

# SHROPSHIRE LOCAL PLAN EXAMINATION

## Stage 1 Hearing Statement

<b>Representor unique Part A Ref *</b>	<b>A0455</b>
<b>Matter</b>	<b>8</b>
<b>Relevant questions nos</b>	<b>3, 6, 7, 16, 18, 19</b>

\*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 2016-2038 Hearing Statement

## Matter 8 – Infrastructure and delivery, monitoring and viability

### Land at Clive Barracks

Prepared by Fisher German LLP on behalf of The Defence Infrastructure Organisation

May 2022

## Project Title

Land at Clive Barracks, Tern Hill, Shropshire

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# 1. Introduction

- 1.1. This Hearing Statement has been prepared by Fisher German on behalf of the Defence Infrastructure Organisation (DIO) in respect of Ministry of Defence land at Clive Barracks, Tern Hill, as illustrated at Figure 1 below.
- 1.2. We understand from the Programme Officer that we have been considered as not eligible to appear at the Hearings in respect of Matter 8, notwithstanding the requests we made within our Regulation 19 representations for amendments to policies.

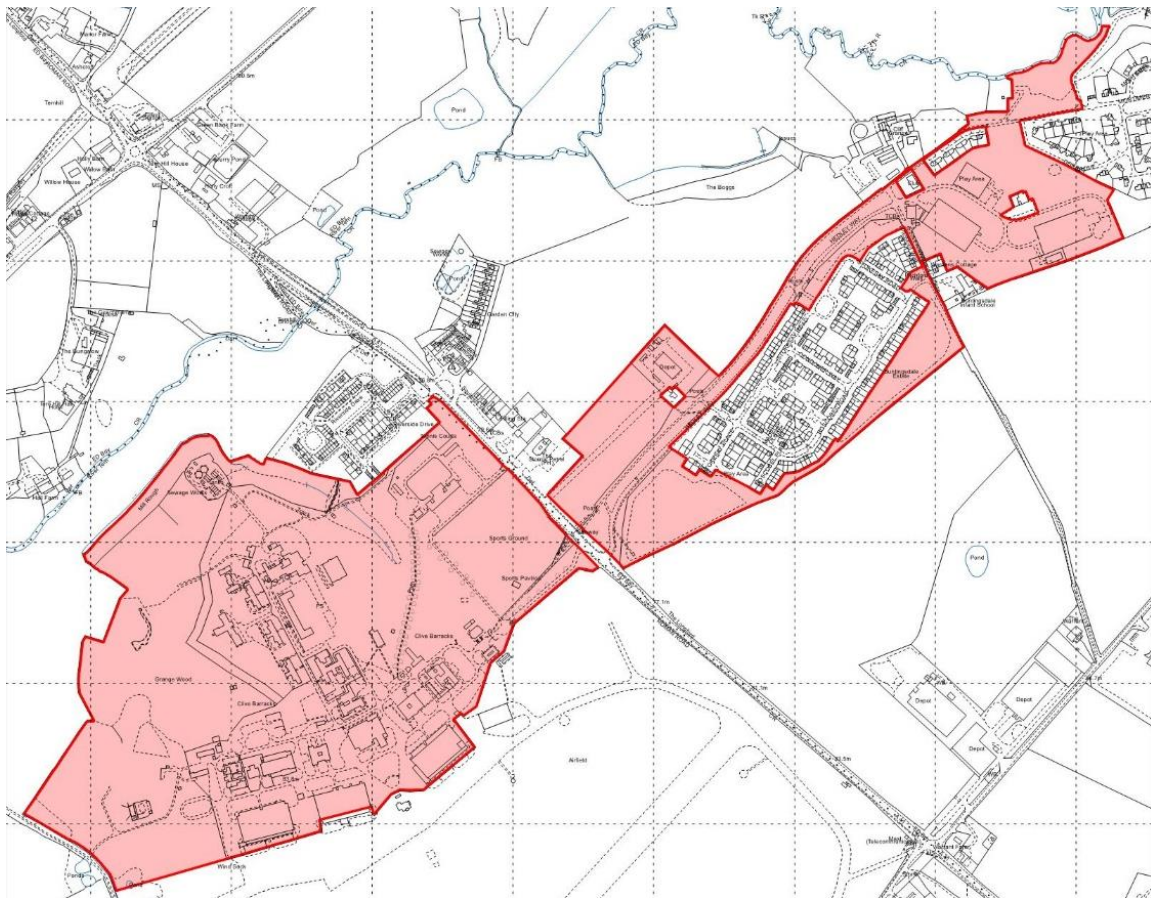


Figure 1: Land at Clive Barracks, Tern Hill

- 1.3. As the Inspectors are aware Clive Barracks is a proposed Strategic Settlement allocation within the emerging Local Plan under Policy S19.
- 1.4. The proposed allocation is supported, and the DIO remain fully committed to the delivery of housing and employment at Clive Barracks and recognise the role of the site in the delivery of this during the Local Plan Review plan period and beyond.

1.5. Having regard to the detailed site-specific information which has been prepared for the site, review of costs of development, including infrastructure delivery, DIO is confident that a well-designed, viable and deliverable site will be brought forward. However, as with any brownfield site the viability of Clive Barracks is challenging in a fully policy compliant setting. DIO have discussed this openly with the Council and made representations at Regulation 19 requesting amendments to policy to better reflect evidence relating to affordable housing delivery and to seek the Council's commitment to a review of CIL. It is requested that the Regulation 19 representations made by DIO are read alongside this statement.

## 2. Question 3

### Are the infrastructure requirements clearly set out in a policy/policies in the local plan? If not, should they be?

2.1. The infrastructure requirements as a result of the redevelopment of Clive Barracks for residential and employment uses are clearly set out within Policy S19 - Strategic Settlement: Clive Barracks, Tern Hill.

2.2. Policy S19 seeks the delivery of the following infrastructure requirements:

