

SHROPSHIRE LOCAL PLAN EXAMINATION

Stage 1 Hearing Statement

Representor unique Part A Ref *	A0522-Berwick Estate
Matter	Matter 8 - Legal / Procedural Requirements
Relevant questions nos	1, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 16, 19

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Matter 8 – Infrastructure, Monitoring and Viability

Infrastructure

Question 1 – What strategic infrastructure is necessary for the Local Plan (including saved sites) to be implemented? What is the likely cost? How will it be brought forward and funded?

- 1.1 Of particular concern is the Shrewsbury North West Relief Road (NWRR) as expressed via our Regulation 19 representations. The representations made highlight likely costs and the associated funding gaps that would result in the failed delivery of the NWRR. Our position and concerns remain. The Shropshire Strategic Infrastructure and Investment Plan 2022 (GC4t) confirms as follows:
- Estimated Cost: £87,100,000
 - Government Contribution (DfT, LLM): £54,400,000
 - Shropshire Council Local Match: £19,800,000
 - The Marches LEP contribution: £4,200,000
 - Shrewsbury West SUE developer contribution: £8,000,000
 - Community Infrastructure Levy contribution: £730,000
- 1.2 Since the Regulation 19 representations were made Shropshire Council submitted a series of amendments to the application for the NWRR, reducing the estimated cost from £87.1m to £80.1m resulting in a saving of £7m. The Strategic Investment and Infrastructure Plan 2022 has not been updated to reflect this.
- The concerns within the Regulation 19 submission relate primarily to:
 - The Marches LEP contribution
 - Shropshire Council Local Match funding
 - Shrewsbury West SUE developer contributions
 - Community Infrastructure Levy contribution.
 - Build cost inflation (now compounded by geo-political issues i.e., Ukraine)
- 1.3 There is no additional information or evidence provided within the Strategic Infrastructure and investment Pan 2022 as to funding or how the NWRR will be brought forward in accordance with the development plan. Until such time that funds have been ringfenced then no reliance can be placed upon the identified funding streams other than that provided by DfT LLM. The Local Plan as submitted remains ineffective and unsound due to the funding uncertainties associated with delivery of the NWRR.

Question 3 – Are the infrastructure requirements clearly set out in a policy/policies in the Local Plan? If not, should they be?

- 1.4 No. The only policy is DP25 which is generic, limiting new development where there is insufficient infrastructure capacity. It is imperative that infrastructure requirements are clearly set out in policy for reasons detailed by Satnam Choongh of No5 Chambers within his advice note appended to our Regulation 19 representations.

Question 4 – Shropshire’s Strategic Infrastructure and Investment Plan 2022 includes a number of projects that have funding gaps. Are these likely to affect the delivery of the Plan, including saved sites, and if so, how?

- 1.5 Further to our Regulation 19 representation we can confirm that the funding gaps within the Strategic Infrastructure and Investment Plan 2022 will have a negative effect upon the delivery of the Plan. The NWRR, for example, is one such project that has funding issues. Furthermore, the NWRR must be operational prior to the commencement of development in accordance with Policy SHR173. Development is also controlled by virtue of DP25: Infrastructure Provision and where infrastructure provision is deficient then development will not

be permitted. The uncertainty around funding and issues already associated with delivery of the Shrewsbury West SUE demonstrate that key strategic policies are at risk due to funding uncertainties.

Question 5 – Are there known sources of funding for development expected to be delivered in the first 5-7 years of the Local Plan? Are these all in the Councils latest Infrastructure Delivery Plan?

- 1.6 No known sources of funding have for development has been identified within the Infrastructure Delivery Plan for development that is expected to be delivered within the first 5-7 years of the Local Plan period. The funding gaps must be identified to understand how financial contributions will impact upon development viability and delivery.

Q. Will the delivery of strategic infrastructure allow for the delivery of planned development in line with the submitted housing trajectory (examination document GC4p)? If not, what will be the shortcomings and how will the Council address the matters?

- 1.7 No. The Shrewsbury West SUE has consent in-part however this is split into four phases, known as R1, R2, R3 and R4. The only phase to have secured consent is R1 and no further applications have been made across R2, R3 and R4. The trigger payments falling due 23/24 and 25/26 contribute towards the delivery of the NWRR which occur beyond the construction programme of the NWRR. Shrewsbury West is underperforming and will continue to underperform until such time as the subsequent phases have secured planning permission. The associated delays with Shrewsbury West will also prohibit SHR173 from being delivered, calling into question the housing trajectory given that this policy is reliant upon the key infrastructure being operational.
- 1.8 It is recommended that the Local Plan builds in some resilience. This resilience being achieved through the allocation of additional land at the Berwick Estate that is not reliant upon the NWRR and could also contribute towards the route given the funding gaps.

Question 7 – How will the provision of infrastructure be related in terms of timing/phasing to development proposals/areas?

- 1.9 As evidenced within the Regulation 19 representations, if the NWRR is not delivered in accordance with the OBC Programme then this will have severe implications upon the delivery of strategic policy. Policy SHR173 is wholly reliant upon the NWRR, and Scenario 3 of our representations demonstrate that the road will not be fully operational until Q1 2030. SHR173 will not deliver any housing until Q2 of 2035 with completion occurring Q3 2042, well beyond the plan period. There is complete disparity between the timescales for delivery, the NWRR and the funding for it.

