

# **STATEMENT OF COMMON GROUND**

Bank House, 171 Midsummer Boulevard, Central  
Milton Keynes

Milton Keynes City Council Reference: 23/00550/FUL

**ON BEHALF OF PLATFORM MK SARL**

23 April 2024

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**Client**

Platform MK Sarl

**Our reference**

PLAC3004

April 2024

# 1. Introduction and Background

- 1.1 This Statement of Common Ground (SoCG) is agreed between Platform MK Sarl (the Appellant') and Milton Keynes City Council ('the LPA', 'the Council').
- 1.2 It refers to an appeal lodged against the refusal by the LPA of a full planning application under planning reference 23/00550/FUL at Bank House, 171 Midsummer Boulevard, Central Milton Keynes ('the Site').
- 1.3 Section 2 sets out the agreed position in principle between the main parties for the appeal (the Council and the Appellant) relating to the provision of affordable housing. This position is to be confirmed in detail through the drafting of the terms of the S106 Agreement.
- 1.4 Once confirmed through the terms of the S106 Agreement, the position agreed in principle will enable the Council to withdraw all of its reasons for refusal of the application subject of the appeal. The Council would not therefore, as a result, present a case for dismissal of the appeal proposals at the public inquiry (scheduled to open on 18<sup>th</sup> June 2024) and would not call any witnesses to defend the reasons for refusal.
- 1.5 This draft SoCG has been amended accordingly to reflect the above position as set out further at Section 2. It is submitted to PINs for the Inspector's awareness at the earliest possible stage in the appeal process and to inform the Case Management Conference scheduled for 8<sup>th</sup> April 2024. It is anticipated that, in light of the agreement reached on the approach to the provision of affordable housing, the two main parties can continue to update this draft SoCG to ensure that it provides a clear record of the level of agreement between parties ahead of the scheduled public inquiry. This version has been updated to reflect the agreement between the main parties on the level of compliance between the appeal proposals and the development plan policies relevant to the determination of this appeal.
- 1.6 Section 3 of this Statement will include matters which are agreed between the parties.
- 1.7 Section 4 of this Statement will include matters which are in dispute between the parties.

## 2. Agreed Position on Affordable Housing

- 2.1 It has been agreed in principle between the main parties for the appeal (the Council and the Appellant) that the provision of a suitable level of affordable housing associated with the appeal proposals can be provided in the form of a financial contribution. Such a contribution would be paid in lieu to support with the funding of new affordable homes to be delivered within Milton Keynes elsewhere from the appeal site.
- 2.2 This agreed position has been arrived at as a result of proactive and collaborative discussions between the appellant, represented by Turley, and by senior planning officers of the Council (in consultation with its members) to seek to limit the need for the public inquiry to examine issues that are no longer in dispute between the parties in respect of the appeal proposals.
- 2.3 The agreement in principle set out in this section has been achieved on the basis of an acceptance from the appellant that a financial contribution in lieu would be viable if set at an appropriate level commensurate with the level of affordable housing provision presented to Planning Committee i.e. a financial equivalent to the on-site provision of 5% of the residential units being provided as discounted market rent units (with a rent at no greater than local housing allowance (LHA) levels).
- 2.4 A financial contribution of **£3,382,668** has been agreed between the main parties as set out more fully at Appendix [1] (the “Affordable Housing PIL”). The Affordable Housing PIL has been the subject of viability assessment and will be provided as part of the overall package of S106 obligations that are put forward by the Appellant in support the appeal proposals, as currently shown in the form of agreed draft ‘Heads of Terms’ (‘HoT’). The updated agreed draft HoTs are included at Appendix 1 of this SoCG.
- 2.5 The Council has confirmed the Affordable Housing PIL would be its preference for the delivery of affordable housing in association with the appeal proposals. The Council is clear that this approach would be in accordance with Policy HN2 of the Local Plan (‘Plan:MK 2019’), particularly so given the appeal proposals comprise build to rent residential units and therefore comply with PolicyHN2(f). Such an approach is fully supported by the Council’s Housing department as summarised by the statement included at Appendix 2 and 3 of this SoCG.
- 2.6 The main parties for the appeal also agree that the Affordable Housing PIL represents a significant social benefit that weighs heavily in favour of granting approval to the appeal proposals.
- 2.7 The Council has therefore considered whether the agreement of the Affordable Housing PIL between the main parties, alongside the amended parking plan and supporting information on parking enables the Council to change its view on the acceptability of the appeal proposals when considering the level of accordance with the development plan, and when weighing the benefits of the proposals in the overall planning balance.
- 2.8 Having undertaken this balancing exercise, the Council confirms that it no longer intends to defend this appeal and will withdraw all three of its reasons for refusal (based on the

reasons identified at Planning Committee on 15<sup>th</sup> November 2023). On that basis the Council does not intend to present a formal case or to call any witnesses at the scheduled public inquiry in June.

- 2.9 This decision to withdraw from the public inquiry has been taken by senior officers with suitable delegated authority granted to them by the Council.
- 2.10 It is the aim of both parties that the decision to withdraw can be formalised with PINs and with the Inspector at the earliest opportunity. To assist with providing clarity to the Inspector by the Case Management Conference, the date of 5<sup>th</sup> April is being used as a target for a written record to be provided (including as relevant within this draft SoCG as well as within supporting correspondence) that the Council will formally withdraw from the public inquiry based on the position set out above and a suitable level of agreement reached on the detailed terms for the S106 Agreement.
- 2.11 All contributions (including the Affordable Housing PIL) secured within the final agreed form section 106 agreement will be justified in the Council's CIL Regulation 122 compliance statement which will be submitted to the Inspector prior to the opening of the inquiry.
- 2.12 For the avoidance of doubt, the Appellant will still pursue the appeal.

### 3. Matters which are agreed

3.1 Matters which are substantially agreed between the parties include:

- 3.1.1 Background;
- 3.1.2 Site and surroundings;
- 3.1.3 Pre-application;
- 3.1.4 Planning history;
- 3.1.5 Summary of proposed development;
- 3.1.6 Public benefits;
- 3.1.7 Development Plan and applicable policies;
- 3.1.8 Material considerations;
- 3.1.9 Consultee responses;
- 3.1.10 Public responses;
- 3.1.11 Decision taking in accordance with Development Plan;
- 3.1.12 Conditions;
- 3.1.13 Planning obligations; and
- 3.1.14 Costs

3.2 Dealing with each in turn.

#### **Background to the appeal**

3.3 A full planning application was submitted in respect of the to the LPA on 2 March 2023 with the following description of development: -

*'Redevelopment of Bank House (including demolition) of up to 20 storeys to provide a mixture of up to 355 residential (Use Class C3) units and flexible uses across ground and upper ground floors for retail and/or restaurant/café and/or office/co-working/flexible workspace (all Use Class E), with access, amenity/landscaping, car and cycle parking spaces and associated site works'.*

3.4 The full planning application was validated on 8 March 2023 and was accompanied by a full suite of technical assessments and plans.

