

Shropshire Local Plan Examination

Shropshire Council Response to:

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

Matter 25



Matter 25 - Five Year Housing Land Supply

Issue: Whether the Council will have a 5 year supply of deliverable housing land on adoption of the Plan.

Questions:

Question 1. *In terms of whether the Council will have a 5 year housing land supply (HLS) on adoption of the Plan, in our letter ID1 we requested that the Council completed the appended forms (Annex 1 to ID1) for every site that the Council intended to rely on to demonstrate their 5 year HLS. The Council responded (GC4) by referring us to various documents. Is this information up to date and if so, where can it be found? If it is not up to date, then can the Council please update it in response to this question.*

Shropshire Council Response:

- 1.1. Shropshire Council has undertaken an up-to-date assessment of the housing land supply in Shropshire, as summarised within document GC47. This assessment has a base date of the 31st March 2023.
- 1.2. Appendices A-J of GC47 provide delivery forecasting for all sites that form part of the identified housing land supply. These Appendices are considered comparable to the tables appended to ID1.

Question 2. *Would the Plan realistically provide for a five year supply on adoption? Will a five year supply be maintained?*

Shropshire Council Response:

- 2.1. Yes, Shropshire Council considers the draft Shropshire Local Plan realistically provides for a five year housing land supply at adoption and that this five year housing land supply will be maintained through the proposed plan period.
- 2.2. This is supported by an up-to-date assessment of the housing land supply in Shropshire, as summarised within document GC47 (31st March 2023 base date).
- 2.3. With regard to the five year housing land supply at adoption, at paragraphs 7.3-7.4 GC47 concludes:

"This comprehensive review of the housing land supply establishes that there are sufficient deliverable dwellings on deliverable sites in Shropshire to allow for the provision of five years' worth of housing, based on the proposed housing requirement in the strategic policies of the draft Shropshire Local Plan.

*Specifically, Shropshire Council is in a position where it is able to demonstrate **sufficient deliverable dwellings for 6.86 years supply of deliverable housing land against the proposed housing requirement within the strategic policies of the draft Shropshire Local Plan.***

- 2.4. Following changes to the National Planning Policy Framework (NPPF) in 2023, no buffer of the Five Year Housing Land Supply is required in the context of decision-making, as reflected within GC47.
- 2.5. As the draft Shropshire Local Plan is being examined under the 2021 NPPF, a buffer is required. Consistent with the 2021 NPPF, as there has been no persistent under delivery in Shropshire, this buffer is 5%.
- 2.6. Utilising the housing requirement within the strategic policies of the draft Shropshire Local Plan, a 5% buffer equates to 356 dwellings. As such, the total housing requirement (including appropriate buffer) for the five year period is 7,471 dwellings.
- 2.7. GC47 explains that through the detailed housing land supply assessment undertaken by the Council, there are 9,761 dwellings considered deliverable over the next five years.
- 2.8. This equates to a **6.53 years supply of deliverable housing land against the proposed housing requirement within the strategic policies of the draft Shropshire Local Plan.**
- 2.9. This calculation is summarised in the table below:

Table 2.1: Summary of the Five Year Housing Land Requirement and Supply

<i>Requirement for Decision Making:</i>	<i>7,115 dwellings</i>
<i>Additional 5% Buffer:</i>	<i>356 dwellings</i>
Total Requirement:	7,471 dwellings
Total Supply:	9,761 dwellings
Supply Flexibility:	2,290 dwellings
Number of Years Supply:	6.53 years

- 2.10. With regard to the ability to maintain a five year housing land supply over the proposed plan period, paragraph 1.38 of GC47 concludes:

*"Shropshire Council is in a position where it is able to demonstrate **sufficient deliverable and developable dwellings to achieve the proposed housing requirement within the draft Shropshire Local Plan.** Indeed, the identified housing land supply is sufficient to achieve the proposed housing requirement of a minimum of 31,300 dwellings and allow for **around 10% flexibility** in the overall housing land supply."*

2.11. This calculation is summarised in the table below:

Figure 2.1: Summary Housing Land Supply in Shropshire Over the Proposed Plan Period

Category	Housing Land Supply				
	Complete	Years 1-5	Years 6-10	Years 11-15	Total
(A) Completions (2016/17-2022/23):	11,761	N/A	N/A	N/A	11,761
(B) Dwellings on sites with Planning Permission*	N/A	5,958	1,428	628	8,014
(C) Dwellings on sites with Prior Approval*	N/A	72	7	1	80
(D) Dwellings on selected sites with a 'resolution to grant'* Planning Permission	N/A	10	1	0	11
(E) Dwellings on 'saved' site allocations*	N/A	1,274	1,478	510	3,262
(F) Dwellings proposed for allocation within the Draft Shropshire Local Plan *	N/A	1,491	3,244 [^]	2,145	6,880
(G) Dwellings on SLAA sites*	N/A	111	379	132	622
(H) Dwellings on emerging affordable housing sites*	N/A	247	25	2	274
(I) Dwellings on lapsed Planning Permissions*	N/A	0	302	30	332
(J) Dwellings on windfall sites**	N/A	598	1,495	1,495	3,588
Total: (A) + (B) + (C) + (D) + (E) + (F) + (G) + (H) + (I) + (J)	11,761	9,761	8,359	4,943	34,824

