

Dear Sir/ Madam

MILTON KEYNES CITY PLAN 2050

1. Thank you for consulting with the Home Builders Federation (HBF) on the Milton Keynes City Plan.
2. HBF is the principal representative body of the house-building industry in England and Wales. Our representations reflect the views of our membership, which include multi-national PLC's, regional developers and small, local builders. In any one year, our members account for over 80% of all new "for sale" market housing built in England and Wales as well as a large proportion of newly built affordable housing.

Duty to co-operate

In a recent Written Ministerial Statement, it has been confirmed that the Duty to Co-operate will not be maintained and that consideration as to the legal duty will no longer be a factor when considering local plans in future. However, this does not mean that there is no longer a need for co-operation on strategic cross boundary matters. Co-operation may not be a legal test where failure results in the plan being withdrawn but it remains a key test of soundness in relation to paragraphs 24 to 28. In order to test the soundness of the local plan on this matter the Council must provide the necessary evidence including a statement of common ground to demonstrate effective and ongoing co-operation during the preparation of this local plan and where it has impacted on the strategy and policies it contains. At present the Duty to Co-operate Statement provides limited evidence as to the issues and discussions that have taken place and HBF would suggest that Statements of Common Ground are published when the plan is submitted for examination.

GS2 – Strategy for Homes

Policy is unsound as it is not consistent with national policy and guidance.

Housing needs

While HBF agree with the Council's assessment of housing needs using the standard method, we do not consider the period over which total housing need is derived to be sound. The Council have chosen to start the plan period from April 2022 – four years prior to the submission of the plan for examination. When considering the starting point over which housing needs should be planned for it is important to note that the standard method is a forward looking assessment of housing need that takes into account any past supply. This principle is established in paragraph 68-031 of PPG which states with regard to past under-delivery "*Where the standard method for assessing local housing*

need is used as the starting point in forming the planned requirement for housing, Step 2 of the standard method factors in past under-delivery as part of the affordability ratio, so there is no requirement to specifically address under-delivery separately when establishing the minimum annual local housing need figure”. This is a clear statement that when using the standard method councils should be looking forward from the point at which the assessment is made, and that past supply is wrapped up in the affordability adjustment. As such the approach being taken by the Council does not align with national policy.

The starting point for the period over which housing needs are considered should be the year in which the housing needs assessment is undertaken. On the basis of the Council’s Local Development Scheme, it is the Council’s ambition submit in March of 2026 prior to any updates to the evidence underpinning the Standard Method. This means that the assessment of housing needs will be calculated on the most recent data on dwelling stock and the affordability ratio published in 2025 with the five year average being taken from the years 2020 to 2024. As such HBF would suggest that the plan period should start from 2025/26 and not 2022/23.

No reason has been given in the local plan as to why the Council have chosen to start the plan period some four years before the plan is submitted for examination – but it would appear that the Council were seeking to include a period of housing supply which exceeds the requirement in the years prior to submission. Over the period 2022/23 to 2024/25 the Council delivered 7,161 homes against a housing requirement of 5,397 homes – a surplus of 1,764 homes. This over supply is then used to offset the lower levels of delivery in the following two years. If the housing delivery assumptions in the latest AMR are used the Council would have a delivered surplus of 1,865 homes of housing at the end of 2027/28, the year the plan is likely to be adopted. If the Council were to adopt the approach HBF considers to be consistent with national policy, the Council would have a deficit of 234 homes by the end of the same year.

While the impact of this on the five year land supply on adoption is relatively small given housing delivery is expected to increase in subsequent years the Council should not be using past over delivery from the four years before the plan is submitted for examination. The starting point for the housing requirement, and land supply to meet that requirement, should be 2025/26. Based on the outcome of the current standard method of 1,799 dwelling per annum (dpa) this will require the Council to identify sufficient land to deliver a minimum of 44,975 homes by 2045/46 and GS2 should be amended accordingly. In addition to amending the period over which housing needs are considered the Council should also include the annual housing requirement of 1,799 dwellings per annum as well as the total figure over the whole plan period.

