

# Shropshire Local Plan Examination

**Shropshire Council Response to:**

**ID40: Stage 2 Matters, Issues and  
Questions**

**Matter 27**



## **Matter 27 - General housing policies, including affordable housing (policies DP1, DP1A, DP2, DP3, DP4, DP5, DP6, DP7, DP8)**

***Issue: Whether the Plan has been positively prepared and whether it is justified, effective and consistent with national policy in relation to the approach towards the provision housing and affordable housing.***

### **Questions: Policy DP1 – Residential mix**

***Question 1.*** *Is the policy justified, effective and consistent with national planning policy?*

#### **Shropshire Council Response:**

- 1.1. A series of modifications are proposed to draft Policy DP1, as detailed in the schedule of proposed main modifications (GC4m).
- 1.2. Shropshire Council considers draft Policy DP1 is justified, effective and consistent with national planning policy.
- 1.3. The intention of this policy is to ensure an appropriate dwelling size mix is provided by new development, which is an important mechanism for achieving the housing needs of all groups in our communities. It is also key to supporting sustainable, inclusive and multi-generational communities.
- 1.4. As such, the Council considers the draft policy supports the achievement of the proposed vision, objectives and spatial strategy for Shropshire. It is also considered to align with national priorities.
- 1.5. The Council considers the requirements of this policy are justified, as they are responsive to and informed by the evidence base prepared to inform the draft Shropshire Local Plan.
- 1.6. In particular, these requirements are informed by Sustainability Appraisal (SD006.01-SD006.22) (SA); the Strategic Housing Market Assessment for Shropshire (EV097.01 and EV097.02) (SHMA); and the Local Plan Development Viability Study (EV115.01) (LPDVS). The Council would note that:
  - a. The SA (SD006.01) concludes this draft policy will have a significant positive effects on SA Objective 3 (provision of a sufficient amount of good quality housing) and no significant negative effects.
  - b. The SHMA (EV097.02) identifies the need for a mix of dwelling sizes, types and tenures in order to meet the housing needs of all groups in our communities.

- c. Analysis within the SHMA (EV097.02) indicates that a significant proportion of the new dwellings required during the Local Plan period will be 1, 2 and 3 bedrooms in size. Specifically, the SHMA indicates that around 32.7% of the dwellings needed will be 1 or 2 bedrooms in size and a further 43.5% will be 3 bedrooms in size. This demand for 1, 2 and 3 bedroom dwellings also reflects the view often expressed by local communities when discussing their local housing needs.
  - d. The SHMA (EV097.02) calculates that in Shropshire, households living in social rented accommodation (11%) are generally more likely to be overcrowded than households in other forms of accommodation (6% in private rented and 2% in owner-occupied).
  - e. Furthermore, the SHMA (EV097.02) concludes trends indicate overcrowding in social rented accommodation is increasing faster than in other forms of accommodation - between 2011 and 2018 overcrowded households increased by 103% in social rented properties, 84% in private rented properties and 49% in owner-occupied properties. Where households live in overcrowded properties, this adds pressure to and increases the importance of available floorspace.
  - f. The LPDVS (EV115.01) appropriately considered the requirements of this draft policy alongside other requirements with potential viability implications in the draft Shropshire Local Plan. It concludes these requirements are appropriate.
- 1.7. The draft policy has also been subject to and informed by Regulation 18 (Plan-Making) and Regulation 19 (Pre-Submission) consultations.
  - 1.8. The Council considers this policy is effective as it provides clear expectations regarding the mix of housing expected on development sites, ensuring a shared understanding of these expectations amongst communities, developers and decision makers. As such it is considered implementable and deliverable over the proposed plan period.
  - 1.9. The Council considers this policy is consistent with national policy, particularly paragraph 62 of the 2021 National Planning Policy Framework (NPPF), which states "*the size, type and tenure of housing needed for different groups in the community should be assessed and reflected in planning policies (including, but not limited to, those who require affordable housing, families with children, older people, students, people with disabilities, service families, travellers, people who rent their homes and people wishing to commission or build their own homes)*".

**Question 2.** *Is the policy flexible enough?*

**Shropshire Council Response:**

- 2.1. A series of modifications are proposed to draft Policy DP1, as detailed in the schedule of proposed main modifications (GC4m).
- 2.2. Shropshire Council considers draft Policy DP1 strikes an appropriate balance between providing appropriate levels of flexibility and creating certainty for communities, developers and decision makers. This balance allows for development proposals to respond to site specific factors and any changing circumstances, it also facilitates innovation.
- 2.3. In particular the Council would note that:
  - a. In paragraph 1, the draft policy expects development to provide *"a mix of dwelling sizes, types and tenures in order to meet the identified needs of local communities..."*. However, it provides flexibility in achieving this expectation, thereby facilitating innovation, allowing recognition of site specific factors, and providing the ability to respond to changing needs.
  - b. In paragraph 2, the draft policy details expectations for the dwelling size mix on sites of 5 or more dwellings. These expectations again provide suitable flexibility to respond to changing circumstances, site specific factors and facilitate innovation:
    - i. Firstly, the draft policy allows 'housing need' for an area to be established through either the 'Right Home Right Place' initiative or an equivalent survey endorsed by the Council.
    - ii. Secondly, the draft policy allows housing mix requirements to respond to either 'housing need' identified for the area through the 'Right Home Right Place' initiative or an equivalent survey endorsed by the Council; or evidence of 'housing need' within the Strategic Housing Market Assessment for Shropshire (EV097.01 and EV097.02) (SHMA).
    - iii. Thirdly, whilst the draft policy includes specific requirements for 1-3 bedroom dwellings on 50% of market housing, there is significant flexibility regarding the size of the remaining 50% of market housing and all affordable housing, with the expectation being that it includes a suitable mix and variety of dwelling sizes. This mix can therefore respond to such factors as site specific characteristics, local need and market demand.
  - c. In paragraph 3, the draft policy details expectations for achievement of nationally described space standards. These expectations are required for affordable housing but encouraged for market housing, reflecting available evidence and providing appropriate flexibility.

**Question 3.** *Is there sufficient evidence in relation to the viability of sites with this policy applied?*

**Shropshire Council Response:**

- 3.1. Yes. The requirements of draft Policy DP1 were appropriately considered within the Local Plan Development Viability Study (EV115.01) (LPDVS), alongside other local and national requirements that have the potential to impact on development viability.
- 3.2. Paragraph 8.8 of the LPDVS (EV115.01) confirms *"In line the policy objective set out above the modelling assumes at least 25% of units are 2 bed and at least 25% are three bed. This mix forms the base modelling."* This is expanded upon within paragraph 9.8 that states *"In arriving at appropriate assumptions for residential development on each site, the built forms used in the appraisals are appropriate to current development practices. In addition, the policy requirements, as set out in Chapter 7 above, in terms of density, mix and open space, are reflected in the modelling."*
- 3.3. Paragraph 8.6 of the LPDVS (EV115.01) confirms *"In this study the units are assumed to be in line with the NDSS or larger."* Paragraph 9.19 expands upon this, stating *"Through the February 2020 consultation it was questioned whether the densities could be achieved if NDSS are used. Generally, we would expect modern estate housing to come forward at about 3,200m<sup>2</sup>/ha to 3,500m<sup>2</sup>/ha. The modelling is within this range."*
- 3.4. To provide confidence in the deliverability and viability of the draft Shropshire Local Plan and development proposals in Shropshire; a Viability Assessment Briefing Note (GC49) has been prepared by the consultants that undertook the LPDVS (EV115.01). This concludes that ***"...the Council can continue to have confidence in the 2020 LPDVS and rely on it in the plan-making process."***

**Questions: Proposed new Policy DP1A - Housing Provision for Older People and those with Disabilities and Special Needs (see MMs33-35)**

**Question 1.** *Is the policy justified, effective and consistent with national planning policy?*

**Shropshire Council Response:**

- 1.1. This policy was drafted to positively respond to conclusions reached by the Inspectors in their Interim Findings (ID28). Specifically, within paragraph 40 of ID28 they concluded *"...there is clear evidence of a higher-than-average need for such accommodation in this particular instance, either the policy should include indicative*

