

# *Hearing Statement for the Shropshire Council Local Plan Examination*

**Matter 5 – Infrastructure, Delivery and Viability (policies SP1, SP2 & SP14) – see various MMs**

Statement on Behalf of the Stanmore Consortium Ref: A0497

## **SHROPSHIRE LOCAL PLAN EXAMINATION**

<b>Representor Unique Part A Ref:</b>	<b>A0497</b>
<b>Matter</b>	<b>5</b>
<b>Relevant Question No.s</b>	<b>1, 2, 3, 4</b>

## **Stage II - Hearing Statement**

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# 1. Introduction

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- 1.1. This Hearing Statement is on behalf of The Stanmore Consortium (“TSC”) (Apley Estate and Stanmore Properties) and should be read in conjunction with previous representations made on behalf of TSC at the Regulation 18 and 19 Stages, the representations at the Stage 1 Examination Hearings and the updated Topic Papers in April 2024.
- 1.2. As background, Shropshire Council approached TSC in 2017 with a view to delivering proposals for a Garden Community for the future housing and employment needs of Bridgnorth on land owned by TSC.
- 1.3. In November 2018 the Shropshire Local Plan Review: Consultation on Preferred Sites was published with a masterplan mixed use garden settlement at Stanmore, initiated by the Council, as a Preferred Site. This followed extensive discussion between the Council and TSC, public consultation and provision of detailed information requested by the Council.
- 1.4. In April 2020 the Council abruptly changed its position on the Stanmore Garden Community proposal to an alternative on land west of Bridgnorth, not previously promoted nor consulted upon. This alternative was included in the Regulation 18 and 19 Stages of the Local Plan.
- 1.5. TSC continue to promote Stanmore Garden Community as the best option for Bridgnorth and Shropshire.
- 1.6. This Hearing Statement focusses on those specific questions which are directly relevant to TSC’s position.

## 2. Matter 5 – Infrastructure, Delivery and Viability (policies SP1, SP2 & SP14) – see various MMs

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### Infrastructure

#### Question 1

**In our letter dated 15 February 2023 (ID28), we explained that we had some concerns about the gaps in the IDP and asked that it be updated and some of the gaps populated. Has this now been done?**

- 2.1. The Infrastructure Delivery Plan, known in Shropshire as the Strategic Infrastructure and Investment Plan (SIIP), outlines priority infrastructure projects within each Place Plan Area, using these Place Plans to assess Shropshire's strategic needs. Unfortunately, the information is often vague, incomplete, and inconsistent, providing limited details on the required infrastructure for allocations. The details are high-level, lacking clarity on requirements, deliverability, viability, and funding sources.
- 2.2. From the outset, it's clear that the SIIP does not align with the information in the Place Plan areas. For instance, the Place Plan for area S3 (Bridgnorth) was published in 2021 and mentions a Local Flood Risk Management Strategy potentially relevant to the Stanmore Garden Village strategic project. However, this site is no longer considered a preferred option.
- 2.3. Additionally, the SIIP contradicts the intent of local plan policy DP26 (previously DP25), which states, "*The SIIP provides a composite of the needs identified in the Place Plans with a focus on the highest priority issues, including those critical needs necessary to ensure development can happen.*"
- 2.4. Although the Place Plan should inform the SIIP, it refers to Stanmore Garden Village but omits the Tasley Garden Village site, a significant allocation likely to impact infrastructure. It is expected that Tasley would be included in the Place Plan to inform the SIIP about 'high priority issues' and 'critical needs' at the site, facilitating development.
- 2.5. These concerns were raised in the Hearings on July 14, 2022. The Council explained the lack of updates to the Place Plans was due to resource constraints from the Covid-19 pandemic, preventing annual updates. The Council stated, "*the Place Plans will be amended this year [2022] and at that point we can put those into the examination.*"
- 2.6. However, since the July 2022 hearings, the Place Plans remain outdated. The Bridgnorth Place Plan still references Stanmore Garden Village as a strategic project, and there has been no effort to align the draft local plan with the SIIP and its Place Plan appendices concerning Tasley.
- 2.7. The SIIP details infrastructure requirements for site allocations necessary for development and growth. Policy DP26 Infrastructure Provision stipulates that "*new development should only take place where there is sufficient existing infrastructure capacity available. Where a new development would lead to a shortfall in infrastructure provision, the development will be required to fund necessary improvements through a developer contribution.*"

- 2.8. However, there is no assurance that the specified infrastructure for allocated sites can be delivered. For example, in Bridgnorth, Site BRD030 requires a significant cycle and pedestrian link over the A458, improvements to the A458 and Ludlow Roundabout, a park-and-ride facility, and a new medical centre—all without assessment of feasibility. Costs for such undertakings remain unidentified, questioning the viability of the proposed infrastructure.
- 2.9. It is vital that the delivery and funding of infrastructure at allocated sites be addressed during the plan-making stage and outlined in policy, rather than deferred to the planning application stage.