Housing supply to 2050

HBF does not comment on individual sites, other than to say the Plan should provide for a wide range of deliverable and developable sites across the area in order to provide competition and choice to ensure that housing needs are met in full. The soundness of strategic and non-strategic site allocations, whether brownfield or greenfield, will be tested in due course at the Local Plan Examination.

Over the period 2022 to 2050 the Council expects to deliver 59,250 homes – roughly 9,000 homes more than the requirement over that period. However, as noted above, 7,161 of the proposed supply is in the period 2022/23 to

2024/25 and which should, in our opinion, not form part of the supply of homes for this plan. Over what HBF consider to be a sound plan period, 2025 to 2050 the Council have identified land to deliver 52,648 homes – around 7,600 homes above the housing requirement over the period. HBF welcomes this level of contingency which provides a degree of confidence that housing needs will be met in full. It is especially important given the reliance on some very large strategic sites which are complex to deliver and where delays can impact significantly on the number of homes that are delivered within a plan period.

Clarity is also needed with regard to the number of homes that will be delivered in Central Milton Keynes and the completions figure in Table 1 given that later in the plan paragraph 141 states that the 16,000 homes expected to be delivered in Central Milton Keynes includes completion and commitments. The Council will need to ensure that there is no double counting between these two figures.

Five year housing land supply

Based on the trajectory in annex A it would appear that the Council will have a five year land supply on adoption if the plan period is amended to start from 2025/26. If all sites come forward as expected the Council will have a land supply in 2027/28 of 6.47 – slightly lower than the 6.64 years of supply using a plan period starting in 2022.

10% of supply on sites of less than one hectare.

HBF could not find any evidence as to whether the Council meets the requirements in paragraph 73 of the NPPF that the at least 10% of its housing requirements are on sites of one hectare or less. HBF considers it to be essential that the Council meets this requirement of national policy, either through allocations in this local plan or as sites entered in the Council's Brownfield Register. The Council must not rely on assumed levels of windfall delivery on small sites to meet this requirement. Such an approach would be inconsistent with the NPPF which defines windfall sites in its Glossary as "*Sites not specifically identified in the development plan*". It is important to recognise that the allocation of small sites is a priority and stems from the need to support small house builders by ensuring that they benefit from having their sites identified for development either through the local plan or brownfield register. The effect of an allocation is to take some of the risk out of that development and provide greater certainty that those sites come forward. This in turn will allow the SME sector to grow, deliver homes that will increase the diversity of the new homes that are available as well as bring those homes forward earlier in the plan period.

The Council should also recognise that allocating small sites and supporting SME house builders not only ensures a stronger supply in the short term but also improves the diversity of choice within local housing markets, support local and regional supply chains and are often pivotal in bring forward innovation and supporting jobs growth locally, with 1 in 5 of the SME work force comprising of apprentices. A failure to allocate small sites will contribute to the continued decline in small and medium sized house builders. Recent research by the HBF has found that there are 85% fewer small house builders today than there were 20 years ago and that of a survey of SME house builders 93% said that planning was a major barrier to SME growth. Whilst this decline is due to a range of factors, more allocations of small sites would ease the burden on many SME developers and provide more certainty that their scheme will be permitted, allowing them to secure the necessary finance that is often unavailable to SMEs until permission is granted.

INF1 – Infrastructure First Principles

The first paragraph of this policy requires all development of 10 or more dwelling and 1,000 sqm or more of employment space will need to address the broad infrastructure requirements set out in Annex F. This annex sets out the various requirements for all infrastructure and services where an increase in population will impact on those services. While the Council state later in part C of the policy that planning obligations will be determined on a case by case basis, however the it must be made clear in part A of this policy that any planning obligations must be directly related to the development, necessary to make it acceptable in planning terms and fairly and reasonably related in scale and kind to that development. In stating that development must address the broad requirements set out in annex F the suggestion to decision makers is that all these are necessary – which will not be the case. To address this issues the Council could delete part A and replace with an amended part C which reads:

“Planning obligations for funding and delivering infrastructure will be determined on a case-by-case basis, having regard to national policy. Where planning obligations are considered to be necessary and directly related to the development and proportionate to the scale of that development the Council will use the metric in Annex F as the starting point as well as taking into account the latest infrastructure planning information, including to the Infrastructure Delivery Plan, and the infrastructure prioritisation framework in Annex E.”