- Green Infrastructure
- 1 ha of land for a primary school
- Necessary improvements to site access
- Necessary improvements to the local and strategic road network including the A41/A53 Tern Hill roundabout
- Enhancement of the underpass under the A41 for pedestrians and cyclists

2.3. Having regard to the site-specific evidence which has been prepared (referred to in Statement of Common Ground (SoCG)) it is considered that the infrastructure requirements of policy S19 are fully justified.

2.4. The infrastructure requirements sought through Policy S19 also reflect the infrastructure requirements set out within Shropshire's Strategic Infrastructure Investment Plan 2022. The only requirement detailed within the Investment Plan, but not detailed in Policy S19 relates to the provision of sports playing pitches. It is not considered necessary for this to be included within Policy S19 as it is proposed the sports playing pitches which currently exist on site will be retained and made accessible for all (they are currently only used by defence personnel living on or visiting

site.) The retention of the pitches is reflected on the indicative masterplan contained in Appendix 2 of the SoCG. Public access to these pitches will address the shortfall in need identified by the investment plan.

- 2.5. It is noted that the Strategic Infrastructure Investment Plan 2022 makes reference to upgrades to drainage and Waste Water Treatment. These are known requirements associated with the delivery of the site and have been taken into consideration and costed in developing the proposals for the site. It is not considered necessary to include the requirement for these matters within the site-specific policy; they are standard matters which will need to be consulted on with the relevant parties and delivered in order to bring forward the site.
- 2.6. In respect of Policy DP3: Affordable Housing, the requirements are clearly set out within the policy. However, as set out within the DIO's representations to the Regulation 19 consultation, the policy fails to reflect the Council's own evidence on viability and affordable housing and fails to reflect National Planning Policy.
- 2.7. The Council's 2020 Local Plan Delivery and Viability Study, at paragraph 12.97, states:

*"Just under half of the planned development is in the lower value North area. Very little development is shown as viable, even without affordable housing. In spite of these results, based on this 'on the ground' experience there is a strong case to have a minimum requirement of 10% affordable housing. The Council should be cautious about relying on development from this area to deliver the housing requirement."*