- 3.5 The application was accompanied by the drawings, reports, technical assessments and supporting documents appended to the Appellant’s Statement of Case (SoC) at Appendix 3.
- 3.6 The original determination deadline was extended by agreement to 2 December 2023.
- 3.7 The Committee Report contained a recommendation that Planning Committee approve the planning application subject to the completion of a s106 agreement securing obligations and terms set out in the report and subject to conditions (as may be supplemented/modified in any accompanying written or verbal update to the Committee).
- 3.8 Planning Committee refused planning permission against officer’s recommendation. The reasons for refusal are listed on the Decision Notice dated 15<sup>th</sup> November 2023 for the following reasons:
1. *The proposal, which is for primarily residential development, does not seek to deliver an office-led development within the Central Business District (CBD). This is contrary to Policy DS3, which seeks to promote this area as a location for major mixed-use office-led development. Therefore, by virtue of not providing an office-led development within the CBD, the proposal does not comply with Policy D3 of Plan:MK.*
  2. *The proposal seeks the development of a building extending to 20 storeys. Outstanding social and economic benefits associated within this proposal have not been demonstrated, particularly in relation to the very low levels of affordable housing provided, and thus it is contrary to Policy G9 of the CMK Alliance Plan.*
  3. *The development results in an under provision of 66 allocated parking spaces, including a shortfall of 7 disabled parking spaces, in respect of the Milton Keynes Parking Standards Supplementary Planning Document (SPD). Therefore, it would intensify the existing shortfall of allocated parking associated with Bank House and exacerbate the lack of disabled parking spaces within the locality. This is contrary to the Milton Keynes Parking Standards SPD and Policy CT10 of Plan:MK.*

### **The Site and Surroundings**

- 3.9 The Site lies within the administrative area of Milton Keynes City Council and covers an area of 0.32 ha.
- 3.10 The Site was acquired by the Appellant in April 2022.
- 3.11 The Site comprises Bank House, a 1980s purpose built three storey stone clad office building providing 5,213 sq.m GIA of floorspace.
- 3.12 The Site is bounded by Midsummer Boulevard to the south, Upper Second Street to the west, The Olive Tree two-storey restaurant and Wetherspoons bar to the immediate east, and a three-storey office building directly to the north, separated from the Site by

a car parking access route to both buildings, known as Upper Third Street, which also serves Bouverie Square to the northeast.

- 3.13 The Site is not located within a Conservation Area, nor is it a listed building (nor any non-designated heritage assets) or in close proximity to a listed building.
- 3.14 The Site is surrounded by public realm, which is referred to locally as 'classic CMK infrastructure', as defined at Policy CMKAP G1 of the CMK Alliance Plan, constituting New Town Heritage and possesses some level of heritage significance.
- 3.15 The Site is located within close proximity to Milton Keynes Central railway station served by national and local train services. The Site also sits near the redway (cycle) network.
- 3.16 The Site is within walking distance of wider facilities, including the Primary Shopping Area (comprising both centre:mk and Midsummer Place shopping centres), the Theatre District and Gallery with its array of restaurants, bars and cultural facilities.
- 3.17 The Site is designated for employment use by the policy maps of Plan:MK.
- 3.18 The Site is located within flood Zone 1 and at very low risk of surface water flooding.

#### **Pre-application**

- 3.19 Pre-application history for the Site is set out in Appendix 2 of the Appellant's SoC.

#### **Planning history**

- 3.20 The relevant planning history for the Site is set out in Appendix 2 of the Appellant's SoC.

#### **Summary of Proposed Development**

- 3.21 The proposed development will take the form of three distinct blocks of varying heights of 14, 17 and 20 storeys, stepping up in height from the Midsummer Boulevard frontage.
- 3.22 The design has sought to embrace the Appellant's desire to deliver a high-quality, best in class, residential development for the build to rent sector in a highly sustainable location in close proximity to the railway station, shopping, leisure and cultural facilities at the heart of Milton Keynes.
- 3.23 The proposed development will utilise high-quality materials which will respect and enhance the local context.
- 3.24 A mix of flexible commercial units (Classes E(a), E(b), E(c)(iii) and E(g)(i)) is proposed at lower levels to take full advantage of the Midsummer Boulevard frontage, whilst adding vibrancy and activity to the street scene.
- 3.25 The residential component of the Proposed Development seeks the delivery of 355 purpose-built build to rent units designed to the Nationally Described Space Standards and the LPAs accessible standards.



3.26 The mix of units is reflective of the Appellant’s City Centre and amenity-rich offer, culminating in a mix of accommodation types, including affordable, set out in the table below:

<b>Accommodation Type</b>	<b>Number of Units</b>
Studio flat	27
1- bed flat	179
2- bed flat	130
3-bed flat	19
<b>Total</b>	<b>355</b>

3.27 A range of amenities is proposed within the Site including:

- 3.27.1 internal residential amenity of 713 sqm overall, providing a residents’ lounge, cinema room, work from home/co-working space and games room;
- 3.27.2 a 1<sup>st</sup> floor podium amenity area of 444 sq.m, providing a sheltered lawn to provide play space for children, separate gated areas for pets and a high-quality amenity area with immersive planted routes and communal seating;
- 3.27.3 amenity terrace area of 117 sq.m is provided at 14<sup>th</sup> level, comprising a high-quality composite deck accessed via the proposed indoor gymnasium and resident restaurant/bar area;
- 3.27.4 amenity terrace area of 229 sq.m is proposed at 17<sup>th</sup> floor level, comprising a variety of seating areas for residents to enjoy views across the city and a private terrace to supplement the use of the private dining room; and
- 3.27.5 61 (17%) of the proposed residential units will have access to a private balcony or terrace.

3.28 Given the Site’s highly sustainable location, the proposed development seeks to prioritise walking, cycling and disabled parking over the use of the private car. Provision includes:

- 3.28.1 549 secure cycle spaces;
- 3.28.2 11 disabled parking bays (a bay for each wheelchair accessible dwelling within the ground and basement area; on a charged basis);
- 3.28.3 11 car parking spaces (on a charged basis) within the ground and basement area; and

3.28.4 57 spaces (24 allocated (of which 3 are car club and 1 is a delivery bay) and 33 unallocated first come first served) at neighbouring Bouverie Square which the Applicant has rights over under a lease.

3.29 The proposed development is a highly sustainable and environmentally friendly proposal including:

3.29.1 efficient low-carbon development, which includes low carbon technologies such as Air Source Heat Pumps and Solar Photovoltaics, achieving a 61.68% reduction in regulated carbon dioxide emissions compared with the baseline set within Part L of the 2021 regulations;

3.29.2 all commercial units at lower levels will achieve a BREEAM rating of at least “very good”; and

3.29.3 achieve a biodiversity net gain of 71.63%.

### **Public Benefits**

3.30 The parties agree that the proposed development will offer a suite of environmental, social and economic benefits to CMK, and the wider city during the construction and operational phases of development, including:

#### **Economic Benefits**

3.30.1 The Construction Phase

3.30.1.1 **170** Full Time Equivalent (FTE) gross direct jobs over the duration of the construction period of 2.5 years (estimated).