HBF notes that the Council have included a cost of £25,000 per unit to cover infrastructure costs but that there remains some uncertainty as to overall costs of strategic infrastructure and mitigation. The Council have undertaken some sensitivity analysis with table 8-1 showing that at 40% affordable housing the maximum green field contributions is £20,000 per unit for greenfield housing development and would make greenfield flatted development unviable across the area. This would suggest that any significant increases in planning obligations could impact on the deliverability of the local plan.

HQH1 Healthy Homes

The policy is unsound as it is not effective or justified

Mix of homes

The policy states that on housing sites of 10 or more homes the mix of housing types and size must reflect with the Council’s latest assessment of housing. This lacks the necessary flexibility to take account of other evidence that may suggest more appropriate mix would better meet the need for homes in the specific area the site is being developed. The policy should therefore state that in setting the housing mix development should have regard not only to the latest assessment of housing need but as well as other evidence. This will allow decision makers to take into account a wider range of evidence recognising that the council’s assessment of housing need is a snap shot in time and that there may be changes in need between its publication and any subsequent updates.

Self-build and custom homes

The Council are proposing that proposals involving 100 or more homes (excluding flatted development) must provide at least 5% of total dwelling plots as self-build. The evidence supporting this approach is set out in the Housing Topic Paper and would appear to be based solely on the number of people registered on the self-build register over the last five years. While the self-build register can provide a guide as to demand for self-build unless it is regularly updated to find out if those who are on the register are still looking for a self-build plot and are still able to afford to build their own home, it does not provide a particularly robust evidence base. The Council needs to provide more detail as to when the register was last reviewed to confirm the information individuals have placed on it remains up to date and whether they wish to remain on the list is needed. The Council should also publish evidence on the type of site individuals are looking for and whether this reflects the Council's policy. Alongside this the Council must also provide a detailed assessment of how many homes the policy is likely to deliver over the plan period on those sites that would be required to provide such homes.

In addition to the above evidence on needs and supply the Council also needs to set out what alternative options for providing self-build plots it has considered before placing the burden of meeting these needs on house builders. PPG sets in paragraph 57-025 that planning authorities should not only use planning policies to meet needs but also whether they could use their own land to meet those needs, how have they engaged directly with landowners to try and bring forward specific sites for self-build. It is essential that these mechanisms are considered prior to setting requirements in local plans for plot delivery on larger sites.

Accessible homes

The Council are proposing that 75% of all homes are built to part M4(2) of the building regulations with 5% market homes and 10% of affordable homes being built to part M4(3) wheelchair accessible standard. Firstly, PPG notes in paragraph 56-009 that the Council can only require part M4(3) for wheelchair accessible homes for those houses where they have nomination rates. For market housing they can only require through planning policy wheelchair adaptable homes. This must be made clear in the policy.

With regard to the need for such homes the evidence in the latest HEDNA does not appear to take into account the fact that some of those in need of wheelchair accessible home may already live within a home that meets their needs. Data from the English Housing Survey (2014-15) shows that of the 814,000 wheelchair user households, some 200,000 live in a home that would either be problematic or not feasible to make fully 'visitabile' – this is around 25% of wheelchair user households. This would suggest that there will be households with a wheelchair user (either now or in future) whose needs can be met in their current home. This is an important consideration as many of those who become wheelchair users over the plan period are households already resident in Milton Keynes – they are not moving to the area – and is likely to mean that needs are lower than that suggested by the Council. HBF considers more work is required to justify the level of wheelchair user housing being proposed in this policy.

HQH2 – Affordable homes

Policy is unsound as it is unjustified.

