

Hearing Statement for the Shropshire Council Local Plan Examination

Matter 8 - Infrastructure and delivery, monitoring and viability (policies SP1, SP2, SP14)

Statement on Behalf of the Stanmore Consortium Ref: A0497

ID 10

SHROPSHIRE LOCAL PLAN EXAMINATION

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Matter	8
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Stage 1 Hearing Statement

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1. Introduction

- 1.1. This Hearing Statement is prepared by JLL and DTA on behalf of The Stanmore Consortium (“TSC”) (Apley Estate and Stanmore Properties) and should be read in conjunction with previous representations made on behalf of TSC at the Regulation 18 and 19 Stages.
- 1.2. In 2017 Shropshire Council approached TSC with a view to delivering proposals for a Garden Community for the future housing and employment needs of Bridgnorth on land owned by TSC.
- 1.3. In November 2018 the Shropshire Local Plan Review: Consultation on Preferred Sites was published with a masterplan mixed use garden settlement at Stanmore, initiated by the Council, as a Preferred Site. This followed extensive discussion between the Council and TSC, public consultation and provision of detailed information requested by the Council.
- 1.4. In April 2020 the Council abruptly changed its position on the Stanmore Garden Community proposal to an alternative on land west of Bridgnorth, not previously promoted nor consulted upon. This alternative was included in the Regulation 18 and 19 Stages of the Local Plan.
- 1.5. TSC have continued to promote Stanmore Garden Community as the best option for Bridgnorth and Shropshire.
- 1.6. This Hearing Statement focusses on those specific questions which are directly relevant to TSC’s position.

2. Matter 8 – Infrastructure and Delivery, Monitoring and Viability (Policies SP1, SP2, SP14)

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?

- 2.1. Shropshire’s Strategic Infrastructure Implementation Plan (SIIP 2022) supports the delivery of the Local Plan identifying the strategic infrastructure needs across the County. The SIIP identifies priority infrastructure which is required to unlock development.
- 2.2. The SIIP identifies priority infrastructure projects in the individual Place Plan Areas. The information provided is in most cases vague, incomplete, and inconsistent and has very limited information on the infrastructure required to deliver the allocations. The detail is very high level with very limited information on the requirements, deliverability, viability and funding sources
- 2.3. The SIIP identifies infrastructure requirements for site allocations for the development and growth to be delivered. Policy DP25 Infrastructure Provision states that “*new development should only take place where there is sufficient existing infrastructure capacity available. Where a new development would lead to a shortfall in infrastructure provision the development will be required to fund necessary improvements, through a developer contribution*”.
- 2.4. However for site specific infrastructure for the allocated sites there is no consideration or guarantee that the infrastructure specified can be delivered, e.g. in Bridgnorth, Site BRD030, sets out requirements for a significant cycle and pedestrian link over the A458, improvements to the A458 and Ludlow Roundabout, provision of a park and ride facility, and a new medical centre; none of these have been assessed as to whether they are physically capable of being implemented or whether, given the associated costs, are viable.

Question 2:

What are the likely impacts of the proposed scale and distribution of development on the various aspects of infrastructure? How have these been assessed?

- 2.5. There is no detailed impact assessment of the infrastructure required therefore it is considered that the Plan is not justified, effective or consistent with national planning policy and is therefore unsound.
- 2.6. The issues relating to strategic growth and its direction using Bridgnorth as an example have been considered by TSC advisors. Whilst the general terms of Policy SP2 are supported it considers a need within the Policy to have regard to the distribution of development within the Principle and Key Centres to focus on the communities to meet a greater proportion of their own needs, for places to be better orientated to people and for mobility to be planned, at a level where people can conveniently and generally walk and cycle. Reflective of recent Government Papers such as ‘Decarbonising Transport’ and ‘Gear Change – A Bold Vision for Cycling and Walking’ this emphasises a major shift from a transport mode-based approach on which historically a private car has perhaps been prioritised to a place-based approach which

prioritises people and activities. The approach taken by the Council in assessing the distribution of development fails to account for the integrated approach which is necessary to achieve a sustainable pattern of growth.

