

Shropshire Local Plan Examination (Block 2)

Matter 27 Hearing Statement on behalf of Wain Estates (ID: A0357)

General housing policies, including affordable housing (policies DP1, DP1A, DP2, DP3, DP4, DP5, DP6, DP7, DP8)

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

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

- 1.1 The Inspector's Interim Findings Letter (ID28) includes a section on Specialist Housing/Older Persons Housing and suggested a potential change to Policy DP1. This is highlighted at Paragraph 40 of ID28 and notes that, *"the policy should include indicative figures, or the Plan should contain a specific policy to deal with specialist housing"*.
- 1.2 Consequently, Shropshire Council has proposed to replace the older persons housing requirements set out in Policy DP1 with a tiered approach to the delivery of such housing. Tiers of 50-149 dwellings; 150-249 dwellings; and 250 or more dwellings are to include a form of specialist housing for older people and/or those with disabilities and special needs at a rate of 10%, 15% and 20%. respectively.
- 1.3 The draft Policy is underpinned by the SHMA published in September 2020, which identifies a need for an additional 3,500 specialist older persons accommodation units and around 2,500 additional units of residential care provision. This calculation was based on the 2014 Sub-National Population Projections [SNPP] for the population aged over 75, and the prevalence rates of specialist accommodation within Shropshire.
- 1.4 However, seeking to provide specialist accommodation for all of these future persons aged over 75 and in need of care fails to acknowledge that not all of these people will choose specialist accommodation to meet their needs and that there may be a desire for older people, where possible, to remain independent within their own homes. This allows people to remain within their existing communities and with access to their established support networks. It is reasons such as these that older households are amongst the least likely to move.
- 1.5 In this regard, it is noted that the draft Policy also requires 5% of dwellings on sites over 5 dwellings to be provided as M4(3) and 70% as M4(2) (Part 4) and that it is 'strongly encouraged' that all M4(2) dwellings are designed to be 'friendly' to those with dementia and to those with disabilities and special needs (Part 6). In this context, it would be more appropriate to focus on the delivery of adaptable types of dwellings in order to address older persons and specialist housing needs over the plan period. This would be preferable to a focus only on specialist forms of housing that may not be attractive to all people aged over 75 years.
- 1.6 The Inspectors Interim Findings highlighted that the proposed approach to meeting the needs of older person households and those in need of specialist care needed further consideration. However, Shropshire Council have proposed amendments which are not proportionate with little to no justification or supporting evidence. Crucially, the suggested approach seeks to ensure every allocation contributes to meeting needs, irrespective of whether the site is an appropriate location for

older persons and specialist accommodation, with access to existing services and facilities, or are of a scale to deliver on-site services and facilities.

- 1.7 On the basis of the above, it is considered that the draft Policy is not 'justified', 'effective' or 'consistent with national policy' and is therefore unsound.

3. Is the policy flexible enough?

- 1.8 It is fundamentally unclear what evidence has been produced to substantiate the tiered approach and the increasing percentage requirement which shows that these contributions will be deliverable.
- 1.9 For the lower tier (50-149 dwellings), a 10% specialist older persons housing requirement would only generate between 5 and 15 units of specialist accommodation. However, it is unlikely that operators would be willing to operate specialist housing schemes of this scale, which would undermine future delivery and supply. Such developments need to be of sufficient scale in order to justify the provision of facilities to meet the expected level of care.
- 1.10 Whilst the middle tier of 150-249 homes could generate between 23 and 37 units of specialist accommodation, as a minimum, this would still be at the lower end of operators likely demands, particularly in respect of more intensive care facilities. Wain Estates therefore questions whether this would provide sufficient economies of scale for market-led delivery. The proposed policy is therefore not sound by reason of not being justified.

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

- 1.11 Paragraph 68 of the NPPF (2021) requires that Local Plans should identify a sufficient supply and mix of sites, taking into account their availability, suitability and likely economic viability. Paragraph 34 also requires that contributions should not undermine the deliverability of the Local Plan. Viability is therefore a major factor in whether a site is achievable and developable, and the PPG requires a plan-making body to assess the economic viability of a site, and the capacity of the developer to complete and let or sell the development over a certain period. As such, any Local Plan should be supported by a viability assessment, which cumulatively tests the impact of policy requirements on the viability of sites allocated in the Local Plan Review. This should include the implications of the provision of older persons and specialist accommodation, given that the amount of land available for market housing will naturally be reduced.
- 1.12 Once other requirements are considered, such as 5% being M4(3) and 70% being M4(2), 10-20% affordable housing, biodiversity net gain, on-site energy generation or decentralised energy and electric vehicle charging, lower levels of market housing could reduce the viability of development and threaten the delivery of other policy requirements.
- 1.13 The Pre-Submission Draft Local Plan is supported by a Local Plan Delivery & Viability Study (June 2020) ("Viability Study"). Crucially, the Viability Study only assessed the minimum policy requirements, and specifically didn't test the viability of sheltered and extra care schemes. Furthermore, our Matter 8 Hearing Statement (Block 1), submitted on behalf of Wain Estates highlighted that the Viability Study concludes that the viability of development across the county is very challenging. Wain Estates are of the view that the benchmark land values set within Viability Study are extremely low and that the Study shows that the majority of schemes can only support 10% affordable homes, but not 20%.

- 1.14 A Viability Update Note (GC49) was produced in June 2024 and sought to consider whether or not the Council can continue to rely on the 2020 Study. GC49 also fails to address the tiered approach to the provision of older persons and specialist accommodation.
- 1.15 On this basis, the Viability Study which supports the Local Plan, has not fully considered whether the provision of older persons and specialist accommodation would undermine the deliverability of the Local Plan and there is no stated intention that this will be updated to do so. The Policy is therefore not sound as it is not justified and would not be effective.

Contact

Mike O'Brien