3.30.1.2 An average of **175** direct, indirect and induced net additional FTE employment opportunities generated for workers in the South East Midlands Local Enterprise Partnership (SEMLEP) area, of which 105 could be held by residents of Milton Keynes City (the ‘City’).

3.30.1.3 A total net contribution of circa **£54.0 million** gross value added (GVA) to the economic output of the South East of England economy, of which **£47.4 million** will be concentrated in Milton Keynes.

#### ***The Operation Phase***

3.30.1.4 An increase in the population of CMK by **596** residents.

3.30.1.5 Accommodating **455** additional economically active and employed residents to the benefit of local business within CMK.

3.30.1.6 Supporting resident income of circa **£14.9 million** per annum, a significant proportion of which is likely to be spent in the local area.

- 3.30.1.7 Supporting **£4.0 million** in local household retail expenditure and **£2.1 million** on leisure goods and services per annum, in turn supporting and maintaining 45 retail and leisure-related jobs.
- 3.30.1.8 Creating up to **23 FTE Net Additional Employment Opportunities**, **11** of which are expected to be taken by workers in Milton Keynes.
- 3.30.1.9 An uplift of **£1.3 million** GVA per year to the SEMLEP economy, inclusive of **£0.9 million** specifically in Milton Keynes.
- 3.30.1.10 Generating **£590,000** of Council Tax revenue for collection annually by MKCC, contributing to maintaining and enhancing the delivery of public services and infrastructure locally.

#### **Environmental/Social Benefits**

- 3.30.1.11 **Providing high-quality, healthy housing**, which will accommodate residents within health-promoting housing lessening the risk of wider poverty, whilst also benefitting from the locational and design elements of the scheme (e.g. social interaction, access to services, active lifestyles) outlined above.
- 3.30.1.12 **Delivering affordable homes** which will contribute to social sustainability, captured by means of a financial payment to the Council in lieu of on-site affordable housing, as set out in Section 2 of this version of SoCG as representing the Council's preference. This responds to a recognised need locally and nationally.
- 3.30.1.13 £2,262,709 of section 106 contributions towards local infrastructure.
- 3.30.1.14 **Delivering low-carbon, energy efficient homes** that incorporate a range of efficiency-focused design measures such as mechanical ventilation in addition to low carbon technologies such as Air Source Heat Pumps and PVs to reduce energy demand and consumption and achieving a 61.68% reduction in regulated carbon dioxide emissions compared with the baseline set within Part L of the 2021 regulations and all commercial units BREEAM "very good".
- 3.30.1.15 **Biodiversity Net Gain** for the Site as a result of the Proposed Development is 71.63%.
- 3.30.1.16 **Facilitating access to services** through the provision of on-site retail space and the site's strong connectivity to the railway station, bus station, redway network, centre:mk and other services which interact to meet other health and wellbeing-related needs.
- 3.30.1.17 **Fostering social cohesion** by contributing towards a more animated and vibrant CMK, with on-site uses, public realm and communal

spaces created throughout the building for residents and their guests designed to effectively foster social interaction and connections.

3.30.1.18 **Supporting active and sustainable lifestyles**, with the integration of walking and cycling into day-to-day lives being a key means of improving rates of physical activity, a known and significant determinant of health and wellbeing. The Proposed Development intends to provide extended pedestrian walkways and significant cycle parking provision.

3.30.1.19 **Generating social value through delivering employment and skills opportunities**, such as getting people back into work who had previously been unemployed and supporting construction apprenticeships. Gaining education and employment can have significant economic and wellbeing benefits for both individuals and society and is a key determinant of physical and mental health.

### **The Development Plan**

3.31 Both parties agree that the current Development Plan comprises of the following documents:

- Plan:MK, 2019;
- Plan:MK Policies Map, 2019; and
- The CMK Alliance Plan 2026, ('CMK Alliance Plan') A Business Neighbourhood Development Plan for Central Milton Keynes, 2015.

### ***Plan: MK , 2019***

3.32 The parties agree that the relevant policies in the context of this appeal include the following:

- Policy DS1: Settlement hierarchy
- Policy DS2: Housing strategy
- Policy DS3: Employment development strategy
- Policy SD1: Place-making principles for development
- Policy SD2: Central Milton Keynes- Role and Function
- Policy SD3: Central Milton Keynes- Growth and area of change
- Policy ER1: Employment sites within the Borough of Milton Keynes
- Policy ER2: Protection of existing employment land and premises
- Policy ER9: Character and function of the shopping hierarchy

- Policy ER18: Non-retail uses on ground floors in Town Centres
- Policy HN1: Housing mix and density
- Policy HN2: Affordable Housing
- Policy HN4: Amenity, accessibility and adaptability of homes
- Policy CT1: Sustainable transport network
- Policy CT2: Movement and access
- Policy CT3: Walking and cycling
- Policy CT5: Public transport
- Policy CT6: Low emissions vehicles
- Policy CT9: Digital communications
- Policy CT10: Parking provision
- Policy EH6: Delivery of health facilities in new development
- Policy EH7: Promoting healthy communities
- Policy INF1: Delivering infrastructure
- Policy FR1: Managing flood risk
- Policy FR2: Sustainable Drainage Systems and integrated flood risk management
- Policy NE2: Protected species and priority species and habitats
- Policy NE3: Biodiversity and geological enhancement
- Policy NE6: Environmental Pollution
- Policy HE1: Heritage and development
- Policy L4: Public open space provision in new estates
- Policy D1: Designing a high-quality place
- Policy D2: Creating a positive character
- Policy D3: Design of buildings
- Policy D5: Amenity and street scene
- Policy CC1: Public art

- Policy SC1: Sustainable construction

***CMK Alliance Plan, 2015***

- Policy CMKAP G1: Classic CMK Infrastructure
- Policy CMKAP G3: Landscaping and open space
- Policy CMKAP G6: Mixed use
- Policy CMMKAP G7: Active frontages
- Policy CMKAP G9: Design and height of buildings
- Policy CMKAP G10: Residential development
- Policy CMKAP G12: Planning obligations
- Policy CMKAP SS4: Indicative land use proposals
- Policy CMKAP T1: Access and design
- Policy CMKAP T2: Public transport and hackney carriages
- Policy CMKAP T3: Cycling
- Policy CMKAP T4: Parking

- 3.33 The Council maintains that there is a conflict between the appeal proposals and Policy DS3 of Plan:MK on the basis that the proposals do not represent office-led development within the designated CBD.
- 3.34 It is agreed by the main parties that all other relevant policies of the development plan are complied with by the appeal proposals, subject to the conditions and obligations as outlined.
- 3.35 The Decision Notice (15th November 2023) clarifies which policies were used in the determination of the planning application. For ease of reference, these include Policies DS3 and CT10 of Plan:MK; Policy CMKAP G9 of the CMK Alliance Plan and the Milton Keynes City Council 'Parking Standard' SPD (January 2023).
- 3.36 In light of the agreement in principle between the main parties in approach to the provision of affordable housing associated with the appeal proposals and the revised parking plan (set out in Section 2 of this SoCG), it is accepted that, on the basis of the amended information, material considerations are considered to outweigh any harm resulting from any conflicts with the development plan. Therefore the Council intend to withdraw their reasons for refusal subject to confirming the detailed terms for the provision of affordable housing as part of the S106 Agreement.