- 2.7. Taking Bridgnorth as an example, a simplistic approach has been employed by the Council, rooted in theoretical walk and cycle distances giving insufficient consideration to local topography and apparently ignorant of the spatial imbalance of employment and households across the town. Census data illustrates that cycling journeys to work for example across Bridgnorth have comprised less than 1% of all modes. This is not surprising given the challenging topography and the imbalance of employment areas (80% to the east) and residential areas (65% to the west) across the town. The Council have relied on ill-conceived report prepared by WSP (April 2021) due to an inadequate Brief, which failed to require purpose, methodology or measurement criteria against local or national transport policy. TSC advised the Council in February 2021 of the shortcomings of the Council Brief, and that if not corrected would lead to unsoundness in the Plan if the report were relied upon. This is precisely what has arisen. As a consequence, the currently envisaged development pattern actively exacerbates those existing spatial deficiencies and will thwart the policy objective to deliver a sustainable and appropriate scale and distribution of development.
- 2.8. These shortcomings demonstrate the need within Policies SP1, SP2 and SP14 to promote the strategic distribution of development within the Principle and Key Centres, to enable there to be a focus on the communities to meet a greater proportion of their own needs where people can conveniently and generally walk and cycle.

Question 3:

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

- 2.9. As a minimum the infrastructure implications of the Local Plan should be established particularly where this has a bearing on the deliverability of strategic development sites. There is limited information on the infrastructure required to deliver the proposals and allocations in the Local Plan and that is high level with limited detail on the requirements and potential funding sources.
- 2.10. The specific infrastructure identified for the allocated sites has had limited consideration, there is no guarantee that it can be delivered, e.g., in Bridgnorth Site BRD030 policy sets out the requirements for a significant cycle and pedestrian link over the A458, improvements to the A458 and Ludlow Roundabout, provision of a park and ride facility, and a new medical centre. It is considered that the details of the transport infrastructure requirements to support allocated sites is very limited and omits additional infrastructure improvements and associated land requirement necessary to provide safe and suitable access. For example, at Bridgnorth the provision of a park and ride facility has a bearing on the wider objects to adapt travel patterns within community but its function and viability is not defined. None of these infrastructure requirements have been assessed as to whether they are providing the appropriate solution; or whether they are technically or physically capable of being implemented or viable. In the case of the pedestrian link over the A458 major doubts have been

raised on the technical feasibility of the crossing and whether it is capable of being delivered on land in the control of the Council or the promoters.

Question 4:

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

- 2.11. We refer the response to Question 1 above which indicates a serious lack of detail in the SIIP which could undermine the delivery of the Plan.

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 Council’s latest Infrastructure Delivery Plan?

- 2.12. There is no robust evidence provided of sources of funding in the IDP for delivery of projects in the first 5-7years.
- 2.13. For example, in respect of water supply and wastewater treatment infrastructure required to deliver the development proposed in the Local Plan, Severn Trent Water have forecast a significant deficit in capacity, which could impact on the delivery of sites within the next 5-7 years.
- 2.14. In the case of Bridgnorth Western Power Distribution have reported extreme limits on electrical supply capacity and that these (and any other) developments will require major reinforcement of the primary supply network. This is not referenced in SC’s IDP.
- 2.15. In relation to social infrastructure, local transport improvements and digital improvements, these will be reliant upon on developer contributions, the viability of these improvements have not been tested and there is no guarantee that the can be delivered.

Question 6:

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 these matters?

- 2.16. There is no robust evidence or guarantee that the funding of the strategic infrastructure in the IDP for delivery of projects in the short term. There are concerns regarding water supply and wastewater treatment, highlighted by Severn Trent Water could affect the delivery of housing proposals.

Question 8:

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

- 2.17. There is no evidence that an IFS has been prepared. As required by the Community Infrastructure (Amendment) (England) Regulations 2019 the IFS should summarise developer contributions and how they will be spent. This is not part of the evidence base.

- 2.18. The Council's latest Annual Infrastructure Funding Statement 2020/2021, published in December 2021, does not accord with the PPG1 on the basis that it does not provide evidence of infrastructure requirements and does not set out the anticipated funding from developer's contributions, which should demonstrate the delivery of infrastructure through the planned period.
- 2.19. We also refer to our response to Question 1 above which highlights the lack of detail in the SIIP which further undermines the position in relation to the IFS.
- 2.20. Greater detail is required when assessing strategic sites, which require higher infrastructure investment. Whilst it is appreciated the cost and values are not known, it is vital to have a robust indication that the strategic sites including the Garden Villages are capable of being viably delivered. There is no evidence provided or indication of the minimal land value / price for the strategic sites to reflect market expectations at which landowners are to be persuaded to sell.

