

# The Planning Bureau Limited

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01<sup>st</sup> June 2022

By email: [Programme.Officer@Shropshire.gov.uk](mailto:Programme.Officer@Shropshire.gov.uk)

Dear Sir/Madam,

## McCARTHY STONE RETIREMENT LIFESTYLES LIMITED AND CHURCHILL RETIREMENT LIVING HEARING STATEMENT TO SHROPSHIRE LOCAL PLAN 2016-2038

### MATTER 8 – INFRASTRUCTURE AND DELIVERY, MORNITORING AND VIABILITY

This supporting statement has been prepared on behalf of McCarthy Stone and Churchill Retirement Living, two independent and competing housebuilders specialising in housing for older people. Together, they are responsible for delivering approximately 90% of England's specialist owner-occupied retirement housing.

The affordable housing targets set out in *Policy DP3: Affordable Housing Provision* are informed by *The Local Plan Deliverability & Viability Study* (2020) undertaken by HDH Planning & Development (Examination Ref: EV115.01).

In reviewing EV115.01 we note that no viability appraisals were undertaken for specialist older persons' housing typologies – namely Sheltered Housing and Extra Care accommodation.

Justification for not testing the viability of specialist older persons' housing typologies is provided in paragraphs 4.78 of the Viability Study which simply advises:

4.78 *Shropshire has an aging population and does attract both sheltered and Extra Care developments however it is beyond the scope of this project to test this sector as they will be subject to a viability assessment at the point of a planning application.*

This is contrary to both best practice and the typology approach detailed in Paragraph: 004 (Reference ID: 10-004-20190509) of the PPG which states that. "A *typology approach* is a process plan-makers can follow to ensure that they are creating realistic, deliverable policies based on the type of sites that are likely to come forward for development over the plan period."

The respondents endeavour to provide representation to emerging Local Plans nationally and as such are well acquainted with the work of consultants who typically undertake such works. We would note therefore that not testing the viability of specialist older persons' housing typologies is now atypical, particularly of HDH Planning & Development who have undertaken testing of sheltered and extra care housing typologies as part of the evidence base for many Local Plans, including in the past year:

- Charnwood Borough Council
- Enfield Borough Local Plan
- Mole Valley Local Plan
- Portsmouth Local Plan

Indeed, it is the respondents experience that EV115.01 is the only Local Plan Viability Assessment which HDH Planning has undertaken which does not test specialist older persons' housing typologies. To this end we would like to bring the Examiner's attention to the Pre-Consultation Draft of *The Local Plan Deliverability & Viability*

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Study issued in February 2020. This document has not been submitted by the Council as part of the Examination Library however we have provided a copy for your reference.

The content of the Pre-Consultation Draft of EV115.01 refers to viability modelling of specialist older persons' typologies in paragraphs 4.77 (pg. 71), 9.18 (pg.126) 10.66 (pg. 141).

**To this end we respectfully question the omission of viability testing for specialist older persons' housing typologies in the final version of EV115.01.**

The NPPF and the PPG are clear that the role for viability assessment is primarily at the Plan making stage:

*Where up-to-date policies have set out the contributions expected from development, planning applications that comply with them should be assumed to be viable. It is up to the applicant to demonstrate whether particular circumstances justify the need for a viability assessment at the application stage. The weight to be given to a viability assessment is a matter for the decision maker, having regard to all the circumstances in the case, including whether the plan and the viability evidence underpinning it is up to date, and any change in site circumstances since the plan was brought into force (paragraph 58.)*

Council Members, Officers and the general public will assume that applications for sheltered or extra care housing will be able to support a policy compliant level of affordable housing. Burdening specialist forms of accommodation with an unrealistic affordable housing requirement on the presumption that viability will be considered on a site-specific basis, but not making this clear to either developers or Council Officers in the wording of the policy creates both uncertainty and a significant opportunity for conflict. It is also surprising as the Council has acknowledged viability constraints for older people's housing on recent actual schemes e.g. Bridgnorth (Churchill Retirement)

Indeed, rather than acknowledging that affordable housing contribution for older persons' housing typologies will be determined on a site-by-site basis, sub-clause 2) of Policy DP3 advises that:

- 2. The provision of reduced rates of affordable housing due to viability concerns on otherwise sustainable schemes will be considered in exceptional circumstances where evidence is clearly presented and agreed by the Council. In these circumstances an overage clause will be sought in order to secure the potential for future contributions towards affordable housing.*

This is an inappropriate method for setting policy and creates unrealistic expectations for Council Officers and Council Members. It is wholly contrary to Paragraph 58 of the NPPF. It is particularly concerning as the NPPF and the PPG both make it clear that the weight attributed to a viability assessment is to at the discretion of the decision maker.

Moreover Plans should set out the contributions expected from development. This should include setting out the levels and types of affordable housing provision required, along with other infrastructure (such as that needed for education, health, transport, flood and water management, green and digital infrastructure).

*These policy requirements should be informed by evidence of infrastructure and affordable housing need, and a proportionate assessment of viability that takes into account all relevant policies, and local and national standards, including the cost implications of the Community Infrastructure Levy (CIL) and section 106. **Policy requirements should be clear so that they can be accurately accounted for in the price paid for land.** To provide this certainty, affordable housing requirements should be expressed as a single figure rather than a range. **Different requirements may be set for different types or location of site or types of development.***

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Paragraph: 001 Reference ID: 10-001-20190509 (NPPG Viability)

By not testing the typology, no certainty is provided for developers of housing for older people in acquiring sites and undermining the delivery of these much needed forms of housing.

**To this end the Local Plan is considered unsound on the grounds the affordable housing targets are not justified, positively prepared or effective.**

In the event that Financial Viability Appraisals for specialist older persons' housing typologies are presented to the Examiners at Examination in Public, then the respondents are strongly of the view that these should be made publicly available for comment.

The PPG makes it clear that Local Plan process is a collaborative process stating that *'It is the responsibility of plan makers in collaboration with the local community, developers and other stakeholders, to create realistic, deliverable policies. Drafting of plan policies should be iterative and informed by engagement with developers, landowners, and infrastructure and affordable housing providers* (Paragraph: 002 Reference ID: 10-002-20190509).

To that end the respondents would like to formally state an interest in reviewing and commenting on any financial viability appraisals for specialist older persons' housing typologies if these are prepared during EIP.

Yours sincerely,

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