*figures, or the Plan should contain a specific policy to deal with specialist housing.”*

- 1.2. Once prepared, it was subjected to a targeted 6-week consultation, open to all interested parties. Following this consultation, the Council has proposed modifications to this draft policy in order to positively respond to comments received. These are detailed in the schedule of proposed main modifications (GC4m).
- 1.3. Shropshire Council considers the new draft Policy is justified, effective and consistent with national planning policy.
- 1.4. This draft Policy establishes the Council’s approach to meeting the housing needs of older people and those with disabilities and special needs. Crucially, this approach aligns with the People’s Strategy – which includes the Council’s strategy for meeting the care and support needs of older people and those with disabilities and special needs in Shropshire. This strategy is underpinned by the principle of supporting people to remain independent within their own homes and within their existing communities and support networks for as long as possible.
- 1.5. To meet the housing needs of older people and those with disabilities and special needs, the draft policy includes various mechanisms to deliver accessible and adaptable housing and appropriate forms of specialist housing. It also seeks to ensure such provision is fully integrated into existing and new communities, thereby contributing to the creation of sustainable, inclusive and multi-generational communities.
- 1.6. The draft policy supports the achievement of the proposed vision, objectives and spatial strategy for Shropshire and is also considered to align with national policy and national priorities.
- 1.7. Shropshire Council considers the requirements of this policy are justified, as they are responsive to and informed by the evidence base prepared to inform the draft Shropshire Local Plan.
- 1.8. In particular, these requirements are informed by the additional Sustainability Appraisal (GC44) (SA); the Strategic Housing Market Assessment for Shropshire (EV097.01 and EV097.02) (SHMA); and the Local Plan Development Viability Study (EV115.01). The Council would note that:
  - a. The SA (GC44) concludes this draft policy will have a significant positive effects on SA Objective 3 (provision of a sufficient amount of good quality housing) and no significant negative effects.
  - b. The SHMA (EV097.02) considers the need for M4(2) accessible adaptable dwellings, and M4(3) wheelchair user dwellings in Shropshire. It estimates that over the period from 2016-2038, an

amount of households equivalent to 67% of total household growth will require M4(2) housing and an amount of households equivalent to 10% of total household growth will require M4(3) standard housing. This estimate is informed by consideration of:

- i. Forecast household growth over the period from 2016-2038.
  - ii. Forecast changes to household composition over the period from 2016-2038.
  - iii. Consideration of existing dwelling stock.
- c. The SHMA (EV097.02) also considers the need for specialist housing in Shropshire. It estimates there is a need for around an additional 6,023 units of specialist housing to maintain existing prevalence rates for specialist housing.
  - d. The LPDVS (EV115.01) appropriately considered the achievement of higher accessibility requirements required by this draft policy (which were previously proposed within draft Policy DP1) alongside other requirements with the potential for viability implications in the draft Shropshire Local Plan.
  - e. The LPDVS (EV115.01) concludes for specialist housing that *"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 approach is considered to be consistent with national guidance.
- 1.9. The Council considers this policy is effective as it provides clear expectations for the provision of accessible housing and specialist housing within development schemes, allowing a shared understanding of expectations amongst communities, developers and decision makers. It also clearly provides a range of other mechanisms to support the delivery of specialist housing in Shropshire. As such, it is implementable and deliverable over the proposed plan period.
- 1.10. The Council considers this policy is consistent with national policy, particularly paragraph 62 of the 2021 National Planning Policy Framework (NPPF), which states *"the size, type and tenure of housing needed for different groups in the community should be assessed and reflected in planning policies (including, but not limited to, those who require affordable housing, families with children, older people, students, people with disabilities, service families, travellers, people who rent their homes and people wishing to commission or build their own homes)"*.

**Question 2.** *Are the policy requirements clear?*

**Shropshire Council Response:**

- 2.1. Following consultation, the Council has proposed modifications to this draft policy. These are detailed in the schedule of proposed main modifications (GC4m).
- 2.2. Shropshire Council considers the draft policy is clearly written and unambiguous. It provides clear expectations for the provision of accessible housing and specialist housing within development schemes, allowing a shared understanding of expectations amongst communities, developers and decision makers. It also clearly provides a range of other mechanisms to support the delivery of specialist housing in Shropshire.

**Question 3.** *Is the policy flexible enough?*

**Shropshire Council Response:**

- 3.1. Shropshire Council considers the new draft Policy on meeting the housing needs of older people and those with disabilities and special needs strikes an appropriate balance between providing appropriate levels of flexibility and creating certainty for communities, developers and decision makers.
- 3.2. This balance allows for development proposals to respond to site specific factors, the needs of operators of specialist housing, changing needs amongst communities, and changing circumstances. It also specifically facilitates innovation. In particular the Council would note that:
  - a. Paragraph 1 establishes the approach to facilitating the achievement of the People's Strategy for Shropshire and meeting the housing needs of older people and those with disabilities and special needs, through "*...accessible and adaptable housing and appropriate forms of specialist housing...*". However, through the requirements of the wider policy, appropriate flexibility is provided on how this is achieved.
  - b. In paragraph 2, regarding requirements to provide M4(2) accessible and adaptable dwellings and M4(3) wheelchair user dwellings, the draft policy is clear requirements apply unless site-specific factors indicate step-free access cannot be achieved.
  - c. Paragraph 3 addresses all dwellings not required to achieve M4(2) or M4(3) standards (in paragraph 2) to achieve M4(2) standards or higher. However, it encourages rather than requires these dwellings to positively respond to the demographics of their market and to seek to achieve innovation – thereby providing flexibility.



- d. Whilst paragraph 4 requires all M4(3) properties to be dementia friendly, it is not prescriptive about how this is achieved. As such, it provides a clear expectation but allows flexibility for innovation.
- e. Paragraph 5 encourages rather than requires M4(2) properties to be dementia friendly. It therefore encourages innovation but provides flexibility.
- f. Paragraph 6 requires all specialist housing for older people to achieve M4(3) standards. Shropshire Council would expect achievement of this standard to constitute a default design requirement for any such housing, to ensure it meets the current/future needs of intended occupiers. The Council would be **very surprised** if this is not a minimum expectation for such housing, particularly as Government is proposing to require M4(2) accessible and adaptable standards as a minimum requirement for all dwellings.
- g. Paragraph 8 requires specialist housing to be integrated into existing and new communities, which is essential in order to ensure sustainable, inclusive and multi-generational communities. The Council recognises that some specialist housing may have specific security and operational requirements. However, it is considered these can be achieved whilst ensuring it integrates into the community and that the draft policy provides sufficient flexibility for this to occur.
- h. Paragraph 9 specifies that specialist housing should ideally have access to existing services and facilities, in order to support the independence of occupiers and integration into existing and new communities. However, the draft policy includes clear recognition that this may not always be achievable and as such allows for appropriate and proportionate on-site provision.
- i. Paragraph 10 encourages positive and proactive consideration of the ability to provide key worker housing as part of specialist housing schemes – recognising the link between the occupiers of specialist housing and the key workers that meet their care needs. However, it does not require such provision to occur, providing flexibility in circumstances where this is not appropriate or achievable.
- j. Paragraphs 11-13 specifically provide appropriate flexibility to facilitate specialist housing provision.
- k. Paragraphs 14-16 require the provision of specialist housing as part of larger development sites. However, the policy provides flexibility through a range of mechanisms, including:
  - i. Paragraph 7 recognises there are a variety of forms of specialist housing that can contribute to meeting the housing needs of older people and those with disabilities and special need, and the draft policy is not overly prescriptive about

which of these forms of specialist housing can constitute part of the required provision on larger sites. This provides flexibility to respond to site specific factors, the needs within the community, and the requirements of operators.