*A very cautious assumption that 10% of deliverable dwellings on sites with Planning Permission; Prior Approval; 'resolution to grant' Planning Permission; 'saved' site allocations within the adopted Development Plan; proposed allocation within the draft Shropshire Local Plan; identified within the SLAA; and identified as an Emerging Affordable Housing Site will not be delivered in each five year period has been applied to figures in this table.

**Based on historic delivery rates and expected future trends.

[^]Since publication of GC47, Government has confirmed disposal of Clive Barracks will occur in 2030. As a result, the Council considers 50 less dwellings will be delivered on the site during the proposed plan period than assumed in GC47. This is reflected within Figure 2.2.

2.12. The calculation of housing land supply over the plan period is unaffected by the inclusion of a buffer to the housing requirement for the next five years. This is because this is intended to represent supply "moved forward from later in the plan period" in order to "ensure choice and competition in the market for land", as documented within paragraph 74 of the 2021 NPPF.

2.13. This provides significant confidence in the ability to maintain a housing land supply throughout the proposed plan period and the deliverability of the proposed housing requirement.

Question 3. *Is the five year supply made up of deliverable sites (the definition of deliverable is set out in Annex 2: Glossary to the NPPF)?*

Shropshire Council Response:

- 3.1. Yes, all dwellings included within the five year housing land supply for Shropshire are considered deliverable and are located on sites which are themselves considered deliverable.
- 3.2. This is because when assessing housing land supply, the Council includes only dwellings and sites considered to be deliverable within the five year housing land supply. For the avoidance of doubt when undertaking this exercise, the Council utilises the definition of deliverable dwellings and sites set-out in Annex 2: Glossary of the 2021 National Planning Policy Framework (NPPF).
- 3.3. The summary of the assessment of housing land supply in Shropshire is provided within document GC47 (31st March 2023 base date). Paragraphs 5.26-5.30 of GC47 provide useful background information on the application of the definition of deliverable dwellings set-out in Annex 2: Glossary of the NPPF within the assessment undertaken by the Council.
- 3.4. Consistent with the NPPF definition "*sites which do not involve major development and have planning permission, and all sites with detailed planning permission, should be considered deliverable until permission expires, unless there is clear evidence that homes will not be delivered within five years (for example because they are no longer viable, there is no longer a demand for the type of units or sites have long term phasing plans).*"
- 3.5. Also consistent with the NPPF definition, where dwellings are located on sites that constitute major development and benefit from Outline Planning Permission or are located on sites committed without Planning Permission, "*clear evidence that housing completions will begin on site within five years*" is provided within GC47, particularly Appendices A-J.

Question 4. *What allowance has been made for windfall sites as part of the anticipated five-year housing land supply? Is there compelling evidence to suggest that windfall sites will come forward over the plan period, as required by paragraph 70 of the Framework?*

Shropshire Council Response:

- 4.1. The housing land supply identified for Shropshire is summarised within the document GC47. Within this housing land supply:
 - a. A specific allowance is made for the emergence of future small-scale windfall sites of less than 5 dwellings. This allowance is 299

dwelling in both years 4 and 5 of the five year housing land supply.

- b. Where larger windfall sites of more than 5 dwellings are identified through Council processes and it is considered compelling evidence exists regarding their deliverability (consistent with the definition of deliverable provided with Annex 2: Glossary of the 2021 National Planning Policy Framework (NPPF)), they are included in the five year housing land supply. *Examples of such sites are those identified through the Strategic Land Availability Assessment (SLAA) and emerging affordable housing sites.*

4.2. Shropshire Council considers compelling evidence exists which demonstrates windfall development has and will continue to form a key component of the housing land supply in Shropshire. This compelling evidence fully endorses the approach to windfall development within the five year housing land supply and wider housing land supply for Shropshire.

4.3. In determining whether compelling evidence existed to justify a windfall allowance with the five year housing land supply and wider housing land supply, Shropshire Council considered a range of relevant information, including the strategic land availability assessment (SLAA), historic windfall delivery rates, and expected future trends – consistent with paragraph 71 of the NPPF.

