

**SHROPSHIRE HOMES LTD**  
**SHROPSHIRE LOCAL PLAN EXAMINATION IN PUBLIC**  
**STATEMENT IN RESPECT OF MATTER 27 – POLICY DP1 RESIDENTIAL MIX**

**Introduction**

1. We offer our observations from the perspective of a SME developer who has been building houses in and around Shropshire for over 40 years. Shropshire Homes currently builds around 200 houses a year.
2. We do not consider Policy DP1 to be sufficiently flexible to ensure viability and delivery across all allocated housing sites and that it is therefore unsound.
3. We specifically suggest that a housing mix that requires 25% of dwellings on all developments to be one and two bedroomed is not justified by the evidence available.
4. We do not believe that Right Home Right Place surveys are usually an accurate reflection of a communities housing needs and should carry significant weight in arriving at an optimum development mix.
5. **We request that the requirement for 25% one and two bedroomed dwellings be either removed or amended to no more than 15%**
6. **We suggest that the draft policy be amended to reduce the influence of Right Home Right Place surveys**

## The Shropshire Housing Market

1. We do not believe that the requirement of Policy DP1 to provide a minimum of 25% one or two bedroomed dwellings on all sites reflects market needs in many settlements.
2. We accept the principle of providing a balanced mix of housing to reflect local need and that in some locations, and possibly on average across the county, this might require 25% of homes to be one and two beds
3. **However, we disagree that a one policy fits all sites approach is appropriate.**  
There are sites and locations where a very high proportion of 1 and 2 bed homes best reflect demand. Conversely there are other locations where demand for smaller dwellings is not strong.

There is insufficient evidence of viability on all sites in the SHMA and in this respect the Plan is also unsound.

4. Shropshire Homes together with other developers have delivered developments of 100% one and two bedroomed houses and apartments in recent years. These tend to be in towns with good facilities, strong employment, good services and transport infrastructure. Sales in these locations have been strong.

In other locations demand for one and two bedroomed houses has been much weaker.

In our previous submission of February 2021, we identified developments where smaller houses had sold very slowly. These were generally in rural settlements not well served by public transport.

We are currently developing two sites which are draft allocations in the emerging plan. In both cases we have adhered to the mix proposed in the draft plan with 25% two bedroomed houses. On both sites two bedroomed houses have been the slowest to sell. At Pontesbury (PN008) where construction is now complete, we currently have 3 two bedroomed houses from 9 unsold and 1 larger home from 29.

## **The Councils Evidence**

1. The SHMA, which informs the Councils proposals, includes specific settlement-based analysis of the requirements of older people and other specialist housing needs.

However, it does not consider the general housing requirements of specific settlements or types of settlement. It seems to assume that the requirements of hubs and other rural settlements will be the same as larger population centres with much better employment, services and public transport

There is insufficient evidence of market demand and viability in differing types of settlements in the SHMA and in this respect the Plan is also unsound

2. The SHMA and draft Policy DP1 do not reflect the likely demand for younger purchasers requiring more bedrooms as they start families. An inflexible adherence to the proposed 25% provision of one and two bedroomed dwellings is likely to result in many instances in overcrowding or the need for an early house move.
3. The SHMA was researched and drafted before the Covid pandemic.

One of the long-lasting consequences of Covid has been a marked increase in working from home. This is now widely accepted by many employers and included in employment contracts. This has further accentuated the requirement for an additional separate working area, usually a bedroom.

The evidence base does not acknowledge, and draft policy does not reflect, changed housing requirements as a result of Covid 19

**We believe that this consideration alone justifies a modification to draft Policy DP1**

## **Right Home Right Place**

1. The Council propose that if a recent Right Home Right Place survey is available this should carry significant weight.
2. We do not believe these surveys provide an accurate appraisal of local housing need. These surveys rely heavily on public perception and are often completed by persons with no intention of moving home. They are often contradicted by more robust evidence derived from market signals.

By way of illustration Ellesmere Town Council recently completed a Right Home Right Place survey which indicated a requirement of 58% one and two bedroom homes. Shropshire Homes are currently developing a site of 107 dwellings in Ellesmere (ELL005) which includes 25% two-bedroom houses. We have found that demand for larger homes has considerably outstripped the smaller dwellings where effective demand is very weak.

3. To constitute a binding requirement a Right Home Right Place survey should be completed by a reasonably large proportion of residents and weighted in favour of those seeking an early move.