- ii. Paragraph 17 provides specific flexibility to provide reduced rates of specialist housing on otherwise sustainable schemes, where it is demonstrated through 'open book accounting' and agreed by the Council that specified requirements are creating viability concerns for otherwise sustainable schemes.
- iii. Paragraph 17 also provides specific flexibility to provide reduced rates of specialist housing, where it is demonstrated and agreed by the Council that either such provision is inappropriate on the site or there is no identified need for such provision in the area.
- iv. Paragraph 18 recognises where it is itself an affordable tenure, required specialist housing can also constitute the affordable housing contribution from a scheme. However, recognising that affordable housing need in Shropshire extends beyond specialist housing and similarly that specialist housing need extends beyond the affordable tenure, the policy includes appropriate mechanisms to control this interaction where necessary.
- v. Paragraph 19 provides specific flexibility to exceed settlement housing guidelines and/or appropriate site provision figures (for proposed allocations) where this is as a result of provision of specialist housing - provided the development still constitutes an appropriate form of development having regard to wider policies. This allows for appropriate increases to the density of development, thereby enhancing viability.
- i. Paragraph 20 seeks to ensure existing specialist housing is not lost to other uses, recognising the importance of this provision. However, it provides specific flexibility for such facilities to be converted to other forms of specialist housing.

**Question 4.** *Has the policy been viability tested to ensure it does not prevent development coming forward?*

**Shropshire Council Response:**

- 4.1. Yes. The requirements of draft Policy DP1 were appropriately considered within the Local Plan Development Viability Study (EV115.01) (LPDVS), alongside other requirements that have the potential to impact on development viability.
- 4.2. With regard to M4(2) accessible and adaptable dwellings and M4(3) wheelchair user dwellings within developments of 5 or more dwellings, Table 10.23 of the LPDVS (EV115.01) confirms that the

minimum policy requirements considered within the assessment included "70% Accessible and Adaptable Category 2" and "5% Accessible and Adaptable Category 3" – aligning with the expectations of this draft Policy. It concludes that these requirements, alongside other local and national requirements that have the potential to impact on development viability, are appropriate.

- 4.3. With regard to specialist housing for older people, at paragraph 4.78 the LPDVS (EV115.01) concludes "*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 approach is considered to be consistent with national guidance.
- 4.4. Shropshire Council considers specialist housing is a viable form of development. This is particularly the case as in circumstances where such housing constitutes Use Class C2, which is often the case for larger scale and more complex forms of specialist housing, it is subject to reduced developer contribution expectations in Shropshire. Specifically:
  - a. The CIL Charging Schedule for Shropshire specifies that "*Employment, commercial and retail development (use classes A1-A5 and B1-B8) Hotels, residential institutions, assembly & leisure (use classes C1, C2, D1, D2) Agricultural development Sui generis land uses*" are "Nil" rated in both "*Shrewsbury, the market towns and other key centres*" and the "*Rural – rest of Shropshire*" areas.
  - b. The Type and Affordability of Housing Supplementary Planning Document (SPD) for Shropshire specifies that "*All new open market housing is required by Core Strategy Policy CS11 to make appropriate contributions to the provision of local needs affordable housing. The following are exempt from the definition... Use Class C2 (Residential Institutions) developments...*"
- 4.5. The intention of the requirement for provision of specialist housing as a proportion of total development on larger sites within this draft Policy, is to ensure the resultant housing mix meets the needs of all groups in our communities and positively responds to the demographics of Shropshire; rather than seeking to cross-subsidise such provision.
- 4.6. However, to provide greater certainty that this requirement will not undermine development viability and will deliver appropriate forms of specialist housing that meet the needs of older people and those with special needs within our communities.

- 4.7. The draft Policy includes:
- a. Specific recognition that there are a variety of forms of specialist housing and allows for an appropriate mix as part of provision required. This flexibility means provision can respond to the needs within the community and any viability/deliverability constraints – the Council recognises viability can vary between the different forms of specialist housing and in different development contexts. Similarly the Council recognises the ‘minimum size’ for specialist housing schemes to be attractive to operators vary across the forms of specialist housing.
  - b. Specific recognition that where it is itself an affordable tenure, required specialist housing can also constitute the affordable housing contribution from a scheme. However, recognising that affordable housing need in Shropshire extends beyond specialist housing and similarly that specialist housing need extends beyond the affordable tenure, the policy includes appropriate mechanisms to control this interaction where necessary.
  - c. Specific flexibility to exceed settlement housing guidelines and/or appropriate site provision figures (for proposed allocations) where this is as a result of provision of specialist housing - provided the development still constitutes an appropriate form of development having regard to wider policies. This allows for appropriate increases to the density of development, thereby enhancing viability.
  - d. Specific flexibility to provide reduced rates of specialist housing on otherwise sustainable schemes, where it is demonstrated through ‘open book accounting’ and agreed by the Council that specified requirements are creating viability concerns for otherwise sustainable schemes.
  - e. Specific flexibility to provide reduced rates of specialist housing, where it is demonstrated and agreed by the Council that either such provision is inappropriate on the site or there is no identified need for such provision in the area.
- 4.8. It is also important to note that many forms of specialist housing represent high-density development and as such can achieve effective use of land, improved economies of scale and enhanced viability. Such housing also represents an additional outlet on the scheme, extending the sites ‘market’ and positively supporting deliverability and delivery timescales - aligning with Government aspirations.
- 4.9. With specific regard to the expectation all specialist housing for older people should achieve M4(3) wheelchair user standards, Shropshire Council would be **very surprised** if it were suggested this constitutes an additional cost for specialist housing designed for older people or those with disabilities and special needs.

- 4.10. The Council would expect achievement of this standard to constitute a default design requirement for any such housing, to ensure it meets the current/future needs of intended occupiers. Particularly as Government is proposing to require M4(2) accessible and adaptable standards as a minimum requirement for all dwellings.
- 4.11. It is also important to recognise that much of this form of housing benefits from economies of scale in achieving these design requirements. Finally, the Council would note this proposed requirement already formed part of the submission version of the draft Shropshire Local Plan.
- 4.12. With specific regard to the expectation that all M4(3) properties are dementia friendly, the Council maintains that achieving dementia friendly design within M4(3) wheelchair user dwellings constitutes a minimal cost - it is about ensuring that the needs of occupiers with dementia are considered from the outset, particularly with regard to matters such as layout, decor, lighting, flooring, furnishings, seating, signage, toilets, navigation, parking, and issues of noise and quiet spaces.
- 4.13. To provide confidence in the deliverability and viability of the draft Shropshire Local Plan and development proposals in Shropshire; a Viability Assessment Briefing Note (GC49) has been prepared by the consultants that undertook the LPDVS (EV115.01). This concludes that “...***the Council can continue to have confidence in the 2020 LPDVS and rely on it in the plan-making process.***”

## **Questions: Policy DP2 – Self-Build and Custom-Build Housing**

**Question 1.** *Is the policy justified, effective and consistent with national planning policy?*

### **Shropshire Council Response:**

- 1.1. Shropshire Council considers draft Policy DP2 is justified, effective and consistent with national planning policy.
- 1.2. The intention of this policy is to support the achievement of appropriately located individual and group Self-Build and Custom-Build dwellings.
- 1.3. Shropshire Council as one of the Self-Build Vanguard Authorities, recognises the role that such housing can play in meeting the housing needs of groups within our communities. It also recognises that the needs of self-builders and custom-builders are diverse.
- 1.4. As such, the draft policy supports appropriately located self-build and custom-build housing which is consistent with the wider policies of the draft Shropshire Local Plan; and also encourages 10% of

dwellings on larger development sites to consist of self-build and custom-build plots, particularly where there is an identified need/demand on the Self-Build Register for Shropshire. In this way it is considered that this draft policy will support the achievement of the housing needs of groups in our communities.