4.4. This process is summarised within Chapter 5 and Appendix I of GC47. In summary:

- a. Windfall development has traditionally constituted a considerable proportion of total residential development occurring in Shropshire. This is perhaps unsurprising, given the characteristics of Shropshire.
- b. The SLAA concluded that it was appropriate to include a windfall allowance as part of the housing land supply.
- c. Past completions support the importance of windfall sites as a significant and appropriate source of supply for residential development in Shropshire. Specifically, over the last five years (2018/19-2022/23), some 4,683 dwellings (net) have been completed on windfall sites in Shropshire (1,669 dwellings on small scale windfall sites of less than 5 dwellings and 3,014 dwellings on medium and large scale windfall sites of 5 or more dwellings).
- d. Furthermore, over the same five year period (2018/19-2022/23), the average number of net dwellings completed on windfall sites equates to some 937 dwellings (net) per annum (334 dwellings per annum on small scale windfall sites of less than 5 dwellings

and 603 dwellings per annum on medium and large scale windfall sites of 5 or more dwellings).

- e. There were 392 dwellings (net) completed on small scale windfall sites of less than 5 dwellings in 2022/23 and 766 dwellings (net) completed on medium and large scale windfall sites of 5 or more dwellings.
 - f. Existing commitments on sites with Planning Permission or Prior Approval provide further endorsement of the importance of windfall sites in Shropshire. Specifically, at 31st March 2023, 3,971 net dwellings were committed on windfall sites with Planning Permission or Prior Approval (consisting of 1,272 dwellings on small scale windfall sites of less than 5 dwellings and 2,699 dwellings on medium and large scale windfall sites of 5 or more dwellings).
 - g. The SLAA assessment includes consideration of both sustainability; and the suitability, availability and achievability (including viability) of sites in a manner consistent with the NPPF, it is considered reasonable to include the accepted sites which have an expected yield in the proposed plan period, within the housing land supply. The Council would note that the SLAA is a specific form of evidence referenced within paragraph 71 of the NPPF.
 - h. Shropshire Council works closely with affordable housing providers in order to identify and support delivery of affordable housing schemes. The Council has consistently enabled such exception sites to come forward over the years, with great success. 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.
 - i. The spatial strategy proposed within the draft Shropshire Local Plan both anticipates and facilitates appropriate windfall development.
 - j. Draft strategic policies (particularly SP2, SP7-11); draft development management policies (particularly DP4-DP7); and draft settlement policies (S1-S18) identify a range of mechanisms and/or opportunities for appropriate windfall development.
- 4.5. Shropshire Council considers this constitutes compelling evidence that windfall development has and will continue to form an important component of the five year housing land supply and wider housing land supply in Shropshire. The Council also considers this evidence fully justifies the cautious windfall allowance in the five year housing land supply and wider housing land supply identified to achieve the proposed housing requirement in the draft Shropshire Local Plan.

Question 5. *Is it necessary to have a review mechanism in the Plan to consider progress against these, and other sites, and to identify any appropriate steps to increase supply if required?*

Shropshire Council Response:

- 5.1. Under regulation 10A of The Town and Country Planning (Local Planning) (England) Regulations 2012 (as amended), Local Planning Authorities must review local plans at least once every five years from their date of adoption, to ensure strategic policies remain relevant and effectively address the needs of the local community.
- 5.2. This is reflected within paragraph 33 of the 2021 National Planning Policy Framework (NPPF) – and remains within the most recent iteration of the NPPF.
- 5.3. Furthermore, both the 2021 and current versions of the NPPF includes mechanisms to support maintenance of a housing land supply / housing delivery. This includes:
 - a. The need to prepare an action plan if delivery falls below 95% (as monitored in the housing delivery test);
 - b. Inclusion of a 20% buffer of the housing land supply if delivery falls below 85% (as monitored in the housing delivery test);
 - c. Introduction of the presumption in favour of sustainable development, where delivery falls below 75% (as monitored in the housing delivery test).
- 5.4. Given there is an existing statutory review mechanism which requires a review to be undertaken at least once every five years, it is considered completely unnecessary and potentially confusing to introduce an alternative review mechanism.
- 5.5. Furthermore, the Council considers there are a range of advantages of utilising the existing statutory review mechanism, rather than an alternative. This includes, it is:
 - a. The mechanism that Government has introduced for reviewing Local Plans.
 - b. Already responsive to and aligns with the period considered by Council's within their five year housing land supply.
 - c. Flexible, as it allows for reviews to commence earlier, if there are factors identified at a local level that stimulate the need for this to occur.
 - d. A cycle with which many within the industry and Shropshire's communities are familiar.
 - e. Able to provide much needed stability and certainty regarding the policy framework in an area for individuals, communities, developers and decision makers. One of the issues with other

mechanisms is the considerable uncertainty about whether / when a review will be 'triggered'.

- f. Able to provide a better opportunity to focus on post adoption implementation and delivery. This implementation process is crucial, as without it the value of the Local Plan is diminished.
- 5.6. Whilst not strictly a planning consideration, it is also important to note the cost of undertaking Local Plan Reviews for Local Planning Authorities.
- 5.7. In conclusion, Shropshire Council strongly considers it is unnecessary to have a review mechanism in the draft Shropshire Local Plan.