



Committee and Date

Cabinet

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## **CONSULTATION ON THE PREFERRED SCALE AND DISTRIBUTION OF DEVELOPMENT FOR THE SHROPSHIRE LOCAL PLAN REVIEW**

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### **1. Summary**

- 1.1 The purpose of this report is to seek approval for consultation on the preferred scale of housing and employment development in Shropshire during the period to 2036, together with the preferred distribution of this growth including identifying the proposed contribution from the strategic centre; principal centres and key centres. No specific sites are identified at this stage. The report also seeks approval of the criteria based methodology for identifying an appropriate settlement hierarchy. The consultation document sets out a list of the settlements which form part of this hierarchy, including those proposed to be identified as 'Community Hubs'. Draft policies to manage future development in 'Community Hubs' and 'Community Clusters' are also set out in the consultation, but the review of other detailed development management policies will not take place until a later stage.
- 1.2 Shropshire Council consulted earlier in 2017, on different options for the scale and distribution of future growth; the methodology for undertaking the hierarchy of settlements; and criteria for managing development within 'Community Hubs' and 'Community Clusters' as part of an initial consultation on 'Issues and Strategic Options' for the Local Plan review. The current document has taken into account those responses which were received and presents the Council's preferred response. Cabinet approval will permit the documents to be published on 27<sup>th</sup> October 2017 for a consultation period of 8 weeks (closing Friday 22<sup>nd</sup> December).

### **2. Recommendations**

- A. That Cabinet approves the draft Preferred Scale and Distribution of Development document attached for consultation subject to minor amendments and editing.
- B. That Cabinet approves the criteria-based methodology attached for identifying an appropriate settlement hierarchy.
- C. That authority is delegated to the Director of Place and Enterprise in consultation with the Portfolio Holder for Planning, Housing, Regulatory Services and Environment to confirm the final version of the documents and to publish these for public consultation.

## REPORT

### **3. Risk Assessment and Opportunities Appraisal**

- 3.1 Local Planning Authorities are required to keep under review any matters that may affect the development of its area or the planning of its development. National planning policy requires the Council to objectively assess the development needs of the County and to support the delivery of sustainable development to meet these needs. There continue to be significant national policy and procedural changes along with opportunities and challenges at the national and regional level which will impact, to varying degrees, on Shropshire. These matters must be addressed through a partial review of the Local Plan to help to ensure the continuing conformity of the Local Plan with national policy during the period to 2036.
- 3.2 This partial review of the Local Plan will provide an up to date and deliverable Plan for Shropshire. It will help to maintain local control over planning decisions by ensuring that the adopted policies and proposals will be the primary consideration for decisions about development in Shropshire. Maintaining an up to date Local Plan will further support local growth by generating certainty for investment in local development and infrastructure through a policy framework that supports sustainable development in communities across the County, during the period to 2036.
- 3.3 An updated 'Project Plan' (called the Local Development Scheme) which describes the timetable for the Local Plan documents that are to be prepared over the next 3-year period was approved by Cabinet on 21 June 2017. It has been possible to proceed with the proposed consultation earlier than envisaged in the published timetable. There are significant risks that could impact upon delivery of the Local Plan Review (Risk Assessment in Appendix 2 of the LDS document) and the current timetable remains extremely challenging.
- 3.4 The Local Plan Review consultation documents have been the subject of both a Sustainability Appraisal and a Habitats Regulation Assessment and copies of these assessments are available together with other relevant supporting documents and evidence on the Council's planning policy web pages.
- 3.5 The recent consultation on Issues and Strategic Options was accompanied by a 'Call for Sites', inviting landowners and the development industry to submit potential development sites for further assessment. The responses to this invitation are being carefully assessed and will be used to inform the publication of an updated Strategic Land Availability Assessment by the end of 2017 and further consultation on preferred site allocations in Spring 2018.

### **4. Financial Implications**

- 4.1 Maintaining an up to date Local Plan provides Shropshire Council with the best possible opportunity to harness growth potential by providing a stable platform for investors and developers. Growth also provides an opportunity to secure contributions to help maintain and improve local facilities, services and infrastructure. New growth simultaneously imposes an additional burden on local services and provides opportunities to secure investment to improve

local facilities which are the responsibility of Shropshire Council and other public service providers.

- 4.2 Financial implications may potentially arise from any slippage in the Local Plan Review timetable, leading to delays in Local Plan production with subsequent impacts on development management decision making, housing land supply and delivery, and infrastructure funding. Potential changes to national policy suggest that the government will apply sanctions in the form of reduced New Homes Bonus when an authority fails to meet its Plan preparation milestones.