- 1.5. As such, the Council considers the draft policy supports the achievement of the proposed vision, objectives and spatial strategy for Shropshire. It is also considered to align with national priorities.
- 1.6. The Council considers the requirements of this policy are justified, as they are responsive to and informed by the evidence base prepared to inform the draft Shropshire Local Plan.
- 1.7. In particular, these requirements are informed by Sustainability Appraisal (SD006.01-SD006.22) (SA) and the Strategic Housing Market Assessment for Shropshire (EV097.01 and EV097.02) (SHMA). The Council would note that:
  - a. The SA (SD006.01) concludes this draft policy will have a significant positive effects on SA Objective 3 (provision of a sufficient amount of good quality housing) and no significant negative effects.
  - b. The SHMA (EV097.02) includes a forecast of the future need/demand for self-build and custom-build housing. It concludes that over the Local Plan period from 2016 to 2038, around 2,400 applications will be made for inclusion on the Self-Build Register.
  - c. The SHMA (EV097.02) also includes a forecast of the likely future supply of self-build and custom-build housing. It concludes over the Local Plan period from 2016 to 2038, around 3,200 self-build or custom-build dwellings will be granted planning permission.
  - d. The SHMA (EV097.02) then considered forecasts of future need/demand for and supply of self-build and custom-build housing and concluded "*if the total forecast demand identified for self-build and custom-build housing is compared with the total forecast supply, it is apparent that there is sufficient supply to meet demand over the period from 2016-2038.*"
- 1.8. The draft policy has also been subject to and informed by Regulation 18 (Plan-Making) and Regulation 19 (Pre-Submission) consultations.
- 1.9. The Council considers this policy is effective as it positively responds to the evidence of need for self-build and custom-build housing. Providing clear support for such housing in circumstances where it is compliant with the wider policies of the draft Shropshire Local Plan; and encouraging consideration of provision of self-build and custom-build plots as part of larger development schemes. It also provides clear expectations for management of self-build plots within larger

development schemes. As such it is considered implementable and deliverable over the proposed plan period.

- 1.10. The Council considers this policy is consistent with national policy, particularly footnote 28 of paragraph 62 of the 2021 National Planning Policy Framework (NPPF), which states "*local authorities are required to keep a register of those seeking to acquire serviced plots in the area for their own self-build and custom house building...*" and should "*have regard to this and to give enough suitable development permissions to meet the identified demand.*"

**Question 2.** *Is the timescale for marketing of plots justified?*

**Shropshire Council Response:**

- 2.1. Shropshire Council considers that the proposed requirements for marketing of self-build plots are appropriate.
- 2.2. The intention is to ensure that where self-build or custom-build plots are provided as part of larger development sites, that sufficient time is available for a self-builder or custom-builder to 'take-up' the plot. If a self-builder or custom-builder does not emerge within these timescales then it is reasonable for these plots to be used for other forms of housing.

**Question 3.** *Does the policy or explanation need to be clearer about what a developer needs to do if they have marketed the plots without success before they can sell them as market homes?*

**Shropshire Council Response:**

- 3.1. Shropshire Council could see the benefit of including additional text in the explanation of the policy that addresses 'next-steps' if marketing of a self-build plot is unsuccessful.
- 3.2. The Council would suggest: "*In the limited circumstances where marketing consistent with paragraph 2d of this policy has occurred and one or more plots have not been successfully sold, a variation application can be submitted to vary the plot type(s) to general housing.*"

**Question 4.** *The policy 'encourages' the provision of serviced plots for self-build and custom build developers. Is the policy worded strongly enough? Should it 'require' rather than 'encourage'?*

**Shropshire Council Response:**

- 4.1. Shropshire Council considers that the wording of the policy is appropriate as it is informed by and positively responds to the

conclusions of the evidence that informs the draft Shropshire Local Plan. Specifically:

- a. The SHMA (EV097.02) includes a forecast of the future need/demand for self-build and custom-build housing. It concludes that over the Local Plan period from 2016 to 2038, around 2,400 applications will be made for inclusion on the Self-Build Register.
  - b. The SHMA (EV097.02) also includes a forecast of the likely future supply of self-build and custom-build housing. It concludes over the Local Plan period from 2016 to 2038, around 3,200 self-build or custom-build dwellings will be granted planning permission.
  - c. The SHMA (EV097.02) then considered forecasts of future need/demand for and supply of self-build and custom-build housing and concluded *"if the total forecast demand identified for self-build and custom-build housing is compared with the total forecast supply, it is apparent that there is sufficient supply to meet demand over the period from 2016-2038."*
- 4.2. However, whilst the evidence base concludes that sufficient supply is forecast to emerge to meet forecast need/demand; the Council recognises that the needs of self-builders and custom-builders are diverse. As such, the encouragement of provision of plots on larger development sites provides an opportunity to complement and diversify the supply forecast to emerge.

**Question 5.** *Will the implementation of this policy adversely affect delivery of sites?*

**Shropshire Council Response:**

- 5.1. No. Shropshire Council does not consider that this policy will adversely affect delivery of sites.
- 5.2. Shropshire Council considers self-build and custom-build housing is a viable form of development, particularly as it can benefit from reduced developer contribution expectations in Shropshire.
- 5.3. With specific regard to the provision of self-build and custom-build housing as part of larger development sites, the intention of this policy is not to cross-subsidise such housing, rather it is to secure additional appropriate plots for their provision and help to diversify the resultant housing mix. Furthermore, self-build or custom-build plots on a larger development sites provide an opportunity to extend a development sites target market, which can both facilitate and speed-up delivery.



- 5.4. Importantly, as recognised in Question 4 regarding draft Policy SP2, the policy only encourages rather than requires provision of self-build plots on larger development sites.

### **Questions: Policy DP3 – Affordable Housing Provision**

**Question 1.** *Is the policy justified, effective and consistent with national planning policy, including the 2021 Framework (Paragraph 4.53 of the explanation to the policy refers to the 2019 Framework)?*

#### **Shropshire Council Response:**

- 1.1. Shropshire Council considers draft Policy DP3 is justified, effective and consistent with national planning policy.
- 1.2. With specific regard to paragraph 4.53 of the explanation to the draft policy, which references types of affordable housing in the National Planning Policy Framework (NPPF), reference to the 2019 iteration of the NPPF constitutes a typographical error and an additional modification is proposed within GC4I to address this.
- 1.3. Crucially, the affordable housing definitions in the appendix of the 2019 and 2021 iterations of the NPPF are consistent and the Council can confirm that draft Policy DP3 is in accordance with the 2021 NPPF definition.
- 1.4. The intention of this draft policy is to ensure an appropriate mix of (size and tenure) of affordable housing is provided within new residential developments. This is an important mechanism for achieving the housing needs of all groups in our communities. It is also key to achieving sustainable and inclusive communities.
- 1.5. As such, the Council considers the draft policy supports the achievement of the proposed vision, objectives and spatial strategy for Shropshire. It is also considered to align with national priorities.
- 1.6. The Council considers the requirements of this policy are justified, as they are responsive to and informed by the evidence base prepared to inform the draft Shropshire Local Plan.
- 1.7. In particular, these requirements are informed by the Sustainability Appraisal (SD006.01-SD006.22) (SA); Strategic Housing Market Assessment for Shropshire (EV097.01 and EV097.02) (SHMA); and the Local Plan Development Viability Study EV115.01). The Council would note that:
  - a. The SA (SD006.01) concludes this draft policy will have a significant positive effects on SA Objective 3 (provision of a sufficient amount of good quality housing) and no significant negative effects.