- 2.8. DIO's representations to the Regulation 19 consultation challenged the evidence provided to support the 'on ground' claim commenting on the difference in nature of sites (small scale compared to larger strategic sites in the emerging Plan) and the historic nature of the examples and their unknown S106 and CIL requirements. It was requested that the amount of affordable housing be secured through sites in the north of the Authority should be revisited, with a lower percentage, reflecting the evidence base, taken forward in the Plan.
- 2.9. It is recognised that Part 2 of Policy DP3 provides for reduced rates of affordable housing if exceptional circumstances are evidenced. However, if 10% affordable provision is progressed in the northern zone, the evidence suggests that all sites in the north of the Authority will have to go through the process of evidencing exceptional circumstances to reduce the affordable housing provision. This is not considered a suitable or appropriate methodology, and could delay delivery,

particularly in the early years of the plan. Furthermore, it is misleading to members of the public and Councillors who will expect policy compliant delivery of affordable housing, but on most occasions will not see this delivered.

- 2.10. Strategic Brownfield sites, such as Clive Barracks are viable and deliverable, but at lower levels of affordable housing provision than their greenfield counterparts. Therefore, under the policy as proposed, it will automatically fall under Point 2 of Policy DP3, which recognises that sites of this nature require flexibility of approach in respect of viability. However, regarding Clive Barracks, we consider that this needs to be that the starting point for affordable housing provision, rather than a percentage requirement which is already evidenced as undeliverable.
- 2.11. The NPPF, at paragraph 64 states that *“To support the re-use of brownfield land, where vacant buildings are being reused or redeveloped, any affordable housing contribution due should be reduced by proportionate amount”*. Footnote 30 suggests this should be equivalent to the existing gross floor space of the existing buildings.
- 2.12. The policy wording requires amending to better reflect the evidence base and the nature of sites which are to be bought forward within the northern zone. Alternatively, the policy needs to omit strategic sites entirely from the Spatial Zones, to enable them to be considered separately and not in the same way as smaller, greenfield schemes.
- 2.13. Whilst not specifically setting out infrastructure requirements, Policy DP25: Infrastructure Provision details the mechanics of securing CIL funds and S106 contributions to infrastructure needs. In respect of CIL, the Council has previously indicated that CIL should be reviewed to ensure a more appropriate level of contribution is sought across the Authority, to reflect the new Local Plan, and exclude the Strategic Sites. There is however no recognition of this intention within the emerging Plan. To continue with CIL at the current rates, which challenges viability of many sites in the area, risks a delay to delivery as a result of a need to negotiate on S106 and affordable housing. It is considered critical that Policy DP27 is updated to reflect an immediate commitment to undertake and complete a detailed review of CIL within a defined period of time (suggested 2 years maximum) from adoption of the Plan to better reflect the Council’s own evidence base and remove risk of delay of delivery.



### 3. Question 6

Will the delivery of strategic infrastructure allow for the delivery of planned development in line with the submitted housing trajectory? If not, what will be the shortcomings and how will the Council address these matters?

- 3.1. The delivery of infrastructure, to enable the delivery of Clive Barracks, has been fully considered in progressing the development proposals for the site and in setting out the anticipated housing trajectory. As set out in response to Question 3, the infrastructure requirements of the site have been evidenced through the site-specific technical work which has been undertaken for the site. The housing trajectory for Clive Barracks has regard to the need to deliver this infrastructure to enable the development of the site and the costs associated with this (and timing of payments).
- 3.2. Initial discussions with Shropshire Council and other stakeholders, including the Clive Barracks Task Force Group (referred to in the SoCG), have already commenced in respect of the nature of the infrastructure required to support the delivery of the site, and how this could be phased.
- 3.3. As set out in the SoCG, the site has a programmed vacation date of 2029. DIO are committed to the delivery of the site, and as they have done since 2016, will use the time prior to vacation to continue to build on infrastructure delivery and phasing discussions, undertake detailed pre-application discussions, and prepare and submit an outline planning application. In doing so the infrastructure requirements detailed within the policy can be revisited to ensure that upon submission of a planning application, the most up to date infrastructure needs are provided for and appropriate phasing agreed.