## **5. Background**

- 5.1 This is the second significant stage for public and stakeholder involvement in the partial review of the Local Plan. The objective at this stage is to obtain feedback concerning the preferred scale and distribution of housing and employment growth, the proposed settlement hierarchy, and the policies to manage development within 'Community Hubs' and 'Community Clusters'.
- 5.2 Shropshire Council consulted on a range of strategic options for the level and distribution of future growth in January 2017. Whilst there was a slight preference for the 'moderate' growth option, there was also a good level of support for 'high' levels of housing growth. Of those favouring the 'high' growth option, many considered that it represented the best opportunity to deliver flexible growth and would help enable greater inward investment. Responses regarding future employment growth emphasised the significant economic potential of Shropshire's existing economy, workforce and environment, together with the need to integrate these strengths with future investment opportunities. A new approach which supports a 'step change' in economic productivity and the quality of employment provided in the County was preferred, reflecting the aims of the draft Shropshire Economic Growth Strategy published in March 2017.
- 5.3 Consultation responses regarding options for the future distribution of growth indicated that there was a slight preference to see a more urban focus for development. Of those supporting an urban focus, many argued that this option would direct development to more sustainable settlements with better access to infrastructure provision and employment opportunities. Other comments highlighted a desire to see greater distinction between market towns to reflect differences in their scale, role and location, and the need to capitalise on strategic cross border influences.
- 5.4 Most respondents supported the proposed criteria-based methodology for identifying the settlement hierarchy, including which settlements function as 'Community Hubs', because it was felt that this would provide a clear and objective assessment which would encourage development in sustainable locations. A final version of the methodology which also summarises the results of the assessment of settlements using this methodology is attached for approval.
- 5.5 Both the use of criteria-based policies and the proposed criteria which will be used to manage development in 'Community Hubs' and 'Community Clusters' were considered appropriate by most respondents. However significant concern was expressed about the proposed removal of development

boundaries which are considered to crucially provide clarity, certainty and consistency in such settlements.

## **6. Preferred Development Strategy**

- 6.1. The Local Plan Review provides an opportunity to capitalise on the strategic advantages of Shropshire's geographic location within the West Midlands and to support the growth aspirations of the West Midlands Combined Authority, in particular within the east of the County, as well as supporting a sustainable pattern of future growth. The preferred approach also recognises the role of the strategic centre (Shrewsbury), together with the extensive network of principal and key centres, and sustainable villages identified as 'Community Hubs' in meeting overall growth aspirations;
- 6.2. The Preferred Option is therefore for 'High' housing growth of 28,750 dwellings over a 20 year period (2016-36). This will be matched with additional employment provision to help capture the economic growth potential of Shropshire's existing economy and to support a 'step change' in economic productivity and the quality of employment. The preferred approach will adopt an 'Urban Focus' which builds on the established role and characteristics of our strategic, principal and key service centres, as well as exploring the potential to deliver new planned settlements such as Garden Villages in strategic locations. This approach will encompass appropriate mixed use development in particular, where this will enable the delivery of major employment sites. The preferred strategy will support appropriate development opportunities on previously developed land but also recognises that further greenfield land releases will be required, including within the Green Belt in the east of the county, subject to the outcome of a Green Belt Review;
- 6.3. Consistent with the recommendations of the SAMDev Planning Inspector in 2015, Shropshire Council has commissioned an independent assessment of the Shropshire Green Belt. The completed Green Belt Assessment appraises the current performance of the Shropshire Green Belt against the aims and purposes set out in national policy and will be published alongside the consultation documents on the Council Planning Policy webpages. The findings of this initial assessment indicate the need for a further Green Belt Review which will use the findings of the Green Belt Assessment to examine the potential for areas to be removed or added to the Green Belt, either to recognise the urbanised character of the land, to safeguard land to satisfy future needs, or to promote land for future development. The outcome of this work will inform the identification of land for both development and long term safeguarding for development as part of the next round of consultation in Spring 2018;
- 6.4. The preferred strategy will also continue to support appropriate growth in the rural area, in particular in local service centres which have been identified as 'Community Hub' and 'Community Cluster' settlements. The latter will continue to come forward where Parish Councils choose to 'opt-in'. However, to reflect the feedback received during the Issues and Strategic Options Consultation regarding the need to provide certainty to developers and communities about the locations where development would be considered appropriate, it is proposed that:

