

ID 10

SHROPSHIRE LOCAL PLAN EXAMINATION

Representor unique Part A Ref *	A0614 – Redrow
Matter	8
Relevant questions nos	17 & 19

Stage 1 Hearing Statement

*Your unique reference can be found in the Schedule of Respondents (Schedule 3 of document SD014.01) at:

<https://shropshire.gov.uk/planning-policy/local-planning/local-plan-review/draft-shropshire-local-plan-2016-2038-examination/examination-library/earlier-regulation-18-plan-making-stages-of-consultation/regulation-19-pre-submission-draft-of-the-shropshire-local-plan-consultation/>

Shropshire Local Plan Examination

Matter 8 Hearing Statement on behalf of Redrow (ID: A0614)

Issue - Infrastructure and delivery, monitoring and viability (Policies SP1, SP2, SP14)

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

19. 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?

- 1.1 The Local Plan Delivery and Viability Study prepared on behalf of Shropshire Council concludes that with the inclusion of the proposed policy requirements set by policy DP1 (Residential Mix, Specialist Housing and Dwelling Standards), DP2 (Self-Build and Custom-Build Housing), DP3 (Affordable Housing Provision) and DP11 (Minimising Carbon Emissions) the viability of development across the county is very challenging.
- 1.2 Redrow are of the view that the benchmark land values set within the Delivery and Viability Study are extremely low, and in their experience, landowners' expectations are much higher at around £1,000,000/hectare net. Nevertheless, even at the low benchmark value adopted by the Study, the proposed affordable housing rate for the southern area is not justified by the evidence. Typology 1 (Green 250), Typology 2 (Green 120), Typology 3 (Green 80) and Typology 4 (Green 60) are all shown in table 10.22 on page 204 of the Viability Study to be unviable if affordable housing requirements are higher than 10%. At 15% or 20% affordable housing, the residual land values (RLV) of these typologies fall below the benchmark land value (BLV) of £425,000.
- 1.3 These four typologies appear to comprise 76% of the planned development in the south of the county. This assumption is based on Paragraph 10.72, which notes, *"...about 40% of the anticipated development in this area (is) to be on sites that are similar to Typology 1 (Green 250) and Typology 2 (Green 120)"*, and paragraph 10.73, which notes that, *"the medium sized sites that are similar to Typologies 3 (Green 80) and 4 (Green 60) make up about 36% of the anticipated development in the area. On these the Residual Value exceeds the BLV with 10% affordable housing but not 20% affordable housing"*.
- 1.4 The issues raised within the Delivery & Viability Study are therefore considered to be significant and likely to undermine delivery in the south of the county. Policies DP1, DP2, DP3 and DP11 fail the test of soundness through not being 'justified' or 'effective'.
- 1.5 One option for consideration to address the viability issues is reducing the affordable housing requirement in the south of the county to 10%, so as to match the northern area.

Contact

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