### **Other Material Considerations**

3.37 Apart from the National Planning Policy Framework (NPPF) (2023) and Planning practice Guidance (PPG), other material planning policy considerations also include the following Supplementary Planning Documents (SPDs) and Supplementary Planning Guidance (SPGs):

- Parking Standards SPD – Adopted January 2023
- Sustainable Construction SPD – Adopted November 2021
- Planning Obligations SPD – Adopted February 2021
- Health Impact Assessment SPD – Adopted March 2021
- Biodiversity SPD – Adopted June 2021
- Affordable Housing SPD – Adopted January 2020
- New Residential Design Guide SPD – Adopted April 2012
- Milton Keynes Drainage Strategy- Development and Flood Risk SPG- Adopted May 2004

### **National Planning Policy Framework (NPPF)**

3.38 The revised National Planning Policy Framework (NPPF) published in December 2023 sets out the Government’s planning policies for England and how these are expected to be applied. The NPPF prescribes policies for plan making and decision taking in England. It is agreed that the relevant sections and paragraphs are as follows:

- Section 2: Achieving sustainable development, paragraphs 7 to 9;
  - The Presumption in favour of sustainable development, paragraphs 11 to 14;
- Section 3: Plan-making, paragraph 30;
- Section 4: Decision-making, paragraphs 38 to 50
- Section 5: Delivering a sufficient supply of homes, paragraphs 60 to 66;
- Section 9: Promoting sustainable transport, paragraphs 109 to 117;
- Section 11: Making effective use of land, paragraphs 123 to 128;
- Section 12: Achieving well-designed and beautiful places, paragraphs 131 to 139;
- Section 14: Meeting the challenge of climate change, flooding and coastal change, paragraphs 157 and 159; and

- Annex 1: Implementation
  - For the purposes of decision-making, paragraphs 224 to 226.

#### **Consultee and Public Responses**

- 3.39 The consultee responses received to date are summarised in Appendix 4 of the Appellant's Statement of Case.
- 3.40 The public responses received to date are summarised in Appendix 4 of the Appellant's Statement of Case.
- 3.41 During the determination period of the application, the Appellant responded to the representations which had been made and agreed extensions of time with MKCC to allow full consideration of the Proposed Development.
- 3.42 The exception to the above is where representations were third party representations were made following the publication of the Planning Committee Report and in advance of the Planning Committee date (2<sup>nd</sup> November 2023).
- 3.43 The matters raised which related to material planning considerations were addressed in a proportionate matter in the application material or subsequent responses.

#### **Development Plan Assessment**

- 3.44 Planning decisions must be taken in accordance with the development plan unless there are material considerations that indicate otherwise as set out at section 38(6) of the Planning and Compulsory Purchase Act 2004.
- 3.45 The same Act states at section 38(5) that if to any extent a policy contained in a development plan for an area conflict with another policy in the development plan, the conflict must be resolved in favour of the policy which is part of the most up-to-date development plan.
- 3.46 Plan:MK was adopted after the CMK Alliance Plan and therefore is the most up-to-date plan.
- 3.47 As set out above, while there are differences between the parties about whether there are conflicts with the development plan (and the differences relate only to the level of conflict with Policy DS3), material considerations on the basis of the amended information are now sufficiently altered to weigh in favour of granting approval notwithstanding any conflicts and the weight to be given to them.
- 3.48 The statement of case for the Appellant includes a summary assessment of the relevant policies for the proposed development.

#### **Planning Conditions**

- 3.49 The following conditions have been substantially agreed between the parties:



1. The development hereby permitted shall be carried out in accordance with the plans/drawings listed below unless as otherwise required by condition attached to this permission or following approval of an application made pursuant to Section 96A of the Town and Country Planning Act 1990:

Received 02/03/2023

- 1847-FPA-XX-00-DR-A-16301-P01 Ground Floor Demolition Plan
- 1847-FPA-XX-01-DR-A-16302-P01 First floor Demolition Plan
- 1847-FPA-XX-02-DR-A-16303-P01 Second floor demolition plan
- 1847-FPA-XX-RF-DR-A-16304-P01 Roof demolition plan
- 1847-FPA-XX-ZZ-DR-A-16401-P01 South elevation demolition plan
- 1847-FPA-XX-ZZ-DR-A-16402-P01 East elevation demolition plan
- 1847-FPA-XX-ZZ-DR-A-16403-P01 West elevation demolition plan
- 1847-FPA-XX-ZZ-DR-A-16404-P01 North elevation demolition plan
- 1847-FPA-XX-ZZ-DR-A-16501-P01 Section 01 demolition
- 1847-FPA-XX-ZZ-DR-A-16502-P01 Section 02 demolition
- 1847-FPA-XX-XX-DR-A-16000- P01 Location plan
- 1847-FPA-XX-XX-DR-A-16001-P01 Site plan
- 1847-FPA-XX-XX-DR-A-16602-P01 Block plan
- 1847-FPA-XX-RF-ZZ-A-16701 P01 South Elevation
- 1847-FPA-XX-RF-ZZ-A-16702 P01 East Elevation
- 1847-FPA-XX-RF-ZZ-A-16703 P01 West Elevation
- 1847-FPA-XX-RF-ZZ-A-16704 P01 North Elevation
- 1847-FPA-XX-RF-ZZ-A-16801 P01 Section 01
- 1847-FPA-XX-RF-ZZ-A-16802 P01 Section 02
- 1847-FPA-XX-RF-ZZ-A-16803 P01 Section 03
- 1847-FPA-XX-RF-ZZ-A-16804 P01 Section 04
- 1847-FPA-XX-RF-ZZ-A-16805 P01 Section 05
- 1847-FPA-XX-RF-ZZ-A-16806 P01 Section 06