¹ [NPPG - Paragraph 059 - ID: 61-059-20190315](#)

Question 14:

Has the viability assessment been carried out following the advice in the PPG?

- 2.21. The Viability and Plan making PPG is clear that it is the responsibility of plan makers in collaboration with the local community, developers and other stakeholders, to create realistic, deliverable policies. The PPG requires that drafting of plan policies should be iterative and informed by engagement with developers, landowners, and infrastructure and affordable housing providers. It is considered that there is very limited historic evidence of meaningful consultation with stakeholders, therefore the viability assessment does not accord with the advice in the PPG².
- 2.22. The PPG requires that more detailed assessment may be necessary for particular areas or key sites. It is considered that the key employment sites have not been robustly considered. Given that the economic growth of the County is fundamental to the success of the Local Plan, it is surprising that so little emphasis is placed on specific employment sites³.
- 2.23. It is a requirement of PPG to consider the specific circumstances of strategic sites within a Local Plan. As the Viability Assessment is almost entirely focused upon residential development it is considered that it completely fails to have proper regard to strategic employment releases within the Local Plan which are critical to delivering the strategic employment priorities of the Local Plan. It therefore fails to meet the guidance in the PPG and is unsound.

Question 15:

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?

- 2.24. The failure to update the viability assessment at the Regulation 19 stage is a fundamental error and results in an inability for the Council to justify the Local Plan policies and site allocations within the County. As such, TSC considers that the plan is not justified, effective or consistent with national planning policy and therefore unsound.
- 2.25. This Viability Assessment seeks to address the residential and non-residential property needs of the County. Given that the economic growth of the County is fundamental to the success of the Local Plan, it is concerning that the Assessment was not updated.
- 2.26. The Local Plan Delivery and Viability paper is dated July 2020, circa 4 months after the start of a period of an immense economic turmoil caused by the outbreak of Covid 19. At this point in time no one could predict the impact of Covid with any certainty and how the residential and commercial property sectors would be impacted. It is therefore surprising that the Council has not updated the Assessment given its importance.
- 2.27. TSC have significant concerns about the robustness of the data used in the viability assessment, not only is the evidence almost 3 years old, but there are inconsistencies, for example with regard to the office market, the graph shows that in 2019 there was zero supply of available

²[NPPG - Paragraph 002 ID 10-002-20190509](#)

³[NPPG - Paragraph 003 ID 10-003-20180724](#)

accommodation in Shropshire. In respect of industrial and distribution sector, the Assessment shows some questionable results. In 2017 it suggests there is a vacancy rate of less than 1% - 2% across the County and in 2019 between 2% and 18% (over a 12-month period). Both sets of data are inaccurate and do not provide a sound basis on which to formulate a fundamental part of the Local plan.

- 2.28. Paragraph 4.44 of the Assessment sets out in Table 4.10 a summary of the strategic site price assumptions on a pounds per m² basis. It specifically shows Stanmore Garden Development and Tasley Garden Development as having the same pre and post consultation values of £3,200/m² and £3,000/m² respectively. However, these figures completely ignore the real effect of land value. At Tasley the developer has limited land optioned whilst at Stanmore the land has been owned for excess of 100 years by the current owner and proposed developer. Therefore, the true cost of the land at Stanmore is substantially less than that at Tasley. The figures are misleading. These figures can further be drawn into question as they ignore “mitigation” costs such as the impact on the financial viability resulting from the need to construct roundabouts and pedestrian bridges crossing major A roads.

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?

- 2.29. The Viability and Plan Making PPG makes it clear that it is the responsibility of plan makers in collaboration with the local community, developers and other stakeholders, to create realistic, deliverable policies. It is considered that there is very limited historic evidence of meaningful consultation with stakeholders, to inform the Viability Assessment; on this basis it fails to meet the advice in the PPG.
- 2.30. The Viability Assessment does not provide robust evidence of up-to- date consultation with landowners, developers and affordable housing providers. The Viability Assessment was based upon data and information captured in 2019, prior to the outbreak of Covid 19. The market conditions have clearly changed in this time.
- 2.31. In terms of the evidence to inform the Viability Assessment we have a number of concerns. In summary:
- The “Non-residential” section has reliance upon an Employment Land Review of November 2011. Information that was 9 years old and is clearly not appropriate as the basis of a Local Plan that runs through to 2038;
 - The Viability Assessment relies almost solely on data published by a data provider such as CoStar to formulate an important part of its economic strategy for the County. This is not considered a robust approach as it fails to account for a wide range of economic performance across such a large area as Shropshire.