## Question 2

**Are there known sources of funding for development expected to be delivered in the first 5-7 years of the Plan? Are these all in the Council's latest Infrastructure Delivery Plan?**

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

## Question 3

**Will the delivery of strategic infrastructure allow for the delivery of planned development in line with the latest housing trajectory? If not, what will be the shortcomings and how will the Council address these matters?**

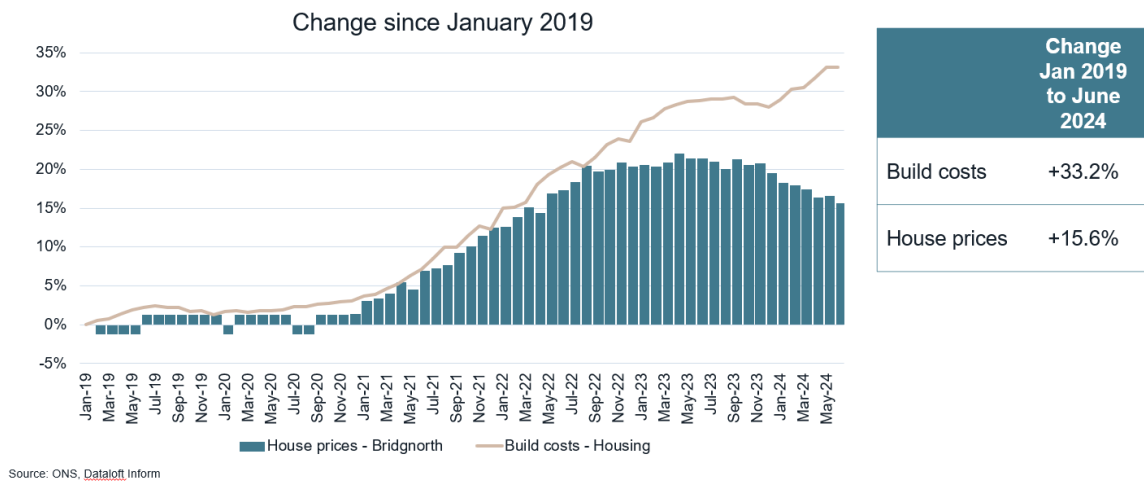
- 2.14. There is no robust evidence or guarantee of the funding of strategic infrastructure in the updated SIIP for delivery of projects in the short term. There are concerns regarding water supply and wastewater treatment, highlighted by Severn Trent Water that could affect the delivery of housing proposals.

## Question 4

Has the time lapse that has occurred with this examination resulted in any changes in terms of viability? If so, what are they and will they affect the deliverability of any aspects of the Plan?

- 2.15. The Council note in their updated viability note (June 2024) that ‘viability will have improved’ based on the Land Registry data suggesting that newbuild sales prices have increased by 37% and the cost of construction has increased by 23.5% since 2020. While this suggests the gap between house prices and buildings costs has reduced, therefore ‘improving’ viability, this does not guarantee that development schemes are viable simply because there has been an improvement in viability.
- 2.16. Notwithstanding the above, as shown in Figure 1, JLL market research suggests that there is a widening gap between the cost of house prices and building costs. The research suggests that house prices in Bridgnorth, whilst they have continued to increase since January 2019 by roughly 15.6%, the cost to build homes has increased by 33.2%. The graph shows that house prices have begun to decrease in the first quarter of 2024, while building costs have continued to rise, therefore reducing the viability of housebuilding for developers and impacting the deliverability of housing allocations within the Plan.

### The cost to build homes outpaces house price growth



- 2.17. The updated viability note is based on evidence from the LPDVS produced in July 2020 which the Council ‘continue to have confidence in’ and ‘rely on it in the plan making process’. It should be noted the LPVDS was produced during the height of the Covid 19 pandemic. The pandemic brought with it uncertainty and the housing market declined, however, the Council states that ‘whilst an update the 2020 LPVDS would inevitably derive different appraisal results, it is unlikely that the conclusions of the study would be materially different’. Without a new study to use as an evidence base, this assumption cannot be confidently made by the Council.

- 2.18. Biodiversity Net Gain (BNG) requirements should also be considered when assessing site viability. Since the beginning of the examination, BNG has become a mandatory requirement for development. Sites in sensitive landscapes, such as Tasley in Bridgnorth, may face additional challenges in meeting BNG standards. The costs associated with providing BNG on major greenfield sites could potentially impact the delivery of housing numbers and overall site viability. This is particularly relevant in areas with sensitive landscape characters, where balancing development with biodiversity improvements may be more complex and costly.



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