

Sent by email to:

16/03/2023

Dear Sir/ Madam

Response by the Home Builders Federation to the MK City Plan response to Ambitions and Objectives consultation

Please find below the Home Builders Federation (HBF) response to the consultation on the ambitions and objectives for the new City Plan. The HBF is the principal representative body of the housebuilding industry in England and Wales and our representations reflect the views of discussions with our membership of national and multinational corporations through to regional developers and small local housebuilders. Our members account for over 80% of all new housing built in England and Wales in any one year.

Housing Growth and Regeneration

The consultation document indicates that housing need in Milton Keynes is around 1,900 dwellings per annum. Council indicate that they will look to meet their identified needs as required by the standard method. Whilst this is a significant number of homes to deliver each year the Council is also at the heart of the revived Oxford Cambridge Growth Arc which is seeking to drive economic growth in this area. Whilst the focus of the Arc in its latest incarnation is on economic prosperity it is important to recognise that this must go hand in hand with ensuring there are sufficient homes to support the area's ambitions. It will therefore be necessary for Milton Keynes, in partnership with the Oxford Cambridge Arc Leadership Group and the other local authorities to identify how many homes are needed across the Arc and where these homes will be delivered. This will be particularly important given that there appears to be a number of authorities in the Arc area that are seeking to limit the level of housing growth. For example, in Oxfordshire the ambitious aims of the joint strategic plan have been rejected by local authorities in that area which could lead to a shortfall in the number of homes needed to meet the growth needs of the County. These issues will be compounded should the changes to the NPPF being proposed by Government be introduced. The latest NPPF gives far more scope to LPAs with Green Belt to limit the number of homes that are built in their areas. This will mean that there could be even further shortfalls in the Arc around both Oxford and Cambridge and those areas affected by the Metropolitan Green Belt. As such those areas that are less constrained will need to consider their ability to meet those needs that cannot be met elsewhere.



It will therefore be necessary for the Council to consider growth strategies that deliver housing beyond the minimum established using the standard method. These will need to be tested with the Sustainability Appraisal as reasonable alternatives and enable the Council to properly consider meeting the unmet needs of neighbouring authorities in order to ensure growth strategies for the Oxford Cambridge Arc are supported by the necessary growth in housing supply.

Green City

The Council has an ambition to reduce carbon emission in Milton Keynes to net zero by 2030 and have commissioned a Carbon and Climate Study to understand ensure the Council can challenge developers to help meet those ambitions. The HBF recognises the role that the housebuilding industry must play in reducing carbon emissions and in partnership with the Government and others established the Future Homes Hub to help deliver the Government ambitious plan to ensure all new homes are zero carbon ready from 2025 through the introduction of the Future Homes Standard. In addition, the Future Homes Hub will also seek to ensure the production and construction methods are net zero by 2050, but with substantial progress by 2025.

It is important to recognise that the development of the Future Homes Standard has included and been supported not only by the house building industry but also by energy and water providers, bodies such as RSPB and three Government departments. The framework developed will ensure that the transition to zero carbon homes is feasible whilst maintaining house building levels that can address the current housing crisis facing the country. To then place additional requirements with regard to such matters is therefore unnecessary and will potentially impact on the supply of homes.

In brief the HBF consider it the role of Government to deliver nationally consistent energy efficiency measures through building regulations. The Government have set out its intentions with regard to the Future Homes Standard from 2025 which will provide a significant improvement to the energy efficiency of new homes, a process that allows for the decarbonisation of the grid to transition homes net zero. Given that the Future Homes Standard will be challenging for the industry to deliver nationally there will be difficulties at the same time in achieving more stringent requirements should the Council decide to go down this route.

Patterns of growth

HBF does not comment on where development should take place. However, as the Council note on page 23 of the consultation document it must ensure that the development proposals in the plan are deliverable over the plan period. As such we would suggest that the Council pays careful attention to the types of sites that it allocates and ensures that it allocates smaller sites alongside any strategic scale development. Whilst the Council is required to ensure through this plan that least 10% of its supply is on specific and identified sites of less than one hectare the allocation of smaller sites supports a more robust supply of housing land. Small and medium sized sites will come forward in the early parts of the plan period ensuring that needs are met consistently across the plan period negating the need for stepped trajectories that just push need back to later in the plan period. In addition, the allocation of smaller

sites is likely to encourage more SME developers to operate in Milton Keynes which helps broaden the mix of housing types and style that are delivered.

Engagement

As the Council moves forward with this plan they will need to engage closely with house builder in the area in particular in relation to the viability of development. The costs being placed on the development industry is expanding rapidly both through higher technical specifications, increasing costs and labour and materials as well as the impact of the Building Safety Levy which has fallen disproportionately on the UK based house building sector. In general, the HBF has estimated that these changes place an additional £22,000 on the cost of developing a house in England and whilst land values may flex it is inevitable there will be less resources available for developer contributions in some areas.

Yours faithfully

A handwritten signature in black ink, appearing to read 'Mark Behrendt', written in a cursive style.

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