- 1847-FPA-XX-01-DR-A-16606 P01 First Floor Plan
- 1847-FPA-XX-02-DR-A-16607 P01 Second Floor Plan
- 1847-FPA-XX-03-DR-A-16608 P01 Third Floor Plan
- 1847-FPA-XX-04-DR-A-16609 P01 Fourth Floor Plan
- 1847-FPA-XX-05-DR-A-16610 P01 Fifth Floor Plan
- 1847-FPA-XX-06-DR-A-16611 P01 Sixth Floor Plan
- 1847-FPA-XX-07-DR-A-16612 P01 Seventh Floor Plan
- 1847-FPA-XX-08-DR-A-16613 P01 Eighth Floor Plan
- 1847-FPA-XX-09-DR-A-16614 P01 Ninth Floor Plan
- 1847-FPA-XX-10-DR-A-16615 P01 Tenth Floor Plan
- 1847-FPA-XX-11-DR-A-16616 P01 11th Floor Plan
- 1847-FPA-XX-12-DR-A-16617 P01 12th Floor Plan
- 1847-FPA-XX-13-DR-A-16618 P01 13th Floor Plan
- 1847-FPA-XX-14-DR-A-16619 P01 14th Floor Plan
- 1847-FPA-XX-15-DR-A-16620 P01 15th Floor Plan
- 1847-FPA-XX-16-DR-A-16621 P01 16th Floor Plan
- 1847-FPA-XX-17-DR-A-16622 P01 17th Floor Plan
- 1847-FPA-XX-18-DR-A-16623 P01 18th Floor Plan
- 1847-FPA-XX-19-DR-A-16624 P01 19th Floor Plan
- 1847-FPA-XX-20-DR-A-16625 P01 20th Floor Plan
- 1847-FPA-XX-RF-DR-A-16626 P01 Roof Plan
- 1847-FPA-XX-RF-ZZ-A-16810 P01 Bay Study 1
- 1847-FPA-XX-RF-ZZ-A-16811 P01 Bay Study 2
- 1847-FPA-XX-RF-ZZ-A-16812 P01 Bay Study 3
- 2246-EXA-ZZ-01-DR-L-00101 P01 General Arrangement Plan, Podium Level
- 2246-EXA-ZZ-14-DR-L-00102 P01 General Arrangement Plan, Level 14th

- 2246-EXA-ZZ-17-DR-L-00103 P01 General Arrangement Plan, Level 17<sup>th</sup>
- Construction Traffic Management Plan
- Noise Assessment
- Received 17/04/2023
- Sustainable Drainage System Strategy, Whitby Wood, Ref: P450933-WW-XX-XX-RP-C-0001, Dated: April 2023
- Ecological Impact Assessment (Plowman Craven February 2023)
- Received 13/06/2023
- 2246-EXA-00-ZZ-RP-L-00901 P02 Landscape Management and Maintenance Plan
- Received 25/07/2023
- 1847-FPA-XX-MZ-DR-A-16605 P02 Upper Ground Floor Plan
- Received 04/08/2023
- Sustainability Energy Strategy, dated 03 August 2023
- Received 07/08/2023
- 2246-EXA-ZZ-GR-DR-L-00100-P03 General Arrangement Plan Combined Ground Floor
- Received 25/08/2023
- Biodiversity Net Gain update report
- DEFRA Biodiversity net gain metric 3.1
- Received 05/02/2024
- 1847-FPA-XX-00-DR-A-16604 P03 Ground Floor Plan
- 1847-FPA-XX-B1-DR-A-16603 P03 Basement Plan
- Received 22/03/2024
- Housing Accommodation Schedule

Reason: For the avoidance of doubt and in the interests of securing sustainable development.

2. The development hereby permitted shall begin before the expiration of three years from the date of this permission.

Reason: To prevent the accumulation of planning permissions, to enable the Local Planning Authority to review the suitability of the development in the light of altered circumstances.

3. Prior to development above slab level, details and locations of the proposed solar POV panels and air source heat pumps shall be submitted to and approved by the LPA. The development shall proceed in accordance with the approved details and remain in perpetuity.

Reason: To ensure the future sustainability and energy efficiency of the development.

4. Notwithstanding the approved drawings, no development shall take place above slab level until full details of both hard and soft landscape works, inclusive of food growing and full details of replacement tree planting in accordance with BS 8545: 2014, have been submitted to and approved in writing by the local planning authority. Soft landscape works shall include planting plans with schedules of plants noting species, supply sizes, numbers of plants and proposed densities; and a tree planting details drawing. The planting plans shall include existing trees to be retained and/or removed accurately shown with root protection areas; existing and proposed finished levels and contours; visibility splays; proximity between lighting and tree planting; proposed and existing functional services above and below ground. All replacement tree planting shall include full details of tree sizes, species, planting locations, planting spacings, pre-planting ground preparations, planting method and long-term maintenance. Where appropriate details of root deflection barriers and permanent protective measures against soil compaction, vehicle impact, de-icing salt etc shall be submitted. All hard and soft landscape works shall be carried out in accordance with the approved details and prior to the first occupation of the building(s) or the completion of the development whichever is sooner. Any plant which within a period of five years from the date of the planting (ten years in the case of any tree), that tree or shrub, or any tree and shrub planted in replacement for it, is removed, uprooted or destroyed, dies, becomes severely damaged or diseased, shall be replaced in the next planting season with trees and shrubs of equivalent size, species and quantity and thereafter retained for at least the same period.

Reason: In the interest of the visual setting and private amenity of the development and the surrounding area.

5. If construction-facilitation pruning of the trees is required, this should be carried out by a competent, qualified and experienced tree surgeon according to the provisions of BS 3998:2010 and current arboriculture industry best practice. The Local Authority arboriculture officer shall be given 5 working days' notice before the works are carried out so they have the opportunity to attend on site and agree the exact extent of the works with the tree surgery contractor.

Reason: To ensure trees are protected.

6. All existing trees to be retained are to be protected according to provisions of BS 5837:2012 'Trees in relation to design, demolition and construction- Recommendations' and the submitted Arboricultural Method Statement of February 2023 by Plowman

Craven. All protective measures especially the fencing, hoarding and any ground protection must be put in place first, prior to any other work commencing on the site (this includes vegetation clearance, ground works, vehicle movements, machinery/materials delivery etc) and shall thereafter be maintained in place in good functional condition until the project is entirely complete and until, with the exception of soft landscaping works, all contractors, equipment and materials have left site. Once erected, the Local Authority Tree Officer shall be notified so the fencing can be inspected and approved. The Root Protection Area (RPA) within the protective fencing must be kept free of all construction, construction plant, machinery, personnel, digging and scraping, service runs, water-logging, changes in level, building materials and all other operations, personnel, structures, tools, storage and materials, for the duration of the construction phase.

Reason: To ensure trees are protected.

7. Prior to the first occupation of the development hereby approved, the proposed cycle storage as shown on 1847-FPA-XX-B1-DR-A-16603 P03, 1847-FPA-XX-00-DR-A-16604 P03 and 1847-FPA-XX-MZ-DR-A-16605 P02 shall be completed and made available for resident use and shall thereafter be retained for those purposes.

Reason: To ensure the provision and availability of adequate cycle parking.

8. Prior to the first occupation of the development hereby approved, the proposed dedicated vehicle parking spaces shown on 1847-FPA-XX-B1-DR-A-16603 P03, 1847-FPAXX-00-DR-A-16604 P03 and 1847-FPA-XX-XX-DR-A-16601 P01 shall be permanently marked out and made available for residential use by occupiers of the development. The dedicated parking spaces shall thereafter be retained for the life of the development and shall be used for no other purpose than vehicle parking and manoeuvring in association with the development hereby approved.

Reason: In the interests of highway safety.

9. Prior to first occupation of the development, details of Electric Vehicle (EV) charging arrangements shall be submitted to and approved in writing by the Local Planning Authority. These details shall cover both active and passive EV charging, as well as a timetable for the provision of these arrangements (in stages if required). The EV charging arrangements shall be installed in accordance with the approved arrangements and timetable and retained thereafter.

