



Council

17th July 2025

Item

Public



Withdrawal of Local Plan from Examination & Next Steps

Responsible Officer:

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Cabinet Member (Portfolio Holder): Cllr David Walker

Synopsis

This report seeks Council approval to formally withdraw the draft Local Plan from the Examination process following correspondence with the examining Inspectors in February, and sets out the next steps for preparing a new Local Plan.

Executive Summary

- 2.1 Following Council approval, the draft Local Plan was submitted to the Secretary of State in September 2021, with Planning Inspectors appointed to examine the Plan shortly afterwards. The examination in public (EiP) on the draft Plan has in effect been active since then.
- 2.2 Following a lengthy and often challenging examination process, in January 2025 the Inspectors wrote to the Council setting out their significant soundness concerns and invited the Council to prepare a project plan setting out how these would be addressed in a six month timeframe.
- 2.3 In line with the request of the Inspectors, the Council prepared a project plan and, with Cabinet approval, submitted this to the examining Inspectors in February 2025. The Inspectors then issued ID48 (appendix 1 to this report) in February 2025, setting out that they did not consider the extent of the additional work

required was 'limited' in nature and would (in their view) take longer than six months to complete.

- 2.4 As such the Inspectors in ID48 recommended that the Council withdraw the draft Plan from the examination. If the Council decide not to withdraw the Plan, then the Inspectors have indicated they will complete their final report concluding that the Plan is unsound.
- 2.5 The outcome of the Inspectors' conclusions as set out in ID48 therefore does not provide the Council with a positive path to adoption of the draft Plan. The choice is essentially between withdrawing the Plan, or asking the Inspectors to continue to prepare their final report which would conclude the Plan is unsound. Given the financial position of this Council, and that in any event work would need to commence on a new Local Plan process later in 2025, it is considered this would represent an unnecessary financial cost as well as requiring officers to respond to any inquiries the Inspectors raised before almost inevitably reaching a conclusion of unsoundness.
- 2.6 The proposed withdrawal of the Local Plan means the Council will not be able to adopt the Local Plan as hoped in 2025. This means the current development Plan for the area will remain the adopted Core Strategy and Site Allocation and Management of Development (SAMDev) Plan, adopted by the Council in 2011 and 2015 respectively, as well as a range of adopted Neighbourhood Development Plans. To mitigate this risk, the Council have set out a positive programme of work to commence work on a new Local Plan process under the Government's new plan making system in January 2026. In line with Government's expectations this process is expected to lead to an adopted Local Plan in 2028.

Recommendations

- 3.1 Council agrees the withdrawal of the draft Local Plan (2016-2038) from the Examination in accordance with Section 27 of the Town and Country Planning (Local Planning) (England) Regulations 2012.

Report

Risk Assessment and Opportunities Appraisal

- 4.1 It is a statutory responsibility for Councils to maintain an up-to-date Development Plan. Under the Government's 'plan-led' approach to development, the Local Plan is a key component of the overall Development Plan for the area and should provide a positive strategy to enable an area to grow in a sustainable manner. Another part of the Development Plan for an area is Neighbourhood Development Plans, usually prepared via Town and Parish Councils.
- 4.2 Following Council approval, in line with section 22 of the Town and Country Planning (Local Planning) (England) Regulations 2012, the draft Local Plan was

submitted to the Secretary of State in September 2021, with Planning Inspectors appointed to examine the Plan shortly afterwards. The Examination has in effect been active since then, although there has been pauses in the process in 2023 and 2024 to allow the Council to undertake further work. The Examination has included several public hearings into various aspects of the Plan between 2022 and 2024.