HBF welcome the use of adjusted rate of affordable housing provision based on different value areas. However, HBF note in paragraph 8.15 the VSR states that for rural, high value and flank sites in in area 1 it is recommended that 30% affordable housing would be appropriate with 40% only being recommended on strategic sites. On the basis of Table 8-1 this would appear to be to ensure that there is sufficient scope for securing the expected level of developer contributions with development in excess of 30% affordable housing not being able to meet the S106 contribution of £25,000 anticipated by the Council as necessary to make the development acceptable. As set out in our comments on INF1, if the S106 costs increase as a result of further assessment work on infrastructure then the Council will need to revisit this policy to assess whether they remain justified.

HQH3 - specialist housing

This policy is unsound as it is not justified.

Part B of this policy requires supported and specialist homes to be included as an integral part of the housing allocations in policies GS2 and GS14-19. HBF would suggest that the primary focus should be on ensuring stand-alone delivery of housing development rather than seeking delivery on strategic housing allocations. It is also unclear as to why a financial contribution is required to support their delivery given that the delivery of many specialist housing types is privately delivered through the market. Even if the accommodation required is not privately delivered, such temporary accommodation for homeless households, it is for the Council and other providers to determine how this is delivered as part of any affordable housing provision not as an additional contribution from the developer.

CEA1 - Sustainable Buildings

Policy is unsound as it is not justified or effective

HBF considers the most effective approach to reducing the carbon emission from new homes through building regulations. A consistent standard allows developers and their supply chains to work effectively together to ensure that there are the products and skills to meet the required standard. Standards that go beyond those set out in building regulations or use different assessment methodologies lead to uncertainty that can delay the delivery of new homes. As such HBF considers this policy to be unnecessary as the introduction of the Future Homes Standard will ensure that all homes are zero carbon ready. However, HBF recognises that the Planning and Energy Act 2008 allows Councils to set standards beyond building regulations with the Written Ministerial Statement (WMS) on energy efficiency (December 2023) stating that:

“Any planning policies that propose local energy efficiency standards for buildings that go beyond current or planned buildings regulation should be rejected at examination if they do not have a well-reasoned and robustly costed rationale that ensures:

- *That development remains viable, and the impact on housing supply and affordability is considered in accordance with the National Planning Policy Framework.*
- *The additional requirement is expressed as a percentage uplift of a dwelling’s Target Emissions Rate (TER) calculated using a specified version of the Standard Assessment Procedure (SAP)”*

Recent legal challenges to the WMS have confirmed that the WMS is a consideration that must be taken in to account by local authorities when preparing local plans and is consistent with the Planning and Energy Act as it does not prevent local authorities from setting improved standards but simply states how they should be considered by LPAs and the Planning Inspectorate. If this does not result in zero carbon homes, then a payment to the Council's carbon offset fund is required.

The Council's approach in the policy is to require on all major residential development the delivery of net zero carbon buildings through a combination of reducing carbon emissions by 60% compared to the TER set out in Building Regulations Part L 2021 (part C.1.a.), reduce whole lifecycle carbon emissions to less than 625 kgCO₂e/m² (part C.1.b.), the incorporation of net zero energy generation technologies and smart demand control measures (part C.3.). If it is not viable to achieve these standards residual regulated carbon emission will be offset through a payment to the Council's Carbon Offset Fund (part D).

The approach to reducing carbon emissions in part C.1.a. is consistent with the second bullet point in the WMS as it is based on TER. This has also been considered in the VSR¹ and is included as part of the 6.5% to 7.25% uplift in build costs in achieving all the policies in CEA1 with the addition of a £500 uplift in relation to carbon offsetting. What is not clear from the VSR is how much each part of policy CEA1 is expected to cost and how that figure was derived. At present the study has considered the cost of reducing regulated carbon emissions but very little as to how much it will cost to deliver the whole life carbon emission standard of 625 kgCO₂e/m² and it is not clear as to how the £500 for offsetting was arrived at given that paragraph 289 of the local plan suggests that the proposed offset per tonne of CO₂ would be £7,350. More detail is needed as to how each element of the costs included in the viability study have been arrived at for this policy to be considered justified.