### 4. Question 7

How will the provision of infrastructure be related in terms of timing/phasing to development proposals/areas?

- 4.1. As detailed in response to Question 6, the housing trajectory for Clive Barracks has regard to the timing and delivery of the provision of infrastructure necessary to deliver the development scheme.

## 5. Question 16

### Has the Council engaged with landowners, developers, and infrastructure and affordable housing providers to secure evidence on costs and values to inform viability assessment at the plan making stage?

- 5.1. As detailed previously, strategic brownfield sites, such as Clive Barracks are viable and deliverable, but at lower levels to their greenfield counterparts. It is in this context that DIO have engaged with the Council and shared information relating to the costs of delivering the scheme and associated infrastructure.
- 5.2. DIO also engaged in the consultation on the Draft Whole Plan Viability Assessment in Spring 2020. The focus of this engagement for DIO was consideration of the baseline calculation of the Benchmark Land Value (BLV) and the implications of CIL. In responding DIO commented as below:

#### Benchmark Land Value (BLV)

DIO recognised that one of the greatest areas of difficulty in viability work is in establishing the correct BLV; exacerbated by trying to do this on a 'whole plan' basis.

It was proposed that a more nuanced BLV which flexes depending on the site in question and adapts to changing abnormals / infrastructure / S106 costs would accord with Planning Practice Guidance to reflect site abnormals. The difficulty of an area wide assessment versus a site assessment through use of development typologies was recognised, but it was considered that a truer picture of BLV could be obtained through this approach.

DIO suggested that on the current methodology, both the EUV and development appraisal value of a site could be below the area-wide BLV. Concern was expressed as it suggested that the individual site variations cannot be accommodated within the methodology. The draft Viability Assessment suggested that over half of development types are unviable, with seven types being highly viable; again, pointing towards a more variable set of policy obligations and/or BLV being required. Furthermore, the draft Assessment demonstrated that the proposed policy obligations and BLV would ensure that there would not be a range of developments coming forward to meet housing needs in the area. Assuming the Council wish to see a range of development types coming forward, it was suggested that further consideration should be given to this. It was advised that the key risk with the Assessment was that the delivery of land is imperilled due to the assumptions made.

## CIL

It was understood that the Council was intending to undertake a review of the existing CIL regime, following the adoption of the Plan Review. This was alluded to in the presentation of the Viability Assessment at Shirehall, along with the challenges of ever-rising CIL rates and the current area charging system. Concern was raised that the Draft Whole Plan Viability Assessment remained largely silent on CIL.

DIO considered that the Assessment should include some commentary on the need for the CIL review from a viability perspective and a summary of the likely impacts of not reviewing CIL included too. The need to consider CIL is clearly set out as a requirement in the PPG.

- 5.3. DIO sought on a number of occasions to discuss their response, and the viability work undertaken for the site, with the consultants who had prepared the Whole Plan Viability Assessment; whilst a brief telephone discussion did take place, it appears the Whole Plan Viability was progressed without further update.
- 5.4. At a similar time to the consultation on the Draft Whole Plan Viability Assessment, Officers contacted DIO with some *"initial assumptions regarding S106 Planning Obligations and initial assumptions of costs"*. DIO responded challenging some of the contributions being sought as it was considered that they did not meet the tests as per paragraph 57 of the NPPF. DIO is satisfied that the infrastructure requirements detailed within proposed Policy S19 now do meet the tests and are justified.

## 6. Question 18

**Within Shropshire's Strategic Infrastructure and Investment Plan 2022 there are some projects which rely on developer contributions. Have these been taken into account in the viability assessment?**

- 6.1. As detailed throughout our responses to the questions raised under Matter 8, the site-specific infrastructure requirements associated with the delivery of the site and reflected in the Strategic Infrastructure and Investment Plan 2022, have been taken into account in DIO's development appraisals for the site. Whilst challenging, DIO is confident that a viable and deliverable scheme can be brought forward on site.

## 7. Question 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?

- 7.1. Please refer to our response to Question 16 and concerns raised in respect of the Benchmark Land Value methodology and lack of consideration of CIL.