- b. The SHMA (EV097.02) identifies the need for a mix of dwelling sizes, types and tenures in order to meet the housing needs of all groups in our communities.
  - c. Analysis within the SHMA (EV097.02) in Table 28 concludes 37.9% of households in Shropshire could not afford a lower quartile market rent and 61.1% could not afford to purchase a property on sale at the lower quartile house price in Shropshire. So, a need exists to provide both affordable / social rent and low-cost home ownership is a priority.
  - d. The SHMA (EV097.02) within Chapter 4 specifically assessed affordable housing need (although it is important to note that the definition of need in this assessment is distinct from that in the standard methodology for assessing wider housing need). It concluded some 17,574 households will require an affordable dwelling between 2016 and 2038, which equates to 799 affordable dwellings per annum. This evidence demonstrates it is imperative that policies in the draft Shropshire Local Plan seek to maximise affordable home provision.
  - e. Furthermore, Table 36 of the SHMA (EV097.02) identifies that the majority of identified affordable housing need is for rented accommodation, with 85% of the households on the HomePoint Register requiring affordable rent. As such, draft Policy DP3 prioritises the affordable rent tenure, whilst also allowing for low-cost home ownership, recognising that need for such properties also exists.
  - f. The LPDVS (EV115.01) appropriately considered the requirements of this draft policy alongside other requirements with potential viability implications in the draft Shropshire Local Plan. It concludes these requirements are appropriate.
- 1.8. The draft policy has also been subject to and informed by Regulation 18 (Plan-Making) and Regulation 19 (Pre-Submission) consultations.
- 1.9. The Council considers this policy is effective as it provides clear expectations regarding the total number of affordable dwellings required as part of residential development schemes. It also provides clear expectations regarding the size, tenure, design and location of the affordable housing within these residential development sites. This ensures a shared understanding of these expectations amongst communities, developers and decision makers. As such it is considered implementable and deliverable over the proposed plan period.
- 1.10. The Council considers this policy is consistent with national policy, particularly paragraphs 62 - 64 of the 2021 National Planning Policy Framework (NPPF) as it support the provision of housing needed for different groups in the community.

- 1.11. *Paragraph 62 states "the size, type and tenure of housing needed for different groups in the community should be assessed and reflected in planning policies (including, but not limited to, those who require **affordable housing**, families with children, older people, students, people with disabilities, service families, travellers, people who rent their homes and people wishing to commission or build their own homes)" (our emphasis).*
- 1.12. Draft Policy DP3 responds to evidence of the need for affordable housing in order to support the housing needs of groups within the Shropshire community.
- 1.13. *Paragraph 63 states "Where a need for affordable housing is identified, planning policies should specify the type of affordable housing required, and expect it to be met on-site unless: a) off-site provision or an appropriate financial contribution in lieu can be robustly justified; and b) the agreed approach contributes to the objective of creating mixed and balanced communities."*
- 1.14. Draft Policy DP3 expects that affordable dwellings provided as part of a wider residential development are located 'on site' (apart from the fraction of a dwelling which will be a financial contribution) apart from in exceptional circumstances.
- 1.15. *Paragraph 65 states that on all major developments "10% of the total number of homes to be available for affordable home ownership, unless this would exceed the level of affordable housing required in the area, or significantly prejudice the ability to meet the identified affordable housing needs of specific groups."*
- 1.16. The Council recognises that in Shropshire there is significant need for affordable rent properties in order to meet the needs of groups in our communities (Table 36 of the SHMA (EV097.02)). The Council also recognises that to ensure the viability of development proposed affordable housing rates equate to 10% in the north and 20% in the south, which would mean that only a very limited number of affordable rent properties would be achieved, and none in the north, if 10% of the total number of homes were for affordable home ownership.
- 1.17. As such, consistent with paragraph 65, in order to ensure that the ability to meet the needs of specific groups in Shropshire are not prejudiced, draft Policy DP3 proposes a mix of affordable housing tenures weighted towards affordable rent.

**Question 2.** *Is the requirement set out in DP3 1a appropriate and justified?*

**Shropshire Council Response:**

- 2.1. Shropshire Council considers that paragraph 1a of draft Policy DP3 is appropriate and justified.
- 2.2. The evidence base prepared to inform the draft Shropshire Local Plan identifies a significant need for affordable housing amongst the groups in our communities.
- 2.3. Specifically the Strategic Housing Market Assessment (EV097.01 and EV097.02) assessed affordable housing need, concluding some 17,574 households will require an affordable dwelling between 2016 and 2038, which equates to 799 affordable dwellings per annum.
- 2.4. It is important to note that the definition of 'need' applied in this calculation of affordable housing need is different to the definition of 'need' applied within the calculation of Local Housing Need using Government's standard method. However, this evidence does demonstrate that it is imperative that policies in the draft Shropshire Local Plan seek to maximise affordable home provision.
- 2.5. Furthermore, the evidence base prepared to inform the draft Shropshire Local Plan includes specific consideration of the ability for residential to support affordable housing provision – viability and deliverability.
- 2.6. Specifically, the Local Plan Development Viability Study (LPDVS) (EV115.01) undertook scenario testing to identify the capacity of residential development to bear proposed policy requirements – including affordable housing.
- 2.7. This testing informed the recommendations of the LPDVS that there should be 2 affordable housing zones (split North and South), with a 10% affordable housing requirement in the north and a 20% affordable housing rate in the south.
- 2.8. Shropshire Council gave careful consideration to these recommendations alongside our past experience of viable developments in Shropshire and concluded that these rates were appropriate. As such, they are reflected within paragraph 1a of draft Policy DP3.
- 2.9. With regard to site size thresholds upon which affordable housing contributions will be required, paragraph 1a of draft Policy DP3 is responsive to paragraph 64 of the 2021 National Planning Policy Framework (NPPF) which states "*Provision of affordable housing should not be sought for residential developments that are not major developments, other than in designated rural areas (where policies may set out a lower threshold of 5 units or fewer).*"

- 2.10. As such, paragraph 1a of draft Policy DP3 proposes to:
- a. Utilise the threshold for major developments (10 or more homes or a site size of 0.5ha) in non-designated rural areas.
  - b. Recognising that Shropshire is a very rural county and that much of the residential development in rural areas is smaller scale, utilise a lower threshold (5 or more homes or a site size of 0.5ha) in designated rural areas – which includes all parishes within the Shropshire Hills National Landscape and those designated on 19<sup>th</sup> May 2016 within the Housing (Right to Buy) (Designated Rural Areas and designated regions) (England) Order 2016/587.

**Question 3.** *Should reference be made to 'First Homes' in accordance with PPG?*

**Shropshire Council Response:**

- 3.1. Shropshire Council does not consider that it is necessary or appropriate to include reference to First Homes within the draft Policy DP3 or the Shropshire Local Plan.
- 3.2. The Written Ministerial Statement (Support for Small Scale Developers, Custom and Self-Builders – 28<sup>th</sup> November 2014) (WMS) and National Planning Practice Guidance (NPPG) on First Homes (ID70) establish how First Homes will be dealt with during both Plan-Making and Decision-Making.
- 3.3. These documents include specific transitional arrangements stipulating circumstances within which Local Plans and Neighbourhood Plan will not be required to include First Homes policy requirements.
- 3.4. The specific circumstances detailed within these transitional arrangements include where Local Plans or Neighbourhood Plans have reached publication stage by 28<sup>th</sup> June 2021 and are subsequently submitted for examination by 28<sup>th</sup> December 2021.
- 3.5. With specific regard to the draft Shropshire Local Plan:
  - a. Shropshire Council commenced the Regulation 19 Pre-Submission Consultation (Publication Stage) on the 18th of December 2020.
  - b. Full Council determined to submit the draft Shropshire Local Plan for examination on the 15th of July 2021.
  - c. The draft Shropshire Local Plan was submitted to the secretary of state for examination on 3rd September 2021.

- 3.6. As such, the draft Shropshire Local Plan is subject to the transitional arrangements detailed within the WMS and ID70 and there is no necessity to include First Homes policy requirements.
- 3.7. As also set out in the WMS and ID70, where Local Plans or Neighbourhood Plans are adopted under these transitional arrangements, the First Homes requirements will also not need to be applied when considering Planning Applications in the plan area, until such time as the requirements are introduced through a subsequent update of the Local Plan or Neighbourhood Plan.

**Question 4.** *Is DP3 1j necessary?*

**Shropshire Council Response:**

- 4.1. Shropshire Council considers that paragraph 1j of draft Policy DP3 is both necessary and critical in order to ensure that affordable housing provided best meets the needs of all groups in our communities. This is particularly important given the significant need for affordable housing identified in Shropshire.
- 4.2. By ensuring that all affordable homes provided on site are let and managed in accordance with Shropshire Council's Allocation Policy, the Council can ensure that priority is given to those in our communities most in need, thereby ensuring the Council achieves the maximum benefit from each completed home.