However, alongside viability the Council must also consider whether the policies in CEA1 are realistically achievable and the impact they might have on the delivery of housing and the affordability of new homes. On this issue HBF have specific concerns that there is insufficient justification to support the proposed whole life carbon target of 625 kgCO₂e/m² can be realistically achieved on all major developments from the point at which the local plan is adopted. The Carbon and Climate Study references other studies such as those by RIBA and LETI but undertakes no assessment itself as to the potential impact of such policies on development in Milton Keynes.

Whole Life Carbon refers to the total emissions from a first construction to demolition – as such it includes both the embodied carbon and the carbon emitted by those people using the building (the operational carbon). However, our understanding is that the RIBA target of 625 kgCO₂e/m² referred to in the Council's Carbon and Climate Study Analysis paper relates to the whole life embodied carbon of the building and does not include operational energy. This will need to be clarified by the Council. However, as to whether the target is actually deliverable there would appear to be limited evidence provided by the Council on that front. Some work has recently been published by the Future Homes Hub (FHH) which has examined the whole life carbon performance of a number of developments to provide a picture of current practice. What is notable from this study is that the WLC average low rise homes is

¹ Paragraph 5.49

around 1226 kgCO₂e/m² – half of what is expected by the Council as it is currently written. If the Council is referring solely to embodied carbon, then the target is potentially achievable with the Future Homes Hub noting the average is 611 kgCO₂e/m² from the small range of developments tested. However, it must be remembered that these are average benchmarks with some development being significantly higher.

However, what the FHH study does not do, and indeed is also lacking from the Council's evidence, is how much extra it costs to achieve to reduce whole life carbon or embodied carbon to the levels proposed in this policy. Given the significant range in performance between different developments at present means that the impact of such a policy will vary considerably between developers and makes it difficult to accurately cost the impact of such policies. For example, the impact may be considerable on small developers whose supply chain must change and who do not benefit from the economies of scale of larger developers. However, all developers are likely to suffer from issue with regard to the supply chain for lower carbon products. While low a carbon alternatives are available without a national standard driving demand for these products supply may not be readily available and will be more expensive than other products. Over time as demand increases the cost may come down but it will mean in the short and medium term the cost of building new homes in Milton Keynes will be higher and a shortage of lower carbon alternatives may also slow down delivery.

Some flexibility is offered in part D which states that where it can be shown that the proposed standard cannot be met due to viability then an offset payment can be made. The VSR has included an assumption of £500, however the expectation that offsetting will not be required. It is not clear where the assumption that development in Milton Keynes can achieve the proposed requirements relating to whole life carbon. As set out above there is no benchmarking as to embodied carbon and whole life carbon in Milton Keynes and no specific evidence as to how much it would cost to achieve and therefore no understanding of the level of offsetting that might be required. On the basis that the Council expects the cost to be £7,350 per tonne of CO₂ this could be a significant cost over and above those already considered VSR.

To concluded without more detailed evidence with regard to the actual costs of meeting the proposed whole life carbon standard, it cannot be considered to be justified and should be deleted alongside the requirement for development to be net zero carbon.

CEA2 – Green roofs and walls

The policy is unsound as it is unjustified.

CEA2 states that where feasible green roofs should be provided on apartment and dwellings with flat roofs or gentle roof pitches. While the delivery of green roofs is becoming more common on some buildings there is still a significant way to go before there is wider public acceptance. The Council note some of the problems with regard to providing green roofs in paragraph 294, including how such roofs will interact with the provision of solar panels, which the Government have confirmed will be a requirement of the Future Homes Standard, and the difficulties in making solar panels compatible with green roofs. Given the difficulties presented by providing green roofs the policy as worded

is to prescriptive. A more appropriate approach would be for the policy to state that the provision of green roofs in appropriate situations will be encouraged and be viewed favorably in the decision making process.

CEA5 - Water efficiencies

This policy is unsound as it is not consistent with nation policy and is unjustified.

This policy requires development to reduce water use per day to 93 litres per person per day (lppd). This is 18 litres below the minimum optional standard allowed for by planning policy. HBF recognises that there is a need for all new development seek to reduce the amount of water that is used. However, this is most effectively achieved through the application of building regulations and the optional technical standards which are clear as to the level of reduction the Government considers to be necessary in a water stressed area. As there is an existing national standard for such areas then the only sound approach is to apply that standard – which remains 110 lppd. This may change, and our understanding is that the Government are looking at a lower standard for water stressed areas but, in the meantime, the only sound approach is to apply the optional technical standards.