- 4.3 In July 2024, the Government issued a letter to the Chief Executive of the Planning Inspectorate explaining that Inspectors should only use pragmatism in an examination where a Plan is capable of being found sound with limited additional work to address soundness issues, and that any pauses to undertake this work should usually take no more than six months overall. This represented a clear shift in position as to the manner in which Inspectors were required to undertake the examination process.
- 4.4 Following a lengthy and often challenging examination process, in January 2025 the Inspectors wrote to the Council setting out their significant soundness concerns and invited the Council to prepare a project plan setting out how these would be addressed in a six month timeframe. The Council prepared a project plan and, with Cabinet approval, submitted this to the examining Inspectors in February 2025. The Inspectors then issued ID48 (appendix 1 to this report) in February 2025, setting out that they did not consider the extent of the additional work required was 'limited' in nature and would (in their view) take longer than six months to complete.
- 4.5 As such the Inspectors in ID48 recommended that the Council withdraw the draft Plan from the examination. If the Council decide not to withdraw the Plan, then the Inspectors have indicated they will complete their final report concluding that the Plan is unsound.
- 4.6 The outcome of the Inspectors' conclusions as set out in ID48 therefore does not provide the Council with a positive path to adoption of the draft Plan. The choice is essentially between withdrawing the Plan, or asking the Inspectors to continue to prepare their final report which would conclude the Plan is unsound. If we requested the Inspectors to continue to prepare their final report, this would expose the Council to further financial risk as we would need to pay for the Inspectors' time. Given the financial position of this Council, and that in any event work would need to commence on a new Local Plan process later in 2025, it is considered this would represent an unnecessary financial cost as well as requiring officers to respond to any inquiries the Inspectors raised before almost inevitably reaching a conclusion of unsoundness.
- 4.7 The proposed withdrawal of the Local Plan means the Council will not be able to adopt the Local Plan as hoped in 2025. This means the current development Plan for the area will remain the adopted Core Strategy and Site Allocation and Management of Development (SAMDev) Plan, adopted by the Council in 2011 and 2015 respectively, as well as a range of adopted Neighbourhood Development Plans. As explained in the Cabinet paper in February 2025 (included as a background paper) the age of the current development plan does place a risk to the degree of weight that can be attached to it in decision making. To mitigate this risk, the Council have set out a positive programme of work to commence work on a new Local Plan process under the Government's new plan making system in

January 2026. In line with Government's expectations this process is expected to lead to an adopted Local Plan in 2028.

Financial Implications

- 5.1 Shropshire Council continues to manage unprecedented financial demands as budgeted for within the Medium Term Financial Strategy approved by Council on 27 February 2025 and subsequent updates. It is also addressed in our monitoring position presented to Cabinet on a monthly basis. Significant management action has and continues to be undertaken to ensure the Council's financial survival. While all reports provide the financial implications of decisions being taken, this may change as officers review the overall financial situation and make decisions aligned to financial survivability. Where non-essential spend is identified within the Council, this will be reduced. This may involve
- scaling down initiatives,
 - changing the scope,
 - delaying implementation, or
 - extending delivery timescales.
- 5.2 It is generally considered planned growth provides the best possible opportunity for Shropshire Council to harness inward investment by providing a stable platform for investors and developers (from both the public and private sectors). Growth also provides an opportunity to secure contributions to help maintain and improve local facilities, services and infrastructure. It should also be recognised new growth also imposes an additional burden on local services and therefore provides opportunities to secure investment to improve local facilities which are the responsibility of Shropshire Council and other public service providers.
- 5.3 This report recommends the withdrawal of the Local Plan from the examination process in light of the Inspectors' letter (ID48) included as Appendix 1 to this report. The only alternative choice open to the Council in light of this is to ask the Inspectors to continue to prepare their final report, which we have been told would conclude the Local Plan is unsound and therefore cannot be adopted. This would add unnecessary cost to the process and is therefore not recommended.
- 5.4 Regardless of the outcome of this examination and the manner in which it is concluded, given the national changes to planning policy over the last few months – particularly the changes to the National Planning Policy Framework (NPPF) and the standard methodology for calculating local housing need – the Council are under an obligation to commence work on a new Local Plan as early as this year in any case. The cessation of the current examination would therefore allow the Council to focus resources towards the new Plan preparation, which does make more efficient use of limited resources. In looking ahead to this new plan making process, there are ways to mitigate costs, for instance by seeking efficiencies in evidence base collection and seeking cost recovery wherever possible. The Council have already managed to secure funding from Government to commission work on a new Green Belt Study, which in due course will inform the next Local Plan. However, there will inevitably remain a financial burden of undertaking this further review of the Local Plan.

- 5.5 In September 2023, the previous Government consulted on potential changes to the plan making system; the aim being to create a more streamlined and efficient process. Full details of this new plan making system are expected to be confirmed by Government later this year, although there has already been confirmation of the intention to see Plans prepared in the shorter 30 month timeframe. In anticipation of the new plan-making system, there is an expectation this will be more streamlined, and likely to reduce the financial burden on Councils, although at this stage it is difficult to quantify.

