 of the June 2015 report provides an analysis of this and remains current until reviewed again in the June 2016 assessment.

5. Market Signals

5.1. Similarly, Appendix 3 of the June 2015 report concerning market signals remains current until reviewed again in the June 2016 assessment.

Appendix 1: Site-specific forecast of land supply

Area	Site	2015/16		2016/17		2017/18		2018/19		2019/20		2020/21		2021/22		2022/23		2023/24		2024/25		2025/26		Future Years		Totals		Planning Reference												
		Starts Commissioned	Physical Starts	Physical Completions	Starts Commissioned	Physical Starts	Physical Completions	Starts Commissioned	Physical Starts	Physical Completions	Starts Commissioned	Physical Starts	Physical Completions	Starts Commissioned	Physical Starts	Physical Completions	Starts Commissioned	Physical Starts	Physical Completions	Starts Commissioned	Physical Starts	Physical Completions	Starts Commissioned	Physical Starts	Physical Completions	Starts Commissioned	Physical Starts		Physical Completions											
TARIFF PROJECTS																																								
BROOKLANDS	LAND AT BROOKLANDS 2501 UNITS OUTLINE	0	0	0	250	95	0	300	119	100	300	250	143	200	250	154	250	250	0	190	200	0	50	200	0	0	0	0	1204	1204	1204	06/00220/MKPCO								
BROOKLANDS	BDW PHASE 1	0	17	90	0	0	47	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	17	137	13/01832/REM									
BROOKLANDS	BDW PHASE 1B	0	250	150	0	100	150	0	77	127	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	427	427	14/01069/REM									
BROOKLANDS	BDW PHASE 1C	0	58	58	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	58	58	14/01896/REM									
BROOKLANDS	BDW PHASE 1D	85	0	0	0	85	85	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	85	85	15/01477/REM									
BROOKLANDS	BDW PHASE 1E	61	0	0	0	61	61	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	61	61	15/01448/REM									
BROOKLANDS	BROOKLANDS PHASE 1	0	0	0	0	15	15	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	15	15	09/00860/MKPCR									
BROOKLANDS	BROOKLANDS PHASE 1B, 17 AND 30	0	0	30	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	30	11/01827/MKPCR								
BROOKLANDS	BROOKLAND SITE 18	0	54	25	0	0	29	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	54	54	12/02023/MKPCR									
BROOKLANDS	GATEWAY SITE	50	25	0	0	25	50	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	50	50	50									
BROOKLANDS SUMMARY		196	404	353	250	381	437	300	196	227	300	250	143	200	250	154	250	250	0	190	200	0	50	200	0	0	0	0	1400	1971	2121									
BROUGHTON	BROUGHTON GATE PARCEL M1 AND M2 REMAINDER	112	0	0	0	60	20	0	52	56	0	0	36	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	112	112	112	04/01069/MKPCO								
BROUGHTON	BROUGHTON MANOR BUSINESS PARK	62	0	0	0	62	62	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	62	62	62	1/01340/MKPCO								
BROUGHTON	BROUGHTON GATE RES SITES CM5-CM8	0	0	0	0	18	18	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	18	18	11/02316/MKPCO									
BROUGHTON	BROUGHTON GATE RES SITE CM4 (Haven Street)	23	0	0	0	23	23	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	23	23	23									
BROUGHTON SUMMARY		197	0	0	0	163	123	0	52	56	0	0	36	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	197	215	215									
KINGSMEAD	KINGSMEAD SOUTH SITES 3 AND 4	0	0	0	170	50	19	0	70	70	0	50	76	0	0	5	0	0	0	0	0	0	0	0	0	0	0	0	170	170	170	06/00602/MKPCO								
KINGSMEAD	KINGSMEAD SOUTH SITES 1 AND 2	0	0	0	206	60	10	0	60	42	0	60	52	0	26	52	0	0	41	0	0	9	0	0	0	0	0	0	0	206	206	206	06/00602/MKPCO							
KINGSMEAD SUMMARY		0	0	0	376	110	29	0	130	112	0	110	128	0	26	57	0	0	41	0	0	9	0	0	0	0	0	0	0	376	376	376								
TATTENHOE PARK	TATTENHOE PARK 2 & 7	0	0	0	0	0	0	0	0	0	150	100	75	104	100	75	0	54	79	0	0	25	0	0	0	0	0	0	0	254	254	254								
TATTENHOE PARK	TATTENHOE PARK 3-6	0	0	0	0	0	0	250	50	37	250	150	76	261	250	132	0	250	212	0	61	144	0	0	76	0	0	76	761	761	761									
TATTENHOE PARK	TATTENHOE PARK SITE 1	0	0	5	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	5	12/00969/MKPCR								
TATTENHOE PARK SUMMARY		0	0	5	0	0	0	250	50	37	400	250	151	365	350	207	0	304	291	0	61	169	0	0	76	0	0	8	0	0	0	1015	1015	1020						
WESTERN EXPANSION AREA	WEA AREA 10.1 -10.3 REMAINDER	0	0	0	400	50	0	400	245	100	360	250	200	360	283	250	360	300	300	320	300	300	330	300	300	216	300	300	216	300	62	952	1132	05/00291/MKPCO						
WESTERN EXPANSION AREA	Bovis - 10.1 a and b	121	40	10	0	50	50	0	31	61	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	121	121	121	14/02383/REM								
WESTERN EXPANSION AREA	Bovis - 10.1 f	61	40	30	0	21	31	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	61	61	61	14/02385/REM								
WESTERN EXPANSION AREA	Abbey	217	30	10	0	50	50	0	50	50	0	50	50	0	37	57	0	0	0	0	0	0	0	0	0	0	0	0	0	217	217	217	15/00499/REM							
WESTERN EXPANSION AREA	Taylor Wimpey phase 1	85	30	15	0	50	50	0	5	20	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	85	85	85									
WESTERN EXPANSION AREA	Abbey Parcel 1	34	0	0	0	34	34	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	34	34	34									
WESTERN EXPANSION AREA	Bellway	230	0	0	0	150	50	0	80	70	0	0	70	0	0	40	0	0	0	0	0	0	0	0	0	0	0	0	230	230	230									
WESTERN EXPANSION AREA	WEA AREA 11 -REMAINDER	100	0	0	300	50	30	300	250	170	300	300	278	300	300	300	270	300	300	244	225	250	0	200	230	0	150	176	0	39	80	0	0	0	1814	1814	1814	06/00123/MKPCO		
WESTERN EXPANSION AREA	Barratt -3a, 4a and part of 3b	144	100	80	0	44	64	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	144	144	144	14/01316/REM								
WESTERN EXPANSION AREA	Barratt H2 to H3	262	100	30	0	100	80	0	62	80	0	0	72	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	262	262	262	14/01790/REM								
WEA SUMMARY		1254	340	175	700	599	439	700	723	551	660	600	670	660	620	647	630	600	600	564	525	550	320	540	530	300	480	476	300	255	380	300	216	300	62	952	1132	6450	6450	6450
TOTALS FOR TARIFF PROJECTS		1647	744	533	1326	1253	1028	1250	1151	983	1360	1210	1128	1225	1246	1161	784	1154	1182	564	776	928	320	590	806	300	480	613	300	255	388	300	216	300	62	952	1132	9438	10027	10182
FUTURE TARIFF PROJECTS																																								
STRATEGIC RESERVE	SIBLEY HAULAGE	34	0	0	0	34	20	0	0	14	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	34	34	34									