**Questions: Policy DP4 – Affordable Housing Exception Schemes (see MM038)**

**Question 1.** *Is the policy justified, effective and consistent with national planning policy?*

**Shropshire Council Response:**

- 1.1. Shropshire Council considers draft Policy DP4 is justified, effective and consistent with national planning policy.
- 1.2. The intention of this policy is to support the delivery of affordable housing exception sites, a key mechanism for the delivery of affordable housing – particularly in rural areas.
- 1.3. As such, it is an important mechanism for achieving the housing needs of all groups in our communities and is also key to supporting sustainable and inclusive communities.
- 1.4. The Council also considers the draft policy supports the achievement of the proposed vision, objectives and spatial strategy for Shropshire. It is also considered to align with national priorities.

- 1.5. A similar policy exists in the adopted Development Plan for Shropshire and has been operated successfully for a number of years. Indeed, in 2023/24, the Council was one of the best performing Local Planning Authorities in the Country for delivery of affordable housing on rural exception sites.
- 1.6. The Council considers the requirements of this policy are justified, as they are responsive to and informed by the evidence base prepared to inform the draft Shropshire Local Plan.
- 1.7. In particular these requirements are informed by Sustainability Appraisal (SD006.01-SD006.22) (SA) and the Strategic Housing Market Assessment for Shropshire (EV097.01 and EV097.02) (SHMA). The Council would note that:
  - a. The SA (SD006.01) concludes this draft policy will have a significant positive effects on SA Objective 3 (provision of a sufficient amount of good quality housing) and no significant negative effects.
  - b. The SHMA (EV097.02) within Chapter 4 assessed affordable housing need (although it is important to note that the definition of need in this assessment is distinct from that in the standard methodology for assessing wider housing need). It concluded some 17,574 households will require an affordable dwelling between 2016 and 2038, which equates to 799 affordable dwellings per annum. This evidence demonstrates it is imperative that policies in the draft Shropshire Local Plan seek to maximise affordable home provision.
  - c. The SHMA (EV097.01) highlights within paragraph 3.4 that due to the characteristics of the County, a significant proportion of the population of live in rural areas (35%). It also highlights the very low population-densities of much of Shropshire in Figure 12.
  - d. The SHMA (EV097.01) Figure 59 identifies that market home ownership is higher in rural parts than urban parts of Shropshire and conversely that affordable home ownership, market rent and affordable rent opportunities are lower in rural parts than urban parts of Shropshire. This disparity highlights the importance of appropriate mechanisms to support delivery of affordable housing in rural areas, particularly affordable rent housing in order to meet the needs of groups in our rural communities.
  - e. The SHMA (EV097.01) Figure 47 illustrates the disparity between workplace and resident earnings in Shropshire, which is unsurprising given that the County supports a relatively low wage economy influenced by jobs traditionally associated with rural locations. This has particular implications for residents of rural areas which are more likely to reside and work in the area, supporting the importance of appropriate mechanisms to deliver

affordable housing in rural areas, in order to meet the needs of groups in our rural communities.

- 1.8. The draft policy has also been subject to and informed by Regulation 18 (Plan-Making) and Regulation 19 (Pre-Submission) consultations.
- 1.9. The Council considers this policy is effective as it provides clear details on when and where rural exception sites are appropriate. Furthermore, as already referenced, the Council has had considerable success delivering affordable housing through exception sites in the past facilitated by a similar policy mechanism. This provides further confidence in the deliverability of this policy.
- 1.10. The Council considers this policy is consistent with national policy, particularly paragraphs 78 and 79 of the 2021 National Planning Policy Framework (NPPF) as it supports the provision of housing needed for different groups in the community, particularly rural communities.
- 1.11. Paragraph 78 of the NPPF states *"In rural areas, planning policies and decisions should be responsive to local circumstances and support housing developments that reflect local needs. Local planning authorities should support opportunities to bring forward rural exception sites that will provide affordable housing to meet identified local needs..."*
- 1.12. Policy DP4 promotes affordable development on rural exception sites based on local identified need, the policy requires them to be of a suitable scale, design and tenure and will ensure that they are let/sold to those with a local connection to the area.
- 1.13. Paragraph 79 of the NPPF states *"To promote sustainable development in rural areas, housing should be located where it will enhance or maintain the vitality of rural communities..."*
- 1.14. Draft Policy DP4 includes locational requirements that direct exception sites to locations where it is best able to access and support rural services and facilities and the vitality of rural communities.

**Question 2.** *Would the policy lead to sustainable development?*

**Shropshire Council Response:**

- 2.1. Yes, Shropshire Council considers that draft Policy DP4 will achieve sustainable development. Specifically, it will support the delivery of affordable housing exception sites, a key mechanism for the delivery of affordable housing – particularly in rural areas.



- 2.2. As such, it is an important mechanism for achieving the housing needs of all groups in our communities and is also key to supporting sustainable and inclusive communities. The Council also considers the draft policy supports the achievement of the proposed vision, objectives and spatial strategy for Shropshire. It is also considered to align with national priorities.
- 2.3. Draft Policy DP4 includes locational requirements that direct exception sites to locations where it is best able to access and support rural services and facilities and the vitality of rural communities.
- 2.4. Specifically, paragraph 1a stipulates that sites appropriate for exception schemes are within or immediately adjoining a Strategic, Principal or Key Centre; a Community Hub or Community Cluster Settlement; or another settlement with a school or the ability to access a school by public transport (with schools used as a key indicator of the availability of other facilities within rural communities).
- 2.5. Furthermore, paragraph 1j specifies such sites must have reasonable access to local services by walking, cycling or public transport.
- 2.6. This approach is consistent with paragraph 79 of the 2021 National Planning Policy Framework (NPPF) which states *"To promote sustainable development in rural areas, housing should be located where it will enhance or maintain the vitality of rural communities..."*

**Question 3.** *Could DP4 1k cause some problems as there may be conflict with some other policies in the Plan if the development is beyond settlement limits, for example?*

**Shropshire Council Response:**

- 3.1. No, Shropshire Council does not consider that there is internally conflict between draft Policy DP4 (including paragraph 1k) and any of the other policies within the draft Shropshire Plan.
- 3.2. Specifically, Shropshire Council consider the wider policies within the draft Shropshire Local Plan which address the location of development include specific recognition of the role of exception sites in meeting the housing needs of all groups in our communities and supporting sustainable and inclusive communities. They also recognise that such sites will be located outside of development boundaries within rural locations.
- 3.3. For example:
  - a. Draft Policies SP9 and SP10 which address development in Community Clusters and the countryside respectively, include

explicit reference to the suitability of exception sites within such locations.

- b. Draft Policies SP8 and S1-18 which address development within the Strategic, Principal and Key Centres and Community Hubs specifically recognise the role of exception sites in achieving proposed settlement strategies.
- 3.4. Furthermore, it is important to note that paragraphs 78 and 79 of the 2021 National Planning Policy Framework (NPPF) support Local Planning Authorities positively consideration rural exception site policies and by definition such schemes will constitute 'exceptions' to restrictions on development.

### **Questions: Policy DP5 – Entry Level Exception Sites**

**Question 1.** *Is the policy justified, effective and consistent with national planning policy?*

#### **Shropshire Council Response:**

- 1.1. Shropshire Council considers draft Policy DP5 is justified, effective and consistent with national planning policy.
- 1.2. The intention of this policy is to support the delivery of affordable housing suitable for first time buyers. As such, it supports the achievement of the housing needs of all groups in our communities and supports the achievement of sustainable and inclusive communities.
- 1.3. The Council also considers the draft policy supports the achievement of the proposed vision, objectives and spatial strategy for Shropshire. It is also considered to align with national priorities.
- 1.4. The Council considers the requirements of this policy are justified, as they are responsive to and informed by the evidence base prepared to inform the draft Shropshire Local Plan.
- 1.5. In particular these requirements are informed by Sustainability Appraisal (SD006.01-SD006.22) (SA) and the Strategic Housing Market Assessment for Shropshire (EV097.01 and EV097.02) (SHMA). The Council would note that:
  - a. The SA (SD006.01) concludes this draft policy will have a significant positive effects on SA Objective 3 (provision of a sufficient amount of good quality housing) and no significant negative effects.
  - b. The SHMA (EV097.02) within Chapter 4 assessed affordable housing need (although it is important to note that the definition of need in this assessment is distinct from that in the standard methodology for assessing wider housing need). It concluded

some 17,574 households will require an affordable dwelling between 2016 and 2038, which equates to 799 affordable dwellings per annum. This evidence demonstrates it is imperative that policies in the draft Shropshire Local Plan seek to maximise affordable home provision.