Climate Change Appraisal

- 6.1 The proposed withdrawal of the Local Plan from the examination as a result of the Inspectors' soundness conclusions, will mean the draft Plan cannot be adopted. As the draft Plan included new policy provision to support the delivery of sustainable development, which includes the mitigation and adaptation to climate change, this is a somewhat unfortunate outcome.
- 6.2 However, in the interim (and as covered in the February Cabinet report – included as a background document to this report) the updated NPPF contains several policies designed to adapt to and mitigate the impact of climate change, and will provide an appropriate policy framework, alongside the Council's adopted development plan, to inform decision making on planning applications whilst the Council prepares its new Local Plan. Indeed, it should be noted that even in the absence of a five year supply of deliverable housing sites, national policy still advocates for a '*presumption in favour of sustainable development*'. In assessing the sustainability credentials of new proposals, Councils are therefore being specifically asked to have particular regard to directing development to sustainable locations, making effective use of land, securing well designed places, and providing affordable homes (NPPF, Para 11(d)(ii)).
- 6.3 Furthermore, the NPPF contains national policy promoting sustainable transport and planning for climate change. It remains the ambition of the NPPF to ensure the planning system supports the transition to net zero by 2050, taking full account of all climate impacts including overheating, water scarcity, and storm and flood risks. It specifies that new development should be planned for in ways that avoid increased vulnerability to the range of impacts from climate change and help to reduce greenhouse gas emissions - such as through its location, orientation and design.
- 6.4 Given the significant evidence base supporting the draft Local Plan, Cabinet agreed in February to afford this weight in decision making as a material consideration, supplementing other material considerations, such as the NPPF. This evidence includes viability considerations, which are considered to allow new development to maximise fabric efficiency, ensuring all proposals of 10 or more dwellings achieve Part L of the building regulations as a minimum, and ensuring all residential developments provide a minimum of 10% of its predicted energy needs from on-site renewable and low carbon sources.

Background

- 7.1 The draft Shropshire Local Plan 2016-2038 (the draft Plan) began preparation in 2017 and included several stages of public consultation during its development stages up to 2021.
- 7.2 The draft Plan set out a positive approach to development, based upon an extensive evidence base. In very broad summary the draft plan defined housing and employment growth requirements in excess of defined needs (at that time); established a settlement hierarchy to promote a sustainable pattern of development; proposed a range of site allocations to accommodate this growth; and, prepared an extensive policy framework with which to manage development.
- 7.3 Shropshire Council agreed to submit the draft Plan for independent examination in July 2021. The draft Plan was subsequently submitted to the Secretary of State in September 2021, with Planning Inspectors appointed shortly afterwards to examine the Plan. The role of the Inspectors is to assess whether Plans have been prepared in accordance with legal and procedural requirements (including the legal duty to cooperate), and whether they are sound. Plans are 'sound' if they are: a) positively prepared; b) justified; c) effective; and d) consistent with national policy.
- 7.4 The examination into the draft Plan has been a lengthy and often challenging process. It has included a number of public hearings looking at the strategic aspects of the plan, such as the extent of the housing and employment requirements and the sustainability of the Plan's strategic site allocations. They have also covered detailed considerations on whether the Council met its legal duty to cooperate. Most recently, in October 2024, public hearings were held following a pause in proceedings to allow the Council to undertake further assessment work at the specific request of the Inspectors.
- 7.5 Whilst many organisations and local parish and town councils agreed with the objectives and policies of the draft Plan, the examination has provided an opportunity for those objecting to the plan to have their comments heard in an independent forum. Some of these objections have been significant in nature, in particular from a number of 'omission' site promoters (promoters of sites not proposed for allocation in the draft plan). Several of these site promoters wished to see an increase in housing and employment requirements and for additional sites to be included. Conversely, it should also be recognised there were several organisations without land interest, which have sought to see a reduction in overall requirements and to see some allocations removed from the draft Plan.
- 7.6 Whilst the Inspectors confirmed the Council had met the legal 'duty to cooperate' in February 2023 (the legal duty placed upon Council's to cooperate with neighbouring and closely related authorities on strategic planning matters), it was nevertheless clear the Inspectors held wider soundness concerns on a number of strategic matters. These soundness concerns have been articulated to the Council in correspondence from the Inspectors during 2023 and 2024.
- 7.7 Of particular importance, the Inspectors have held concerns regarding the manner in which the Council has sought to accommodate the proposed contributions to Black Country housing and employment needs; an issue also raised by several 'omission' site promoters. It is important to note that despite these soundness concerns, which were first articulated to the Council by the Inspectors in 2023, the

Inspectors allowed the Council to undertake further work to seek to remedy the issues raised. This additional work undertaken by the Council in 2023 and 2024 allowed the examination to continue at the agreement of the Inspectors. This led to the reconvening of the hearing sessions in October 2024.

