

ID37

Shropshire Council. Examination of Shropshire Local Plan 2016-2038

Inspectors: Louise Crosby MA MRTPI and Nick Palmer BA (Hons) BPI MRTPI

Programme Officer: Kerry Trueman

Tel: 07582 310364, email: programme.officer@shropshire.gov.uk

Mr West
Planning Policy
Shropshire Council
PO BOX 4826
Shrewsbury
SY1 9LJ

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Dear Mr West

Shropshire Local Plan Examination – Request for Clarification to ID36

Introduction

1. Thank you for your letter dated 16 November (GC41). We agree that the most effective and fair way to consider the further material that the Council has produced and any soundness concerns that we or representors may have is through further hearing sessions in due course.
2. To get to that point we need to ensure that anyone who wishes to do so has had an opportunity to comment on any new material, including anyone who did not previously submit comments at the Regulation 19 stage of the Plan making process, but now wishes to do so because of a change in the Council's evidence. This would require a full Regulation 19 type consultation. It is not an effective use of the Council's resource to do this until we are satisfied that the further work the Council has undertaken meets our requirements.
3. What we want to avoid is numerous rounds of unnecessary consultation and hearings as this is time consuming and costly. Therefore, we will aim to answer the questions set out in your letter as clearly as possible, following the same order as your letter.
4. **Unmet Needs Forecast to Arise in the Black Country**

Question 1

Can you confirm you require further sustainability appraisal (SA) work to consider reasonable options for contributing to the unmet needs forecast to

arise in the Black Country, as a distinct and separate exercise to the wider SA work on housing and employment requirements? Are you satisfied with the two options identified?

- 4.1 What the Council has not done as part of the revised SA work is to look at what the environmental impacts are of meeting some of the unmet needs of the Black Country i.e. 1500 homes and 30ha of employment land, in addition to meeting its own needs. Instead, what the revised SA does is amalgamate the Black Country's unmet needs into its own growth options and at the same time alter the growth options compared to earlier SA work. This needs to be assessed as a distinct and separate exercise. We will cover the growth options issue in other questions you have posed.

5. **Assessing Growth Options**

Question 2

Could you please advise whether GC29 constitutes an appropriate identification and consideration of the reasonable housing growth options. If not, could you please provide further information on the issues affecting the assessment in GC29 and explain the growth options you consider the Council should assess?

- 5.1 The Plan at Policy SP2 sets out a requirement for 30,800 homes which includes a contribution of 1500 homes to meet the Black Country needs. However, the Black Country needs were not assessed as part of the earlier SA work. At the time of the earlier SA work the Council decided that the high growth option which included a 15% uplift on the housing need figure was appropriate.
- 5.2 The SA concluded, "This option more than meets evidenced housing need and offers significant opportunities to meet the requirements of all sections of society in terms of location, affordability and adaptability. It is likely to support existing services such as schools, doctor's surgeries, shops and play areas in the medium to long term and to create a balanced supply of employment land and/or more or higher value jobs. It also is likely to support new leisure, recreational and cultural activities in the medium to long term and economies of scale may offer opportunities to increase the provision of energy from renewable sources, support reductions in energy consumption and promote energy efficiency". This was the justification for this high growth option.
- 5.3 The revised SA has 5 growth options for both housing and employment land requirements. For housing this is moderate growth, significant growth, and 3 variations on high growth. The original SA has 3, moderate growth, significant growth and high growth.
- 5.4 Given the different approach to calculating the housing requirement in each SA, the easiest way to understand this issue is to compare the annual housing requirement, rather than the overall plan period amount.
- 5.5 It appears that the Council are now opting for a housing requirement of 13% over their own Local Housing Need (LHN), but incorporating the agreed Black

Country need which equates to the extra 2% approximately. It seems that the main justification for this is the latest LHN figure which shows a reduction of 8% in housing need for Shropshire from 1,177 (2020) to 1,085 (2023) homes. However, care needs to be taken in making adjustments during an examination based on the latest LHN figure as next year it may go up again.