- c. Table 82 of the SHMA (EV097.02) indicates that 10% of those on our Housing register expressed an interest in low-cost home ownership – this policy provides one mechanism to meet this need.
  - d. Table 120 of the SHMA (EV097.02) indicates that 63.8% of younger households in Shropshire live in privately rented accommodation with two bedrooms or less – again this policy provides one mechanism to support this group into home ownership.
- 1.6. The draft policy has also been subject to and informed by Regulation 18 (Plan-Making) and Regulation 19 (Pre-Submission) consultations.
  - 1.7. The Council considers this policy is effective as it provides clear details on when and where entry level exception sites are appropriate.
  - 1.8. The Council considers this policy is consistent with national policy, particularly paragraphs 72a and b of the 2021 National Planning Policy Framework (NPPF), as it support the provision of housing needed for different groups in the community.
  - 1.9. Paragraph 72 of the NPPF states "*Local planning authorities should support the development of entry-level exception sites, suitable for first time buyers (or those looking to rent their first home), unless the need for such homes is already being met within the authority's area. These sites should be on land which is not already allocated for housing and should: a) comprise of entry-level homes that offer one or more types of affordable housing; and b) be adjacent to existing settlements, proportionate in size to them, not compromise the protection given to areas or assets of particular importance in this Framework, and comply with any local design policies and standards.*"
  - 1.10. Consistent with these expectations, draft Policy DP5 supports provision of entry-level exception sites, suitable for first time buyers, where they:
    - a. Provide a range of housing that is genuinely affordable.
    - b. Are not larger than one hectare in size or exceed 5% of the size of the existing settlement.
    - c. Are located within or immediately adjoining the built form of a Strategic/Principal/Key Centre, a Community Hub or Community

- Cluster Settlement/ or another settlement with a school or appropriate access to a school by sustainable modes of transport.
- d. Have reasonable access to local services by walking, cycling or public transport.

**Question 2.** *Would the policy lead to sustainable development?*

**Shropshire Council Response:**

- 2.1. Yes, Shropshire Council considers that draft Policy DP5 will achieve sustainable development. Specifically, it supports the delivery of affordable housing suitable for first time buyers. As such, it supports the achievement of the housing needs of all groups in our communities and supports the achievement of sustainable and inclusive communities.
- 2.2. The Council also considers the draft policy supports the achievement of the proposed vision, objectives and spatial strategy for Shropshire. It is also considered to align with national priorities.
- 2.3. Draft Policy DP5 includes locational requirements that direct entry-level exception sites to locations best able to access services and facilities.
- 2.4. Specifically, paragraph 1c stipulates that sites appropriate for exception schemes are within or immediately adjoining a Strategic, Principal or Key Centre; a Community Hub or Community Cluster Settlement; or another settlement with a school or the ability to access a school by public transport (with schools used as a key indicator of the availability of other facilities within rural communities).
- 2.5. Furthermore, paragraph 1i specifies appropriate sites must have reasonable access to local services by walking, cycling or public transport.
- 2.6. This approach is consistent with paragraph 72b of the 2021 National Planning Policy Framework (NPPF) which addresses entry-level exception sites and states they should *"be adjacent to existing settlements, proportionate in size to them, not compromise the protection given to areas or assets of particular importance in this Framework, and comply with any local design policies and standards."*

**Question 3.** *Could DP5 1k cause some problems as there may be conflict with some other policies in the Plan if the development is beyond settlement limits, for example?*

**Shropshire Council Response:**

- 3.1. No, Shropshire Council does not consider that there is internally conflict between draft Policy DP5 (including paragraph 1k) and any of the other policies within the draft Shropshire Plan.
- 3.2. Specifically, Shropshire Council consider the wider policies within the draft Shropshire Local Plan which address the location of development include specific recognition of the role of entry-level exception sites in meeting the housing needs of all groups in our communities and supporting sustainable and inclusive communities. They also recognise that such sites may be located outside of development boundaries within rural locations. For example:
  - a. Draft Policies SP9 and SP10 which address development in Community Clusters and the countryside respectively, include explicit reference to the suitability of entry-level exception sites within such locations.
  - b. Draft Policies SP8 and S1-18 which address development within the Strategic, Principal and Key Centres and Community Hubs specifically recognise the role of entry-level exception sites in achieving proposed settlement strategies.
- 3.3. Furthermore, it is important to note that paragraphs 72b of the 2021 National Planning Policy Framework (NPPF) which addresses entry-level exception sites specifies that they will “*be adjacent to existing settlements*” and by definition such schemes will constitute ‘exceptions’ to restrictions on development.

**Questions: Policy DP6 – Single Plot Exception Sites**

**Question 1.** *Is the policy justified, effective and consistent with national planning policy?*

**Shropshire Council Response:**

- 1.1. Shropshire Council considers draft Policy DP6 is justified, effective and consistent with national planning policy.
- 1.2. The intention of this policy is to support the delivery of small scale affordable housing exception sites in rural areas. As such, it is a further mechanism available to achieve the housing needs of groups in our rural communities.
- 1.3. The Council recognises that only a modest number of dwellings will be delivered through this mechanism, but it supports the continued sustainability and inclusivity of these rural communities. It also

supports the achievement of the proposed vision, objectives and spatial strategy for Shropshire; and is considered to align with national priorities.

- 1.4. The Council considers the requirements of this policy are justified, as they are responsive to and informed by the evidence base prepared to inform the draft Shropshire Local Plan.
- 1.5. In particular these requirements are informed by Sustainability Appraisal (SD006.01-SD006.22) (SA) and the Strategic Housing Market Assessment for Shropshire (EV097.01 and EV097.02) (SHMA). The Council would note that:
  - a. The SA (SD006.01) concludes this draft policy will have a significant positive effects on SA Objective 3 (provision of a sufficient amount of good quality housing) and no significant negative effects.
  - b. The SHMA (EV097.02) within Chapter 4 assessed affordable housing need (although it is important to note that the definition of need in this assessment is distinct from that in the standard methodology for assessing wider housing need). It concluded some 17,574 households will require an affordable dwelling between 2016 and 2038, which equates to 799 affordable dwellings per annum. This evidence demonstrates it is imperative that policies in the draft Shropshire Local Plan seek to maximise affordable home provision.
  - c. Table 82 of the SHMA (EV097.02) indicates that a small proportion of those on our Housing register expressed an interest in self-build as a mechanism to meet their housing need.
- 1.6. The draft policy has also been subject to and informed by Regulation 18 (Plan-Making) and Regulation 19 (Pre-Submission) consultations.
- 1.7. The Council considers this policy is effective as it provides clear details on when and where single plot exception sites are appropriate.
- 1.8. The Council considers this policy is consistent with national policy, particularly paragraphs 60 and 78 of the 2021 National Planning Policy Framework (NPPF) as it supports the provision of housing needed for different groups in rural communities.
- 1.9. Paragraph 60 of the NPPF includes "*...it is important that a sufficient amount and variety of land can come forward where it is needed...*" This policy introduces a further mechanism to encourage appropriate sites to come forward for affordable housing development to meet the needs of rural communities.
- 1.10. Paragraph 78 of the NPPF states "*In rural areas, planning policies and decisions should be responsive to local circumstances and*

*support housing developments that reflect local needs. Local planning authorities should support opportunities to bring forward rural exception sites that will provide affordable housing to meet identified local needs...”*

- 1.11. Policy DP6 promotes affordable development on single plot rural exception sites in specific rural locations; where there is an identified need that cannot be met through alternative mechanisms; they are of a suitable scale, design and tenure; and remains affordable in perpetuity.