- i. Development within 'Community Hubs' will be controlled by a single criteria based policy, a draft of which is provided as part of the current consultation. This draft policy has been developed using the criteria consulted upon during the Issues and Strategic Options consultation, which were supported by the majority of respondents;
  - ii. Individual development guidelines will be established for each 'Community Hub' as part of the next round of Preferred Options in Spring 2018;
  - iii. Development boundaries will be identified in these settlements;
  - iv. The allocation of specific sites in these settlements may be appropriate in some instances;
  - v. The level at which the housing guideline is set for each 'Community Hub' settlement and the need for site allocations will reflect the size of the settlement, its development opportunities, development capacity and constraints.
- 6.5. In smaller rural settlements ('Community Clusters'), it is proposed that development will also be managed in future through a criteria-based policy using a consistent set of guidelines to help deliver sustainable development in these settlements. A draft of this policy is presented in the consultation document. However due to the type of development that will be consistent with this criteria, it is not considered necessary to identify development guidelines, boundaries or allocate sites.
- 6.6. In other settlements in the countryside, the preferred strategy will continue to strictly control new market housing in the countryside whilst supporting new affordable housing for local needs and small scale employment opportunities including appropriate agricultural diversification.
- 6.7. The consultation document identifies initial growth guidelines for the existing adopted Neighbourhood Plan areas in Much Wenlock and Shifnal and officers will work closely with Town and Parish Councils in these areas to help them to review their existing Plans so that they can continue to attract appropriate weight in planning decisions in these areas;
- 6.8. To help inform the Local Plan Review, the Council has commissioned an update of the existing Gypsy and Traveller Accommodation Assessment (GTAA) to consider the requirements of national policy, the adequacy of the current supply of sites and any shortfall. There are previously identified, requirements for a transit site and a permanent site (yard) to provide accommodation for local Travelling Showpeople which have yet to be addressed. However, it is unclear at this point whether any additional provision will now need to be made. When completed, the updated GTAA will be published on the Council's website and will identify any additional requirements which will need to be addressed as part of the next stage of the Local Plan Review.
- 6.9. Increasing rates of housing and employment development have strengthened the demand for construction aggregates within Shropshire and in the adjacent areas which it supplies. Despite this increasing demand, the availability of aggregate mineral resources remains well above the minimum guideline and there remain unimplemented allocations in the SAMDev Plan

(2015). No additional site allocations are therefore proposed as part of the Local Plan Review.

- 6.10. National policy requires Local Authorities to clearly identify areas suitable for wind energy development in Local Plans. Planning permission for wind energy proposals should only be granted if the application is in such an area. The Council will identify the criteria for the selection of areas suitable for wind energy development in Shropshire and carry out a county-wide assessment to inform the later stages of the Local Plan Review.

## **7. Next steps**

- 7.1 The recent consultation on Issues and Strategic Options was accompanied by a 'Call for Sites', inviting landowners and the development industry to submit potential development sites for further assessment. The responses to this invitation are being carefully assessed and the outcome of this assessment will be used to inform publication of an updated Strategic Land Availability Assessment by the end of 2017; and site assessments to inform consultation on a further round of detailed 'preferred options' which will identify preferred site allocations in Spring 2018.
- 7.2 Continuing member involvement will be important in accordance with the Local Member Protocol and this will help to support the work of the Local Plan Member Group which continues to meet regularly and has helped to help shape the current consultation documents.
- 7.3 The consultation will be undertaken in line with the standards set out in the Council's published Statement of Community Involvement (SCI) and national guidance. Consultation documents will be made available on the Shropshire Council web-site, and paper copies will be provided at libraries and council offices in the main towns. A significant number of organisations and individuals will continue to be notified directly of the publication of the consultation documents in accordance with the SCI. Electronic responses are encouraged to reduce printing and distribution costs and to reduce the time spent collating and analysing paper responses. Officers will also be making a presentation about the consultation to each of the five area meetings of the Shropshire Association of Local Councils (ALC) and expect to engage directly with many individual parish and town councils during the consultation period to explore the implications of the proposed approach in their local context.
- 7.4 The consultation responses will be used to inform the next stages of the Local Plan review with further consultations on preferred sites and policy changes during 2018. The Council currently plans to formally submit the Local Plan Review for examination in December 2018.

**List of Background Papers (This MUST be completed for all reports, but does not include items containing exempt or confidential information)**

- Sustainability Appraisal (SA)
- Habitats Regulations Assessment (HRA)
- Equality and Social Inclusion Impact Assessment (ESIIA)
- Green Belt Assessment (LUC 2017)
- Local Plan Review Consultation Statement
- Housing Need Background Document

These documents will be made available from: <http://shropshire.gov.uk/planning-policy/local-plan/local-plan-partial-review-2016-2036/> during the consultation period.

**Cabinet Member (Portfolio Holder)**

Councillor Robert Macey, Portfolio Holder Planning and Regulatory Services

**Local Members**

All

**Appendices**

- Consultation on the Preferred Scale and Distribution of Development for the partial review of the Shropshire Local Plan 2016-2036;
- Final criteria-based methodology for identifying an appropriate settlement hierarchy.