

# SHROPSHIRE LOCAL PLAN EXAMINATION

## Stage 1 Hearing Statement

<b>Representor unique Part A Ref</b>	<b>A0487</b>
<b>Matter</b>	<b>Matter 8 – Infrastructure &amp; Delivery, Monitoring &amp; Viability</b>
<b>Relevant Questions Nos.</b>	<b>15, 17 &amp; 19</b>

**SHROPSHIRE LOCAL PLAN EXAMINATION**  
**MATTER 8 – INFRASTRUCTURE & DELIVERY, MONITORING AND**  
**VIABILITY (POLICIES SP1, SP2 & SP14)**

**Inspector’s issues and questions in bold type.**

This Hearing Statement is made for and on behalf of the HBF, which should be read in conjunction with our representations to the pre submission Local Plan consultation dated 26 February 2021. This representation answers specific questions as set out in the Inspector’s Matters, Issues & Questions document (ID7) issued on 12 April 2022.

**Issue : Whether the approach to infrastructure delivery, implementation and monitoring is positively prepared, justified and consistent with national policy.**

**Questions - Viability**

**Q15. Why was the viability assessment not updated at the regulation 19 stage of the Local Plan preparation and where is the justification for this? Is the viability assessment up to date and does it justify the policies in the Local Plan?**

The Council should explain its reasons for not updating the Viability Assessment since 2020. In the HBF’s opinion, the Council’s Viability Assessment does not justify the policy requirements set out in the Local Plan.

**Q17. Has appropriate regard been had to the cumulative impacts on development of all existing and proposed local standards, supplementary planning documents and policies?**

The Viability Assessment does not give appropriate regard to the cumulative impacts on development of all existing and proposed mandatory requirements (including but not limited to Building Regulations Part S – EVCPs, Building Regulations Part L Interim Uplift – energy efficiency, Future Homes Standard, 10% BNG under 2021 Environment Act, Government proposals for a Building Safety Levy) and local standards (including but not limited to accessible & adaptable homes, on-site renewable & low carbon energy sources, water efficiency, NDSS and affordable housing set out in Local Plan Policies DP1, DP11, DP20 and DP3).

A detailed critic of the Council’s assumptions is set out in the HBF’s pre-submission representations, which are not repeated here. Without a robust approach to viability assessment, the Local Plan is unsound, land will be withheld from the market and housing delivery targets will not be achieved. There is a tipping point beyond which the land value cannot fall as the landowner will not be sufficiently incentivised to release their site for development. Most sites should be deliverable at planning application stage

without further viability assessment negotiations. Viability negotiations should occur occasionally rather than routinely. If the viability of sites is overstated, policy requirements will be set at unrealistic levels. Under such circumstances, trade-offs between policy requirements, affordable housing and infrastructure provision will be necessary and the Council will have to accept site specific viability assessments at development management stage.

**Q19. Does the viability assessment identify any issues with viability and if so, what are these? Are they likely to undermine the deliverability of the Local Plan? If so, how does the Council intend to address the issue?**

The Viability Assessment concludes that :-

- within the South area, it is recommended that the Council only includes larger and medium sized greenfield sites if there is a confirmation from the landowner or site promoters that a policy compliant scheme can be delivered. Alternatively, the Council could seek more smaller sites (below 50 units) and substitute these for the larger sites (paras 12.92 & 12.93) ;
- in the North area, the Council should be cautious about relying on development (para 12.97) ; and
- no firm conclusions are drawn about the strategic sites around Shrewsbury because the Council is still working up the assessment of the strategic infrastructure and mitigation requirements. It is recommended that that the Council continues to engage with developers / landowners (paras 12.78 – 12.80).

These conclusions are likely to undermine the delivery of the Local Plan.

To assess the extent of the potential for non-delivery of the Local Plan, the Council should undertake further viability assessment work, which should include addressing the HBF's concerns about assumptions and the cumulative impact on development. The Council should also confirm the proportion of housing land supply in the North and South Areas and on strategic sites.

If after undertaking further viability assessment work, the conclusions remain unchanged, the Harman Report outlines that it will be necessary for the Council to review its policy requirements giving priority to those that are deemed critical to development while reducing (or even removing) any requirements that are deemed discretionary. The Council may also have to consider whether allocating a larger quantity of land, or a different geographical and value mix of land, may improve the viability and deliverability of the Local Plan.