**Question 2.** *Would the policy lead to sustainable development?*

**Shropshire Council Response:**

- 2.1. Yes, Shropshire Council considers that draft Policy DP6 will achieve sustainable development. Specifically, it will support the delivery of small scale affordable housing exception sites in rural areas. As such, it is a further mechanism available to achieve the housing needs of groups in our rural communities.
- 2.2. The Council recognises that only a modest number of dwellings will be delivered through this mechanism, but it supports the continued sustainability and inclusivity of these rural communities. It also supports the achievement of the proposed vision, objectives and spatial strategy for Shropshire; and is considered to align with national priorities.
- 2.3. Draft Policy DP6 includes locational requirements that direct exception sites to locations where it is best able to access and support rural services and facilities and the vitality of rural communities.
- 2.4. Specifically, paragraph 1b stipulates that appropriate sites will be within and well related to the built form of a settlement and has permanent and substantial buildings on at least one side. Paragraph 1h then stipulates that appropriate sites will be served by adequate access and infrastructure and have reasonable access to local services by walking, cycling or public transport.
- 2.5. This approach is consistent with paragraph 79 of the 2021 National Planning Policy Framework (NPPF) which states *“To promote sustainable development in rural areas, housing should be located where it will enhance or maintain the vitality of rural communities...”*

**Question 3.** *Could DP6 1i cause some problems as there may be conflict with some other policies in the Plan if the development is beyond settlement limits, for example?*

**Shropshire Council Response:**

- 3.1. No, Shropshire Council does not consider that there is internally conflict between draft Policy DP6 (including paragraph 1i) and any of the other policies within the draft Shropshire Plan.
- 3.2. Specifically, Shropshire Council consider the wider policies within the draft Shropshire Local Plan which address the location of development include specific recognition of the role of single plot exception sites in meeting the housing needs of all groups in our communities and supporting sustainable and inclusive communities. They also recognise that such sites will be located outside of development boundaries within rural locations.
- 3.3. For example:
  - a. Draft Policies SP9 and SP10 which address development in Community Clusters and the countryside respectively, include explicit reference to the suitability of single plot exception sites within such locations.
  - b. Draft Policies SP8 and S1-18 which address development within the Strategic, Principal and Key Centres and Community Hubs specifically recognise the role of single plot exception sites in achieving proposed settlement strategies.

**Questions: Policy DP7 – Cross-Subsidy Exception Schemes**

**Question 1.** *Is the policy justified, effective and consistent with national planning policy?*

**Shropshire Council Response:**

- 1.1. Shropshire Council considers draft Policy DP7 is justified, effective and consistent with national planning policy.
- 1.2. The intention of this policy is to support the delivery of affordable housing through cross-subsidy by market housing. It is intended to be complementary to more traditional exception site developments, occurring in locations where it is demonstrated that no public grant is available and that an affordable exception scheme is unviable. As such, it is intended to form a mechanism to unlock sites for primarily affordable housing development where viability barriers exist, without being dependent on grant funding.
- 1.3. It is therefore a further mechanism for achieving the housing needs of all groups in our communities and maintaining sustainable and inclusive communities.



- 1.4. The Council also considers the draft policy supports the achievement of the proposed vision, objectives and spatial strategy for Shropshire. It is also considered to align with national priorities.
- 1.5. The Council considers the requirements of this policy are justified, as they are responsive to and informed by the evidence base prepared to inform the draft Shropshire Local Plan.
- 1.6. In particular these requirements are informed by Sustainability Appraisal (SD006.01-SD006.22) (SA) and the Strategic Housing Market Assessment for Shropshire (EV097.01 and EV097.02) (SHMA).
- 1.7. The Council would note that:
  - a. The SA (SD006.01) concludes this draft policy will have a significant positive effects on SA Objective 3 (provision of a sufficient amount of good quality housing) and no significant negative effects.
  - b. The SHMA (EV097.02) within Chapter 4 assessed affordable housing need (although it is important to note that the definition of need in this assessment is distinct from that in the standard methodology for assessing wider housing need). It concluded some 17,574 households will require an affordable dwelling between 2016 and 2038, which equates to 799 affordable dwellings per annum. This evidence demonstrates it is imperative that policies in the draft Shropshire Local Plan seek to maximise affordable home provision.
- 1.8. The draft policy has also been subject to and informed by Regulation 18 (Plan-Making) and Regulation 19 (Pre-Submission) consultations.
- 1.9. The Council considers this policy is effective as it provides clear details on when and where cross-subsidy sites are appropriate.
- 1.10. The Council considers this policy is consistent with national policy, particularly paragraphs 60 and 78 of the 2021 National Planning Policy Framework (NPPF) as it supports the provision of housing needed for different groups in the community.
- 1.11. Paragraph 60 of the NPPF includes "*...it is important that a sufficient amount and variety of land can come forward where it is needed...*" This policy introduces a further mechanism to encourage appropriate sites to come forward for development that delivers significant affordable housing.
- 1.12. Paragraph 78 of the NPPF states "*...Local planning authorities should support opportunities to bring forward rural exception sites that will provide affordable housing to meet identified local needs,*

*and consider whether allowing some market housing on these sites would help to facilitate this.”*

- 1.13. Policy DP6 aligns with the principle of allowing some market housing to facilitate the delivery of a primarily affordable housing scheme – specifically in circumstances where it is demonstrated that no public grant is available and that an affordable exception scheme is unviable.

**Question 2.** *Would the policy lead to sustainable development?*

**Shropshire Council Response:**

- 2.1. Yes, Shropshire Council considers that draft Policy DP7 will achieve sustainable development. Specifically, it supports delivery of affordable housing through cross-subsidy by market housing. It is intended to be complementary to more traditional exception site developments, occurring in locations where it is demonstrated that no public grant is available and that an affordable exception scheme is unviable. As such, it is intended to form a mechanism to unlock sites for primarily affordable housing development where viability barriers exist, without being dependent on grant funding.
- 2.2. It is therefore a further mechanism for achieving the housing needs of all groups in our communities and maintaining sustainable and inclusive communities.
- 2.3. The Council also considers the draft policy supports the achievement of the proposed vision, objectives and spatial strategy for Shropshire. It is also considered to align with national priorities.
- 2.4. Draft Policy DP7 includes locational requirements that direct cross-subsidy sites to locations where they are best able to access and support rural services and facilities and the vitality of rural communities.
- 2.5. Specifically, paragraph 1b stipulates that sites appropriate for cross-subsidy schemes are within or immediately adjoining a Strategic, Principal or Key Centre; a Community Hub or Community Cluster Settlement; or another settlement with a school or the ability to access a school by public transport (with schools used as a key indicator of the availability of other facilities within rural communities).
- 2.6. Furthermore, paragraph 1k specifies such sites must have reasonable access to local services by walking, cycling or public transport.
- 2.7. This approach is consistent with paragraph 79 of the 2021 National Planning Policy Framework (NPPF) which states “*To promote*

*sustainable development in rural areas, housing should be located where it will enhance or maintain the vitality of rural communities...”*

**Question 3.** *Could DP7 1m cause some problems as there may be conflict with some other policies in the Plan if the development is beyond settlement limits, for example?*

**Shropshire Council Response:**

- 3.1. No, Shropshire Council does not consider that there is internally conflict between draft Policy DP7 (including paragraph 1m) and any of the other policies within the draft Shropshire Plan.
- 3.2. Specifically, Shropshire Council consider the wider policies within the drafty Shropshire Local Plan which address the location of development include specific recognition of the role of cross-subsidy sites in meeting the housing needs of all groups in our communities and supporting sustainable and inclusive communities. They also recognise that such sites will be located outside of development boundaries within rural locations.
- 3.3. For example:
  - a. Draft Policies SP9 and SP10 which address development in Community Clusters and the countryside respectively, include explicit reference to the suitability of cross-subsidy sites within such locations.
  - b. Draft Policies SP8 and S1-18 which address development within the Strategic, Principal and Key Centres and Community Hubs specifically recognise the role of cross-subsidy sites (which constitute a type of exception site) in achieving proposed settlement strategies.