Question 8 – Has the Council produced an Infrastructure Funding Statement as recommended in PPG (Paragraph: 059 Reference ID: 61-0059-20190315)? If not, please explain why.

- 1.10 No. The PPG is clear that...
- “Where plans are looking to plan for longer term growth through new settlements, or significant urban extensions to existing villages and towns, it is recognised that there may not be certainty and/or the funding secured for necessary strategic infrastructure at the time the plan is produced. In these circumstances the strategic policy-making authorities will be expected to demonstrate that there is a reasonable prospect that the proposals can be developed within the timescales envisaged” (emphasis added).*
- 1.11 The Infrastructure Funding Statement (IFS) published December 2021 does not demonstrate a reasonable prospect that the proposals within the Local Plan can be developed within the timescales envisaged. The LPAs IFS demonstrates an inconsistent and unrealistic approach to understanding the relationship between timescales for delivery of the NWRR and the funding for it. The delivery of the NWRR is reliant upon developer contributions which are inextricably linked to timescales within which developers are expected to bring forward and deliver sites.
- 1.12 The IFS (December 2019) does not itemise infrastructure projects and / or prioritise spend or how spend could be spent in the future. The IFS should be utilised and the intelligence from it used to inform sites and delivery so that infrastructure can be prioritised. The IFS does not detail how unallocated monies are to be directed (if at all) to Infrastructure Projects or prioritise spend against these projects.

- 1.13 An up-to-date IFS is required so that it can be determined whether or not there is reasonable prospect that proposals can be developed within timescales envisaged. However, we reiterate that there are inconsistencies in the LPAs submitted timescales, when examined alongside sources and timing of finances for the construction of the NWRR.

Question 9 – Are there effective mechanisms in place between the Council, other neighbouring authorities and infrastructure providers to co-ordinate the planning and provision of infrastructure?

- 1.14 There are no effective mechanisms in place between the neighbouring authorities and other infrastructure providers. The only commitment is between the Council and National Highways (NH) in relation to funding, NH developing its Road Investment Strategy (RIS3) covering the period from 2025 – 2030 of which £347m has been allocated towards future projects, the NWRR has been detailed as one of the projects for consideration. This is by no means guaranteed and cannot be considered an effective mechanism for the provision of infrastructure. The NWRR requires committed spend now if this is to be operational to facilitate housing delivery. All other DtC SoCG between other neighbouring LPAs include no effective mechanisms to co-ordinate the planning and provision of the NWRR.

Question 10 – How will other agencies and organisations be involved? What level of commitment / agreement is there?

- 1.15 There are no 'other' known agencies or organisations at this stage with a commitment or agreement in place regarding infrastructure.

Monitoring / Implementation

Question 11 – How will the implementation of the Local Plan be monitored in terms of its effectiveness and any unintended consequences?

- 1.16 Appendix 4 of the Local Plan details how the Local Plan policies will be delivered, and their effectiveness monitored. As drafted the Local Plan monitoring does not fulfil the requirements of the Localism Act 2011.
- 1.17 Local Plan monitoring must:
- Achieve the Local Plan objectives and deliver sustainable development
 - Deliver new homes and jobs
 - Not have any unintended consequences
- 1.18 To enable this the Local Plan must contain suitable targets and indicators that relate to the delivery of policies and sets out clearly how these are to be measured. The Local Plan (Appendix 4) does not do this, and the monitoring should therefore also determine action required, if necessary, to ensure that policies can be implemented, and if any amendments are needed to policies. The additional monitoring measures proposed will then ensure desired objectives are achieved.

Question 12 – Are the proposed monitoring indicators measurable?

- 1.19 No. The Local Plan fails to include monitoring targets against indicators, these should be included so that the indicators are measurable.

Question 13 – Should the Local Plan's monitoring framework include specific policy objectives, contextual indicators, monitoring targets and triggers for any future remedial actions including a development plan review and update?

- 1.20 Yes. The monitoring framework should include monitoring frequency against policy and key indicators, specify delivery partners, detail triggers and furthermore, action / contingencies should be specified if targets are not met.
- 1.21 For example, a target for the NWRR could be the delivery of this in accordance with programme and timescales presented by the Council, with this monitored annually, the trigger being no progress on delivery of infrastructure

in line with the identified timescales with an action being to review the local plan policies should this delay the delivery of large strategic housing sites.

Viability

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?

- 1.22 The viability study, July 2020 has assessed the seven strategic sites and confirms at paragraph 12.78 that although tested, the Council is still working up an assessment of strategic infrastructure and mitigation requirements. These requirements could have a significant impact upon residual values, reducing the return and potentially falling below contractual minimum price agreed between developers and landowners preventing a sale and delaying delivery. The report also qualifies that some of the infrastructure in the area of specific sites could be delivered through CIL so it is unlikely that the requirement would be for full levels of s106 contributions. The Shrewsbury West SUE has not been tested or assessed and it should be on the basis that this particular saved policy and its subsequent phases will be determined in accordance with the policies in the replacement Local Plan. The SUE is highly unlikely to achieve a positive Land Value given the design and climate requirements, this further calls into question the funding available to deliver the NWRR. The study must appraise the Shrewsbury West SUE as well as re-appraising the seven strategic sites given build cost inflation. The Shrewsbury West SUE developer contributions towards the NWRR are highly suspect and further call into question funding and deliverability of the NWRR which SHR173 relies upon. It is recommended that further resilience is built into the plan with the allocation of land at Berwick.