- 5.6 If the Council wishes to reduce its own housing requirement figure then this needs to be properly tested and the conclusion justified and the Black Country unmet needs also tested separately. That way the impacts of each can be properly understood and assessed.
- 5.7 What the SA should do is test options based on the 2020 baseline with 2 extra years, but only look at the growth options tested in the original SA, so a 5, 10 and 15% uplift and look at this with the Black Country unmet needs of 1,500 homes and without it. The results of the SA should then be used to assess what is an appropriate housing requirement in the Plan. The Plan should then make clear what the housing requirement for Shropshire is and how much of the Black Country unmet needs are being accommodated in the Plan. This should be included in Policy SP2 as well as the explanatory text which will need modifying accordingly.

Question 3

Could you please advise whether GC29 constitutes an appropriate identification and consideration of the employment land growth options. If not, could you please provide further information on the issues within this assessment and explain the growth options you consider the Council should assess?

- 5.8 Our concerns and advice are the same as in relation to housing. The original SA did not ascribe land amounts to the different growth options it tested so it is not as straightforward to compare as for housing. However, it is noteworthy that the economic growth options tested were 'significant growth', 'high growth' and 'productivity growth', so 3 different growth options whereas the revised SA tests 5 growth options. As set out above, increasing the growth options just seems to complicate matters. It is also important that employment growth aligns with housing growth. We cannot see where the Council have considered this.

6 The Housing and Employment Land Requirements

Question 4

Given that the housing and employment requirements have not been found to be sound, are the Council now being requested to propose alternative housing and employment land requirement figures for Shropshire, reflecting the outcome of the additional SA work?

- 6.1 As set out above, the Council is effectively proposing different housing requirements for Shropshire to what was originally tested through SA work. We realise that some adjustments were necessary to take account of the 2020 LHN figure and the additional 2 years in the Plan, but essentially the Council in the

revised SA are opting for different growth options for housing and employment land.

- 6.2 Policy SP2 says that “Over the plan period from 2016 to 2038, around 30,800 new dwellings and around 300 hectares of employment land will be delivered. This equates to around 1,400 dwellings and around 14ha of employment land per annum”. Para 3.6 of the Plan says that the housing requirement of 30,800 homes will meet the housing need and support the long-term sustainability of the County and provide some flexibility to respond to LHN over the plan period. Paragraph 3.47 of the Plan refers to a Shropshire wide housing requirement of around 30,800 dwellings being essential for the long-term prosperity of Shropshire. Indeed, there are many parts of the Plan which read as though the Council are just seeking to meet their own housing requirement.
- 6.3 It is only in paragraph 3.7 of the Plan where it is explained that these 30,800 homes incorporate 1,500 dwellings to support the housing needs of the emerging Black Country Plan.
- 6.4 At some point the Plan changed from meeting just Shropshire’s own housing needs to meeting the needs of Shropshire and some of the Black Country’s unmet needs, but the evidence base remained the same.
- 6.5 What is important is that further SA work is robust, tests different levels of growth (including with and without the Black Country unmet needs). For consistency and clarity these should be the same growth options as the original SA. The housing requirement is a matter for the Council, informed by the new work set out in paragraph 5.7 above.

7. **Assessment of Sites**

Question 5

Having reviewed paragraphs 9.2-9.29 of GC29, does this assessment and the conclusions reached achieve your expectations regarding the identification of an appropriate geography for sites to accommodate proposed contributions to the unmet needs forecast to arise in the Black Country? If not, please could you help us by indicating what we have failed to consider.

- 7.1 We are content with the work done to look at the relationship of the Black Country with Shropshire and then identify a broad geographical area to meet the unmet needs of the Black Country.