Reason: To ensure that EV charging facilities are provided to serve the development.

10. No building or use hereby permitted shall be occupied or the use commenced until the refuse stores and areas/facilities allocated for storing of recyclable materials, as shown on the approved plans, have been completed for that building in accordance with the approved plans. Thereafter, all refuse and recyclable materials associated with the development shall be stored within these dedicated stores/areas.

Reason: In order to ensure that there are adequate facilities for the storage and recycling of recoverable materials.

11. No laying of services, creation of hard surfaces or erection of a building shall commence until a detailed surface water drainage scheme for the site, based on the agreed Sustainable Drainage System Strategy prepared by Whitby Wood (Ref: P450933-WW-XXXX-RP-C-001) dated April 2023 has been submitted to and approved in writing by the Local Planning Authority. The scheme shall subsequently be implemented in full accordance with the approved details prior to occupation of the first dwelling.

Reason: To ensure satisfactory and sustainable surface water drainage to prevent the increased risk of flooding on or off site.

12. Details for the long term maintenance arrangements for the surface water drainage system (including all SuDS features) shall be submitted to and approved in writing by the Local Planning Authority prior to the first occupation of any building. The submitted details should identify runoff sub-catchments, SuDS components, control structures, flow routes and outfalls. In addition, the plan must clarify the access that is required to each surface water management component for maintenance purposes. The maintenance plan shall be carried out in full thereafter.

Reason: To ensure satisfactory and sustainable surface water drainage to prevent the increased risk of flooding on or off site.

13. No development, other than demolition, shall commence until details of measures indicating how additional surface water run-off from the site will be avoided during the construction works have been submitted to and approved in writing by the Local Planning Authority. The applicant may be required to provide collection, balancing and/or settlement systems for these flows. The approved measures and systems shall be brought into operation before works to create buildings or hard surfaces commences.

Reason: To ensure satisfactory and sustainable surface water drainage to prevent the increased risk of flooding on or off site.

14. No development, except for demolition or site clearance works in accordance with 23/01050/PRIOR, shall take place until a Site Waste Management Plan (SWMP) for the construction period has been submitted to and approved in writing by the Local Planning Authority. The development shall be carried out in full accordance with the approved details.

Reason: To ensure that site waste is effectively handled on site.

15. Prior to commencement of development, except for demolition works, details shall be submitted to and approved in writing by the Local Planning Authority detailing the applicant's proposed strategy for according with the requirements in part K.4, K.5 and K.6 of Policy SC1 in Plan:MK, considering the guidance in the Council's Sustainable Construction SPD (2021). The monitoring regime will be carried out in accordance with the approved strategy. All output reports from the monitoring regime will be sent by the company administering the monitoring regime to the owners/occupiers of the dwellings and other parties, as set out in the approved strategy.

Reason: To ensure the building performance of completed dwellings matches their calculated design performance, and that any gaps in performance are identified and reported.

16. The proposed development shall be carried out in full accordance with measures as set out in the Sustainability Energy Strategy revision 02 dated 3rd August 2023.

Reason: To ensure the future sustainability and energy efficiency of the development.

17. No development hereby permitted shall proceed except in accordance with the recommendations detailed within Table 2 of the submitted Ecological Impact Assessment (Plowman Craven February 2023). A compliance report completed by a suitably qualified ecologist shall be submitted to the LPA prior to final occupation of the development.

Reason: To ensure protected species are properly considered in the design and layout of the development.

18. No development shall proceed except in accordance with the Landscape Maintenance and Management Plan (Exterior Architecture Ltd June 2023 Rev P02) and associated Addendum to Landscape Management and Maintenance Plan (Plowman Craven June 2023).

Reason: In the interests of biodiversity net gain.

19. Prior to commencement of the development above slab level, an Ecological Enhancement Plan detailing the location and specification of faunal enhancements detailed within Table 2 of the submitted Ecological Impact Assessment (Plowman Craven February 2023) should be submitted to and approved by the LPA. The development shall proceed in accordance with the approved detailed.

Reason: In the interests of biodiversity net gain.

20. The existing raised and flush kerbs and edging shall be retained in accordance with 2246- EXA-ZZ-GF-DR-L-00100 rev P03 and damaged ones replaced with exact replacements including material type.

Reason: To ensure that the development does not detract from the character and appearance of the area and the existing public realm status as a non-designated heritage asset.

21. Prior to works above slab level, samples of external materials including external floor finishes at ground level shall be submitted to and approved in writing by the Local Planning Authority. The development shall thereafter be carried out in full accordance with the approved details.

Reason: To ensure that the development has an acceptable visual appearance.

22. Prior to the installation of the façades replica panel (s) shall be made available on site for inspection and agreed in writing by the Local Planning Authority for each massing

element. The respective panel(s) will be available on site from the commencement of the installation of the façade on the associated building until all instances of that façade type in the development have been installed. The development shall thereafter be carried out in full accordance with the approved details.

Reason: To ensure that the development has an acceptable visual appearance.

23. Prior to the commencement of the ground floor west elevation abutting Upper Third Street, detail of the design and pattern of the brick detailing shall be submitted to and approved in writing by the Local Planning Authority. The development shall thereafter be carried out in full accordance with the approved details.

Reason: To ensure that the development has an acceptable visual appearance.

24. Notwithstanding the provision of the Town and Country Planning (General Permitted Development Order 2015 (or any Order Revoking and/or re-enacting that Order with or without modification) the commercial units shall only be used for the purposes specified in the Application (under Class E(a), (b) and (g)(i)) and for no other purpose (including any other purpose in Use Class E) of the Schedule to the Town and Country Planning (Use Classes) Order 1987 or any provision equivalent to that Class in any Statutory Instrument revoking and/or re-enacting that Order).

Reason: Other uses, either within the same Use Class or otherwise permitted by the Town and Country Planning (General Permitted Development) Order 2015, will need to be assessed under relevant policies as to their effect on parking demands, amenity and overall acceptability in this part of Central Milton Keynes.

25. Prior to the first use of the commercial units hereby permitted, details of the Waste Collection Service for the use of each of the units shall be submitted to and approved in writing by the Local Planning Authority. Notwithstanding the provision of the Town and Country Planning (General Permitted Development Order 2015 (or any Order Revoking and/or re-enacting that Order with or without modification) prior to any subsequent change in use of a unit, further details of the Waste Collection Service shall be submitted to and approved in writing by the Local Planning Authority. The development shall be operated in full accordance with the approved details.

Reason: To ensure that adequate bin collection points/facilities are provided to serve the development and the range of uses possible within the commercial units.

26. No development, including any works of demolition, shall take place until a Demolition Method Statement (DMS) and restoration strategy has been submitted to and approved in writing by the Local Planning Authority. The development shall be carried out in full accordance with the approved DMS and restoration strategy.

Reason: To ensure there are adequate mitigation measures in place.