- 7.8 Given the Inspectors' agreement to resume the hearings in October 2024, the Council had a credible expectation this would lead to a positive outcome and that the Inspectors, having considered the additional work undertaken by the Council, were of a view that the Plan had the potential to meet the statutory tests of "soundness" with additional modifications.
- 7.9 It was therefore disappointing that in October 2024, following the conclusion of the first week of the Stage 2 hearing sessions, the Inspectors wrote to the Council to pause the planned future hearings, citing 'significant soundness concerns'. Ten weeks later in January 2025, the Inspectors articulated these soundness concerns to the Council, which in broad summary included the following issues:
- The need to identify a new employment site in Shrewsbury, following agreement to remove the proposed site north of Preston Boats Junction;
 - The need to identify new housing and employment sites in the east of the County to accommodate the proposed contribution to the forecast Black Country unmet need;
 - The need to increase the overall housing and employment requirements by 1,000 dwellings and 10ha respectively to accommodate the proposed contribution to the forecast Black Country unmet need;
 - The need to increase the plan period by three years and to increase the housing and employment requirements accordingly;
 - The need to reduce the reliance upon 'windfall' development to meet the housing requirement.
- 7.10 Of importance, and in addition to the soundness issues raised, the Inspectors highlighted new guidance issued from Government Minister Matthew Pennycook (Minister of State) to the chief executive of the Planning Inspectorate on 30th July 2024. This guidance outlined the new Government's desire to avoid lengthy delays to examinations, stating that pragmatism should only be used where it is likely a plan is capable of being found sound with limited additional work to address soundness concerns, and that any pauses to the process to allow additional work to be undertaken should usually take no more than six months overall. This has been seen as a significant shift in approach to examinations, and it is assumed has been driven by the Government's desire to increase the pace of housebuilding.
- 7.11 Despite this, in their correspondence in January 2025 (ID47 – included as a background document) the Inspectors requested the Council prepare a project plan setting out how the soundness issues would be addressed in a six month timetable. The Council responded to this in February 2025 (*GC 56 – Shropshire Council response to ID47* – included as a background document to this report), presenting a positive programme of work over the six month period February to July 2025. It was anticipated the outcome of this work would address the majority of the Inspector's concerns.
- 7.12 This led the Inspectors to issue ID48 (Appendix 1) in late February 2025. This set out the Inspectors' view that they did not consider the extent of the additional work required was 'limited' in nature and would (in their view) take longer than six months to complete. Given this, Paragraph 15 of ID48 sets out the Inspectors'

recommendation that the Council should withdraw the Plan from the examination. Unfortunately, the Inspectors' conclusions do not provide the Council with a positive path to adoption on the draft Plan.

- 7.13 The choice now facing the Council is essentially between withdrawing the draft Plan from the examination, or asking the Inspectors to continue to prepare their final report which would conclude the Plan is unsound. If we requested the Inspectors continue to prepare their final report, this would expose the Council to further financial risk as we would need to pay for the Inspector's time. Given the financial position of this Council, and that in any event work would need to commence on a new Local Plan process later in 2025, it is considered this would represent an unnecessary financial cost.
- 7.14 It is therefore considered necessary to seek formal Council agreement to withdraw the plan from the examination in line with the requirements of Section 27 of the Town and Country Planning (Local Planning) (England) Regulations 2012.
- 7.15 The outcome of this process is clearly disappointing. Although it is not explicit from the Inspectors' comments, it appears that the change in Government guidance regarding the application of 'pragmatism' in examinations has been an important factor in their latest position. On the face of it, there would also appear to have been some shift in position on the nature of their soundness concerns between their correspondence in 2023 and 2024, and their preferred route to remedy these issues. The Council outlined these concerns in correspondence to the Inspectors in February in document in document GC56 (included as a background document to this report). However, notwithstanding the concerns of the Council regarding the consistency of some of the advice provided by the Inspectors, it is recognised they have arrived at their final conclusions.
- 7.16 It is recognised the issue of Black Country unmet housing and employment needs dominated much of the examination process. This was despite the Inspectors' agreement that the Council had met its legal duty to cooperate. It should be noted that the Council had also reached agreement with the four Black Country Authorities on meeting a proportion of their forecast unmet needs within the draft plan, and that none of these authorities raised a duly made objection to the draft Plan. Nevertheless, this issue was used by several site promoters to argue an increase in housing and employment requirements and to propose additional Green Belt release in the east of the County, and is a central factor in several of the soundness concerns raised by the Inspectors.
- 7.17 An outcome of the proposed withdrawal of the draft Plan from the examination is to invalidate the agreement on cross boundary unmet needs with the Black Country, as there is no longer a mechanism for this to be implemented. Officers have written to the four Black Country Authorities confirming this position. The Council remain under a legal duty to cooperate with the Black Country (as well as other neighbouring councils) and will continue to discuss relevant cross boundary needs as part of the future Local Plan preparation.
- 7.18 It should be noted that due to the significant changes to national planning policy presented through the updated National Planning Policy Framework (NPPF), the Council are under an obligation to commence work on a new Local Plan later in 2025 regardless of the outcome of the current examination process.