Question 6

Does this further explanation on the content and purpose of GC29 alleviate concerns regarding the extent of the assessment undertaken when determining appropriate sites to accommodate proposed contributions to unmet needs forecast to arise in the Black Country? If not, we would be grateful for further clarification on your concerns on this matter, together with appropriate guidance, in order to understand the extent of further work required.

- 7.2 Your clarification on this matter is helpful that all available sites were assessed as part of the additional work and not just those sites that are allocated in the Plan. We do not consider that a new 'call for sites' exercise is warranted in this case.
- 7.3 However consideration needs to be given as to whether the employment site which is within the Green Belt and has been earmarked to meet some of the unmet needs of the Black Country is an appropriate choice. Are there any sites that could meet this need that are not in the Green Belt or any Green Belt sites which would result in less Green Belt harm i.e. has the Council examined fully all other reasonable options for meeting its identified need as set out in paragraph 146 of the Framework?

Question 7

Does this explanation alleviate concerns regarding the approach to the 'filters' in Stage 2b of the site assessment process, in the context of determining proposed allocations to accommodate proposed contributions to unmet needs forecast to arise in the Black Country? If not, we would be grateful for more explicit guidance as to what we should do to the filters.

- 7.4 Yes, your further explanation is helpful in clarifying these matters. We are satisfied that no further work is necessary at this stage. Further discussion on this matter can take place at future hearings if necessary.

Question 8

Can you please advise whether this explanation alleviates your concerns regarding the update of Stage 3 of the site assessment process of reasonable site options to accommodate proposed contributions to unmet needs forecast to arise in the Black Country?

- 7.5 Yes, your further explanation is helpful in clarifying these matters. We are satisfied that no further work is necessary at this stage. Further discussion on this matter can take place at future hearings if necessary.

Question 9

Does the clarification on the work carried out as part of Stage 3 of the additional SA material address your concerns regarding the Council's consideration of alternative reasonable sites either not in the Green Belt or in the Green Belt but with less Green Belt harm in the same geographical location? If not, we would be grateful for more explicit guidance as to what we should do next.

- 7.6 Yes, your further explanation is helpful in clarifying these matters. We are satisfied that no further work is necessary at this stage. What is important is that the policies and proposals in the Plan and the reasonable alternatives have been appraised on a like-for-like basis and reasons given for rejecting the alternatives that were appraised. Further discussion on this matter can take place at future hearings if necessary.

8. The Role of Sustainability Appraisal

Question 10

To ensure compliance with your requirements for the SA, the Council would like to seek your clarification on whether firstly, the additional SA material should arrive at conclusions on a preferred housing and employment land requirements (noting your comments in paragraph 9 of ID36)? Secondly, should a planning judgment on this matter now be appropriate, we would like to seek your clarification that these conclusions are reached in the Housing and Employment Topic Paper, where the conclusions of the SA and other material factors are considered in arriving at conclusions?

- 8.1 The SA should arrive at conclusions on preferred housing and employment land requirements based on the evidence from the SA. However, it is appropriate to consider this alongside other evidence in, for example your Housing and Employment Topic Paper. This might include information from your Green Belt Assessment or about land availability etc. Importantly the Council need to produce a clear conclusion on the issue of what the housing and employment land requirement should be.

9. **Conclusion**

- 9.1 We hope these answers are helpful in allowing the Council to carry out the necessary SA addendum and revised Housing and Employment Topic Paper. Once the work has been undertaken the next step will be to carry out a full consultation on the additional work. Upon conclusion of the consultation, we will hold some further hearings sessions.
- 9.2 It would be helpful to know from the Council the likely timescales involved in carrying out this additional work. We are conscious that this examination is now into its third year. Please be assured that we are keen, as we are sure the Council and others are, to get to the stage of being able to hold further hearings as soon as possible.
- 9.3 We are not inviting comments from any representors to our letter. Should the Council have any questions please direct them through the programme officer.

Louise Crosby and Nick Palmer

Examining Inspectors