27. Prior to the first occupation of the development, the noise control measures as presented within the noise assessment shall be implemented and maintained for the lifetime of the development.



Reason: To safeguard residential amenity.

28. Notwithstanding the submitted details and/or the provisions of the Town and Country Planning (General Permitted Development) (England) Order 2015, or any statutory instrument amending, revoking and/or replacing that Order, no development, including preparatory works (except for demolition works) shall take place until the following details have been submitted and approved in writing by the Local Planning Authority:

- The location, internal layout, boundary treatments and lighting for a secure compound on or adjacent to the site to cater for (a) the unloading, storage and loading of plant and materials, (b) the parking of contractor vehicles during the construction and fitting out phases of the development, (c) welfare accommodation and site offices, and (d) any cranes required during the course of construction works;
- The location and method(s) to ensure availability at all times of a static wheel wash solution to minimise, in so far as is practicable, the likelihood of mud and debris being carried onto adopted highways and/or highways being provided within the site;
- The timing for the removal of the secure compound along with all associated plant, cranes, materials, parking provision, accommodation, site offices, boundary treatments and lighting, along with details of the method of restoration of the land where not to be developed pursuant to the permission hereby granted;
- Intended routes for heavy goods vehicles to travel to and from the site, from and to the nearest trunk or grid road, avoiding entering areas subject to weight restrictions where feasible, along with the method in which such preferred routes will be communicated to all contractors utilising heavy goods vehicles; and
- The method of communicating, no less than once every 3 months, the phasing of site works to the affected town and parish council(s) and relevant ward councillors, including off-site works to provide utility connections whether carried out by the developer or by a statutory undertaker.

The details submitted shall be bespoke to the site concerned and specific to solely those matters listed above and not supplemented by other matters addressed under alternative regulations or working practices or by other conditions attached to this permission. The construction and fitting out phases of the development shall be carried out in accordance with the approved details, with all site operatives and contractors informed of these measures prior to them first commencing work at the site. The secure compound along with all associated plant, cranes, materials, parking provision, accommodation, site offices, boundary treatments and lighting shall be removed and the land restored (where applicable) in accordance with the approved timescales.

Reason: To ensure adequate measures are in place during the construction phase of the development in the interests of highway safety and in the interests of protecting the amenity of the area and adjoining occupiers, recognising that initial preparatory works could cause unacceptable impacts.

### **Planning Obligation (S106)**

- 3.50 The previous Section 106 draft Heads of Terms were set out in the Appellant's statement of case. These are updated and agreed between the main parties, as set out at Appendix 1, in light of the agreement summarised at Section 2 and, in particular, to accommodate the Council's preferred option that affordable housing should be delivered by means of financial contribution in lieu of provision on-site. These terms are subject to agreement and contract. The LPA must demonstrate that each obligation meets Regulation 122 of the Community Infrastructure Levy Regulations 2010 (as amended).

### **Costs**

- 3.51 On the basis of the agreed position and refusal reasons that are not being upheld by the Council resulting in formal withdrawal from the appeal, costs are not being pursued against the Council. The Inspector may well find it useful for the Council to attend in some capacity to assist the Inquiry.

## **4. Matters in dispute**

- 4.1 In light of the agreement in principle reached between the main parties, as set out at Section 2 of this SoCG, and subject to the confirmation of detailed terms within the S106 Agreement, particularly relating to the provision of affordable housing, the Council will withdraw their reasons for refusal.
- 4.2 There are therefore no matters in dispute between the main parties.
- 4.3 This SoCG sets out a significant level of agreement between the main parties which weighs heavily in favour of granting approval to the appeal proposals.

## 5. Declaration

- 5.1 This Statement of Common Ground is agreed by Turley on behalf of the Appellants and Milton Keynes City Council

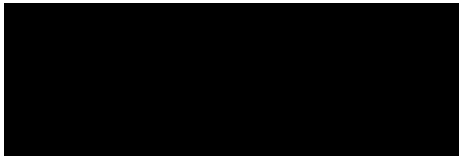
Signed on behalf of Platform MK Sarl:

Mat Jones, Senior Director at Turley



.....

Signed on behalf of Milton Keynes City Council



.....

**Turley Office**  
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Colliers Lane  
Stow-cum-Quy  
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T 01223 810990

## Appendix 1: Agreed Heads of Terms

Plan:MK Policy	Obligation Required	Obligation value
HN2 (Affordable Housing)	Payment in lieu of affordable housing provision	£3,382,668
CT2 (Movement & Access)	Contribution for the formalisation of the associated Travel Plan, with an associated monitoring fee (and Travel Bond of £280.47 per dwelling)	£5,525 <i>(£1,105.00 per annum for a period of five years)</i>
EH1, EH2, EH3 (Education)	<i>Primary</i>  Contribute towards improvements to educational facilities and or to provide additional capacity to the Conniburrow Children Centre Planning area and the Stantonbury liaison group area.	£381,663.84
	<i>Secondary/post-16</i>  Contribute towards improvements to educational facilities and to provide additional capacity.	£127,512.04
	<i>Special Education Needs</i>  Contribute towards improvements to educational facilities and to provide additional capacity in the SEN sector across the City. In order to accommodate the potential for additional children.	£110,484.47
EH5, EH6 (Health Facilities)	To be used towards increasing capacity in Fishermead and Central MK practices	£893,854.50

<b>Plan:MK Policy</b>	<b>Obligation Required</b>	<b>Obligation value</b>
L2, L3, L4 (Open Space, Leisure & Recreation Facilities)	<p>Local Play</p> <p>This development will increase the demand on local parks and play spaces within the area. Contribution will be used to create new play provision with CMK – Potential sites include Grafton Park or Fred Roche Gardens or other location within catchment area.</p> <p>Local Parks</p> <p>This development will increase the demand on local parks and play areas within the area. Improvements to open space provision at Grafton Park, Fred Roche Gardens and other spaces within the vicinity of the development.</p>	<p>£487,578.30</p> <p><i>(comprising £271,063.80 capital &amp; £216,514.50 revenue)</i></p> <p>£188,479.44</p> <p><i>(comprising £72,283.68 capital &amp; £116,195.76 revenue)</i></p>
SC1 (Sustainable Construction)	Carbon offsetting to be used towards £200/tonne index linked	£67,612.00 (estimated)
<b>PIL Subtotal</b>	<b>£3,382,668</b>	
<b>S106 Subtotal</b>	<b>£2,262,709.59</b>	
<b>Total</b>	<b>£5,645,377.59</b>	

## **Appendix 2: MKCC Housing Statement**

# Housing Strategy

housing.strategy@milton-keynes.gov.uk



## Payment in Lieu of Affordable Housing Statement Bank House 23/00550/FUL – Appeal Ref APP/Y0435/24/3338221

Policy HN2 (Affordable Housing) of Plan:MK requires all developments that propose 11 or more homes to provide at least 31% Affordable Housing and for most applications this is provided in full.