- 7.19 A new Local Development Scheme (LDS) was agreed by Cabinet in February setting out the proposed timetable for the delivery of the new Local Plan to cover the period 2025-2045. The LDS sets out a challenging timetable of a 30 month process, beginning in January 2026, for the delivery of the new Local Plan in line with the Government's expectations on speeding up the process. The LDS can be viewed here [local-development-scheme-lds-february-2025.pdf](#)
- 7.20 An early and important part of the new Local Plan is a refreshed 'call for sites'. This process began on 10th July and seeks to understand the pool of potential site options available to the Council to consider as part of the new plan making process. Once we have an understanding of these site options, the intention is to prepare an initial draft Plan for consultation in autumn 2026. Additional evidence base material will also be commissioned this year to inform the Local Plan's commencement, including a new Green Belt Study and a refreshed assessment of the county's economic development needs.
- 7.21 Enabling the delivery of new housing will clearly be an important element of the new Local Plan, especially given the Government's objective to deliver 1.5 million new homes nationally in the term. For Shropshire, this means seeking to achieve the Government's mandatory targets as envisaged through the Government's 'standard methodology'. This currently equates to around 2,025 dwellings per annum, which represents a significant uplift on both recent planned growth and recent average delivery rates.
- 7.22 However, the Local Plan also provides an opportunity to set a positive vision, objectives and a spatial strategy for the long-term sustainable development of Shropshire. In doing so there is an opportunity to enable the delivery of wider council strategic priorities, such as the Local Transport Plan, the Shrewsbury Moves Strategy and the Local Nature Recovery Strategy, as well as the opportunity to enable the delivery of increased levels of affordable and specialist housing. There will also be a need to provide suitable levels of new employment provision, and to enable the delivery of commensurate infrastructure provision, including for new highways, transport, education, health and leisure proposals in order to mitigate the impacts of new development on communities.
- 7.23 To support decision making in the interim whilst the Council prepares the new Local Plan, a range of new Supplementary Planning Documents (SPDs) are being prepared and will be consulted in the autumn this year subject to Cabinet approval. These SPDs will provide additional material planning guidance on matters including high quality design in new residential development, and securing appropriate developer contributions to support infrastructure.

Conclusions

- 8.1 The outcome of the Inspectors' conclusions to the examination process are set out in ID48 (appendix 1) and does not provide the Council with a positive path to adoption of the draft Plan. The choice is essentially between withdrawing the Plan from the examination, or asking the Inspectors to continue to prepare their final report which would conclude the Plan is unsound. Given the financial position of this Council, and that in any event work would need to commence on a new Local Plan

process later in 2025, it is considered this would represent an unnecessary financial cost as well as requiring officers to respond to any inquiries the Inspectors raised before almost inevitably reaching a conclusion of unsoundness.

- 8.2 The proposed withdrawal of the Local Plan means the Council will not be able to adopt the Local Plan as hoped in 2025. This means the current development Plan for the area will remain the adopted Core Strategy and Site Allocation and Management of Development (SAMDev) Plan, adopted by the Council in 2011 and 2015 respectively, as well as a range of adopted Neighbourhood Development Plans. To mitigate this risk, the Council have set out a positive programme of work to commence work on a new Local Plan process under the Government's new plan making system in January 2026. In line with Government's expectations this process is expected to lead to an adopted Local Plan in 2028.

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

- 1) ID47 – Inspectors' findings following stage 2 hearing sessions Dec 24 (received by Council on 6th January 2025) - [id47-inspectors-findings-following-stage-2-hearing-sessions-dec-24-received-by-sc-060125.pdf](#)
- 2) Cabinet Paper 12th February 2025 – Local Plan and NPPF Position Statement- [Date](#)
- 3) GC 56 – Shropshire Council response to ID47 – February 2025 - [gc56-shropshire-council-response-to-id47.pdf](#)
- 4) GC57 – Shropshire response to ID48 – March 2025 - [gc57-shropshire-council-response-to-id48-march-2025.pdf](#)
- 5) Local Development Scheme (LDS) – February 2025 - [local-development-scheme-lds-february-2025.pdf](#)

Local Member: All

Appendices

Appendix 1 – Inspector Letter ID48 'Response to GC56 - February 2025