It is also noted in VAU that the Council proposed that the cost of meeting this standard will be £350 per dwelling based on evidence set out in the Water Ready – A report to inform HM Government’s roadmap for water efficient new homes produced by the Future Homes Hub. However, the VAU notes in paragraph 5.56 of achieving 90 lppd is between £1,000 and £3,000. It is not stated anywhere why the Council considers delivering a 93 lppd will be closer in cost to 100 lppd. Given the uncertainty as to the cost of meeting higher standards the higher cost should have been used.

CEA6 - Low carbon energy

Policy is unsound as it is not effective.

Part C of the policy requires development to connect to an existing or proposed heat and/or energy network unless it can be demonstrated that there is a more effective alternative or it is unfeasible. The HBF considers that it is important that any policy in relation to heat networks and cooling is not seen as a requirement and is instead implemented on a flexible basis. While the policy recognises that heat networks are one aspect of the path towards decarbonising heat, and that other technologies can also contribute it prioritises heart networks over all other approaches requiring demonstration as to why a connection to a network should not be made. It is HBF position that it should be for the developer to decide whether a connection is made or not, factoring all potential options and allowing scope for consumer choice in future. HBF would therefore suggest that the policy is amended to state that consideration should be given to connecting to a relevant heat network, but it should not be a requirement.

CEA9 – Biodiversity and habitat networks

The policy is unsound as it repeats national policy.

HBF would suggest that the Council give consideration as to whether a policy on BNG is needed given that the process for considering and delivering BNG is set out in legislation and regulation. The HBF notes that one the introduction of mandatory Biodiversity Net Gain (BNG) relevant updates were made to the PPG, and in particular stated that:

“Plan-makers should be aware of the statutory framework for biodiversity net gain, but they do not need to include policies which duplicate the detailed provisions of this statutory framework. It will also be inappropriate for plans or supplementary planning documents to include policies or guidance which are incompatible with this framework, for instance by applying biodiversity net gain to exempt categories of development or encouraging the use of a different biodiversity metric or biodiversity gain hierarchy.

Plan-makers can complement the statutory framework for biodiversity net gain by, for instance, including policies which support appropriate local offsite biodiversity sites, including whether specific allocated sites for development should include biodiversity enhancements to support other developments meet their net gain objectives in line with Local Nature Recovery Strategies.” (Reference ID: 74-006-20240214).

HBF therefore considers it unnecessary for the Council to restate in a local plan policy a requirement that is already required by legislation and has a significant amount of supporting guidance, with such repetition being inconsistent with paragraph 16f of the NPPF. If the Council do retain the policy HBF would recommend that part C is removed. This effectively repeats the Biodiversity Gain Hierarchy which is already defined in both guidance in legislation and as such is unnecessary and should not form part of the decision making process for a planning permission.

CEA11 - Urban greening, trees and woodland

The policy is unsound as it is unjustified.

It is not clear how the Urban Greening Factor (UGF) interacts with policies for biodiversity net gain and whether they are compatible and do not when used together impact on the developable area of a site. HBF could not find any evidence that has examined in any detail whether the proposed UGF is deliverable in Milton Keynes without impacting on the number of homes a site can deliver and ultimately the viability of those sites. Without more detailed assessment to justify this policy it should be deleted.

Future Engagement

I trust that the Council will find these comments useful as it continues to progress its Local Plan. I would be happy to discuss these issues in greater detail or assist in facilitating discussions with the wider housebuilding industry.

The HBF would like to be kept informed of all forthcoming consultations upon the Local Plan and associated documents and can confirm that we would wish to attend and participate in the EIP Hearing Sessions to ensure the view

of the home building sector is fully represented. Please use the contact details provided below for future correspondence.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Mark Behrendt', with a stylized flourish at the end.

Mark Behrendt

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