Question 17:

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

- 2.32. There is no evidence within the Local Plan or evidence base, including the Sustainability Assessment, to demonstrate that the cumulative impacts on development have been taken into account.

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?

- 2.33. There is no evidence presented in the Viability Assessment to show how the projects which are identified as requiring developer contributions have been taken into account in the assessment.

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?

- 2.34. The failure to update the Viability Assessment at the Regulation 19 stage is fundamental to justify the Local Plan policies and site allocations within the County, which means that the plan is not justified, effective or consistent with national planning policy and therefore unsound. TSC also have serious concerns that the evidence provided in the Viability Assessment is not robust to support the deliverability of the Local Plan.
- 2.35. The Viability Assessment it is almost entirely focused upon the residential market requirements and the “non-residential” sector is almost secondary. The labelling of this document is indicative of its bias. Section 4 is headed Residential Market whereas Section 5 is headed Non-Residential Market, rather than the Commercial or Employment Sector.
- 2.36. Given that the economic growth of the County is fundamental to the success of the Local Plan, it is surprising that so little emphasis is placed on employment accommodation. Given its high-level nature it has the appearance of being an afterthought.
- 2.37. In paragraph 4.2a the Economic Growth Strategy for Shropshire (2017-2021) it is stated as identifying six existing sectors with potential for growth. These are identified as follows:
- Engineering;
 - Agri-food and Agri-tech;
 - Food and drink processing;
 - Health and social care;
 - Visitor economy (and heritage-based businesses);
 - Environmental science and technologies; and
 - Creative and digital industries.
- 2.38. In the section on non-residential market there is no reference made to these sectors.

- 2.39. In the Employment Topic Paper dated February 2022, it is stated at Paragraph 2.4 that the target growing, and under-represented sectors are;
- construction,
 - food and drink production,
 - Agri-tech processes,
 - advanced manufacturing and engineering production,
 - environmental sciences and technologies,
 - creative and digital enterprises,
 - business professional and financial services
 - and health and social care sectors.
- 2.40. Whilst there is some overlap in these lists, the two are distinctly different.
- 2.41. In paragraph 2.4 of the Employment Strategy Topic Paper there are five major employment and growth corridors identified:
- Eastern Belt – A54/A5, A41/A464 and A4169/A458/A454
 - A5 West Corridor
 - Central Shropshire
 - North East Shropshire and the A41 Corridor
 - A49 Corridor
- 2.42. These corridors are a fundamental Economic Growth Strategy for Shropshire and to the Local Plan objective to prioritise in strategic locations and growth zones, it is very surprising that none of these strategic corridors are referenced in the Viability Assessment
- 2.43. In the Viability Assessment in Section 5 “Non-Residential”, the only location mentioned is Shrewsbury. It ignores all other employment and commercial areas such as Oswestry and Bridgnorth, amongst others. However, in the residential section it is far more detailed and analyses the County by postcode and town locations in multiple different manners.
- 2.44. Given that employment is fundamental to the demand for residential accommodation, it is concerning that the Viability Assessment fails to adequately consider the non-residential. A fundamental of the residential policies is the development of strategic residential sites, including Garden Villages. By definition these include being located in immediate proximity to employment areas. Furthermore, the sustainability and environmental policies of the Council, together with their associated targets to reduce pollution require minimising the number of vehicle movements to and from employment locations. As a result, the residential and commercial developments are inextricably linked, yet this factor is completely ignored in the papers prepared by the Council in respect of this Local Plan.
- 2.45. The way in which the Viability Assessment deals with transport connectivity is not considered to be sound. Both road and rail are important to the economy of an area. Parts of the County are significantly better connected than other areas, providing economic advantage which can be easily understood by simply visiting the various areas of the County. Yet the Council through the Viability Assessment and in drafting the Local Plan have adopted a policy that is based on all areas being economically identical.





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