It has become apparent that Central Milton Keynes is a good place for Build to Rent Schemes and we have seen a good number come forward especially in the last few years. A Build to Rent scheme is slightly different as it does not provide the more traditional forms of affordable housing, but a product called Discount Market Rent (DMR) and these units are run by a management company not a registered provider.

Policy HN2 defines what is expected from a Build to Rent Scheme in terms of affordable housing provision:

- NH2.F. *Where a development is proposed that complies with the Milton Keynes Council definition for Build to Rent housing, the requirement for 31% affordable housing set out in Part A above should be provided entirely as discounted market rent (DMR) to be managed by the Build to Rent provider. Alternatively, a financial contribution in lieu of the provision of on-site affordable housing will be accepted. In this case, the financial contribution to be provided would be subject to a viability assessment.*
- NH2.G. *For affordable housing provided at DMR, the Council will require rent levels (including service charges) to be set at no more than 80% of market rents or the Local Housing Allowance rates, whichever is the lowest.*

Policy HN2.F (as above) allows for a financial contribution to be paid in lieu of affordable housing on an application for build to rent properties. It is the Council's preferred approach that affordable housing is provided on site however, it is accepted that in exceptional circumstances it may be appropriate for the Council to accept financial contributions in lieu of the provision of on-site affordable units allowing us to deliver affordable housing elsewhere in the borough.

DMR apartments are run by a management company and not a registered provider therefore we cannot nominate a household in need to them. Equally DMR units at 80% of market rent do not offer affordability that is sufficient to regard these as suitable for nominations for those in need of Social Rent properties. This means that although these apartments will benefit those working on an average pay, they do not reduce our need for social housing. We currently have 1074 households waiting for a Council property.

DMR units are only provided as affordable housing for 10 years after completion not in perpetuity as the other affordable housing tenures.

Given the lack of reduction in the need for social housing that DMR units provide and the 10-year cap on affordable status, it has been decided that a financial payment in lieu of affordable



housing would be more beneficial for build to rent schemes. These payments will differ depending on where the scheme is to be built, the Affordable Housing SPD (2020) sets out what would be expected:

*In the exceptional circumstances where the Council agrees to accept a financial payment in lieu of on-site provision the below rates will be payable. The payment amounts shall be kept under review throughout the plan period in line with CPI Indexation (using April 2019 as the base date).*

- *Rural/High-Value/Flanks £125,000*
- *Central Milton Keynes £120,000*
- *City Core/Older Centres & City Estates £85,000*

The redevelopment of the Bank House site is in Central Milton Keynes, and we would therefore apply a payment of £120,000 per DMR unit.

The appellant has reviewed their proposal in light of providing a payment in lieu of affordable housing which would equate to approximately £3.38 million.

This payment would allow us to build out some of the smaller sites that are in our delivery stream or go towards the build cost of our biggest permitted site Cripps Lodge which is providing 66 new Council homes.

Should building new not be an option, we will put any payment in lieu of affordable housing towards buying homes for those that are being moved from Serpentine Court as part of the Lakes Estate regeneration and those currently living in the 8 blocks that have been identified as containing REMMA and are due for demolition. We are also in the process of buying properties to assist the 1047 households living in temporary accommodation as this can be quicker than waiting for newbuilds to be handed over.

The above payment could be used to buy varying sizes of properties rather than apartments that could cater for families rather than single people or couples. Families that need larger properties can wait more than 2 years for a permanent home and it is very rare that large newbuilds come forward. The properties will be in the estates rather than the city centre which also allows easier access to schools and services for tenants, something that Central Milton Keynes lacks.

Given that DMR units do not help us reduce our housing need, are not affordable in perpetuity and are generally in Central Milton Keynes where there is a lack of services, Housing Strategy have made the decision that a financial payment in lieu of affordable housing is more appropriate for all Build to Rent schemes. Payments will allow us to buy houses for the most in need and those that have been waiting for a permanent home the longest and they can also help us to build our own new build Council properties allowing us to future proof social housing in Milton Keynes.

Jennifer Head  
Housing Strategy  
Milton Keynes City Council

## **Appendix 3: MKCC Housing Statement**

# Briefing Note



## Preference for Financial Contributions in Lieu of Discount Market Rent

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### Purpose

This note sets out the Council's planned approach to maximising affordable housing provision resulting from Build to Rent (BTR) schemes in the city.

### Background

Plan:MK (2019) sets out in Policy HN2 the requirements for Affordable Housing delivery (for proposals of 11 or more housing, 31% of homes should be provided as affordable housing). Sections F to I specify how Affordable Housing should be delivered on BTR schemes. For these, Discounted Market Rent (DMR) homes would be the tenure required where housing is delivered on site. This should be provided at either 80% of open market rent (Affordable Rent) or Local Housing Allowance (LHA) rates, whichever is lower.

### Key considerations

Applications currently coming in for BTR planning approval are generally unable to viably provide the 31% Affordable Housing, as required in policy HN2, at either rent level. There have been nine applications for BTR schemes permitted in Central Milton Keynes and one in Wolverton. Only one scheme, Saxon Court which was owned by the Council, has achieved the full 31% affordable housing (at 80% of market rents). All of the other schemes have claimed viability as the reason to provide less than 31%. This means we have to negotiate either a very limited amount of DMR provision at LHA rates, perhaps 5%, or a slightly higher proportion of DMR at Affordable Rent, perhaps 10-15%.

Affordable Rent (at 80% of market rents), however, is far from affordable in CMK and these properties will not be meeting the need of applicants on the Council's housing register which, on the whole, is made up of MK residents unable to afford their current housing or unable to move to homes more suitable due to high costs. Therefore, the DMR units have a negligible impact on meeting identified housing needs.

Any properties provided at LHA rates, whilst at an acceptable rent level that could meet the needs of those on the housing register and could be used for council nominations, are unlikely to be popular because:

- The DMR are not managed by a Registered Provider or the Council.
- They do not meet the needs of the bulk of the register which includes people looking for housing in MK near family and friends, local schools or other local services.
- The properties are not attractive to those with children or those looking for a community, such as older people looking to downsize, as the tenant population in large city centre rental blocks tend to be more transient.
- For many, living on a limited income or benefits, living in a busy city centre is difficult as the costs can be higher than in the peripheral estates.

As it currently stands, no DMR property in CMK has been used for a council nomination.

### **Next steps**

In view of the issues mentioned above, and as policy HN2(F) permits, we believe a financial contribution would be in most cases preferable to the delivery of onsite Affordable Housing DMR. The policy states:

*“Where a development is proposed that complies with the Milton Keynes Council definition for Build to Rent housing, the requirement for 31% affordable housing set out in Part A above should be provided entirely as discounted market rent (DMR) to be managed by the Build to Rent provider. Alternatively, a financial contribution in lieu of the provision of on-site affordable housing will be accepted. In this case, the financial contribution to be provided would be subject to a viability assessment.”*

Financial contributions would allow the Council to buy or build more appropriately sized and located housing at more affordable rent levels which meets the needs of MK residents. Further, it could be used to ensure we have suitable accommodation for some of our target groups for whom we struggle to find appropriate homes such as care leavers.