Shropshire Local Development Framework

Strategic Housing Land Availability Assessment (SHLAA)

Update July 2014

Shropshire Council

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Contents

1 Introduction

1.1 Background

1.1.1 This report is a further update to the initial (2008) Strategic Housing Land Availability Assessment (SHLAA) for Shropshire Council. The SHLAA is an important evidence source to inform plan-making and to ensure that councils maintain a five-year supply of housing land. It provides an informed estimate of land availability for housing at a given point in time and is maintained as a live database to ensure accurate information on potential housing land across Shropshire.

1.1.2 Whilst the SHLAA is a key part of the Council's evidence base, it is a technical document only and does not allocate land for development or include all locations where future housing growth will occur. The SHLAA will set out information on developable land availability for growth options for the identified settlements, which will be investigated further through the plan-making process.

1.2 National and Local Context

1.2.1 The SHLAA seeks to reflect the National Planning Policy Framework to ensure that the evidence base for housing supply remains up to date and can identify 'specific, developable sites or broad locations for growth, for years 6-10, where possible, for years 11-15; (NPPF, 6.47, 2011). The evidence gathered in SHLAA is partly used to demonstrate housing delivery in Shropshire as outlined in the NPPF to estimate housing delivery against Shropshire's housing requirements.

1.2.2 Recent planning practice guidance (PPG) published by the Government in March 2014 suggests that local planning authorities should combine their economic and housing assessments to create Strategic Housing and Economic Land Availability Assessments (SHELAAs). This guidance is too recent to be reflected in this SHLAA, which has been under preparation for some time. The Shropshire economic assessments can be found in the Shropshire Employment Land Review and Sites Assessment (2011) and the Phase I and Phase II Shropshire Strategic Sites and Employment Areas Assessments (2014).

1.2.3 Since the previous update of the SHLAA Shropshire Council has adopted their Core Strategy (2011) and progressed the Site Allocations and Management of Development (SAMDev) Plan. The Core Strategy sets out the Council's vision, strategic objectives and the broad spatial strategy to guide future development and growth in Shropshire. This spatial strategy identified the principle of development in Market Towns and Key Centre and Community Hubs and Cluster Settlements (see Policies CS2, CS3 and CS4) as the focus for delivering the 27,500 homes required over the plan period 2006-2026.

Shropshire Council's SAMDev Plan has progressed and now identifies which settlements have been designated as Community Hubs and Cluster Settlements. The SHLAA reflects the published SAMDev Plan in its geographical scope. It is important to note that the SHLAA does not predetermine the emerging SAMDev plan and its adoption, or the outcome of the consideration of any planning applications which may be submitted in relation to sites identified.

1.3 Sites requirement

1.3.1 The Shropshire Core Strategy sets a housing requirement for 2006-2026 of 27,500 homes (policy CS1). By 31st March 2014 (the baseline for this SHLAA report) 8,121 dwellings had been built and a further 7,066 dwellings had planning consent, leaving a remaining requirement of as set out in table MD1.1 in the SAMDev Plan, which is reproduced below.

Table 1.1 SAMDev Plan Table MD1.1

No. dwellings	housing requirement 2006-2026	completions 2006 to 2014	outstanding commitments /consents at 31/3/2014	Remainder to be met
Shrewsbury	6,500	1,771	1973	2756
Towns	11,000	3,577	2348	5075
All rural total	10,000	2,773	2745	4482
Total	**27,500**	**8,121**	**7,066**	**12,313**

1.3.2 This SHLAA report details the sites that may provide the 12313 homes required over the remainder of the plan period, 2014-2026.

2 Methodology

2.1 Introduction

2.1.1 The SHLAA follows the methodology set out in the Government's National Planning Practice Guidance (PPG) available online at http://planningguidance.planningportal.gov.uk/blog/guidance/housing-and-economic-land-availability-assessment/ and summarised in the flow diagram overleaf (figure 2.1).

2.1.2 In preparing the SHLAA the Council has worked collaboratively with stakeholders, and is grateful for contributions made by developers, the CPRE, the Shropshire Association of Local Councils (SALC), Natural England and the Environment Agency through their involvement in the SHLAA Steering Group, the SHLAA Market Assessment Review Panel and the Shropshire Developer Panel.

2.2 Geographical Scope

2.2.1 The Core Strategy outlines that 94% of the county is rural. Shropshire contains around 500 settlements, ranging from large towns to tiny hamlets. For logistical reasons, it was decided that the SHLAA update should only cover those settlements identified in the emerging SAMDev Plan that are included in the plan as sustainable settlements with a commitment to housing delivery.

2.2.2 The scope of the study is limited to settlements identified in the SAMDev Plan that fulfil both of the following criteria:-

- Identified as a Market Town, Community Hub or Cluster Settlement, *and*
- Provision is made for a site or sites of 5 or more dwellings in the settlement in the pre-submission[1] SAMDev Plan.

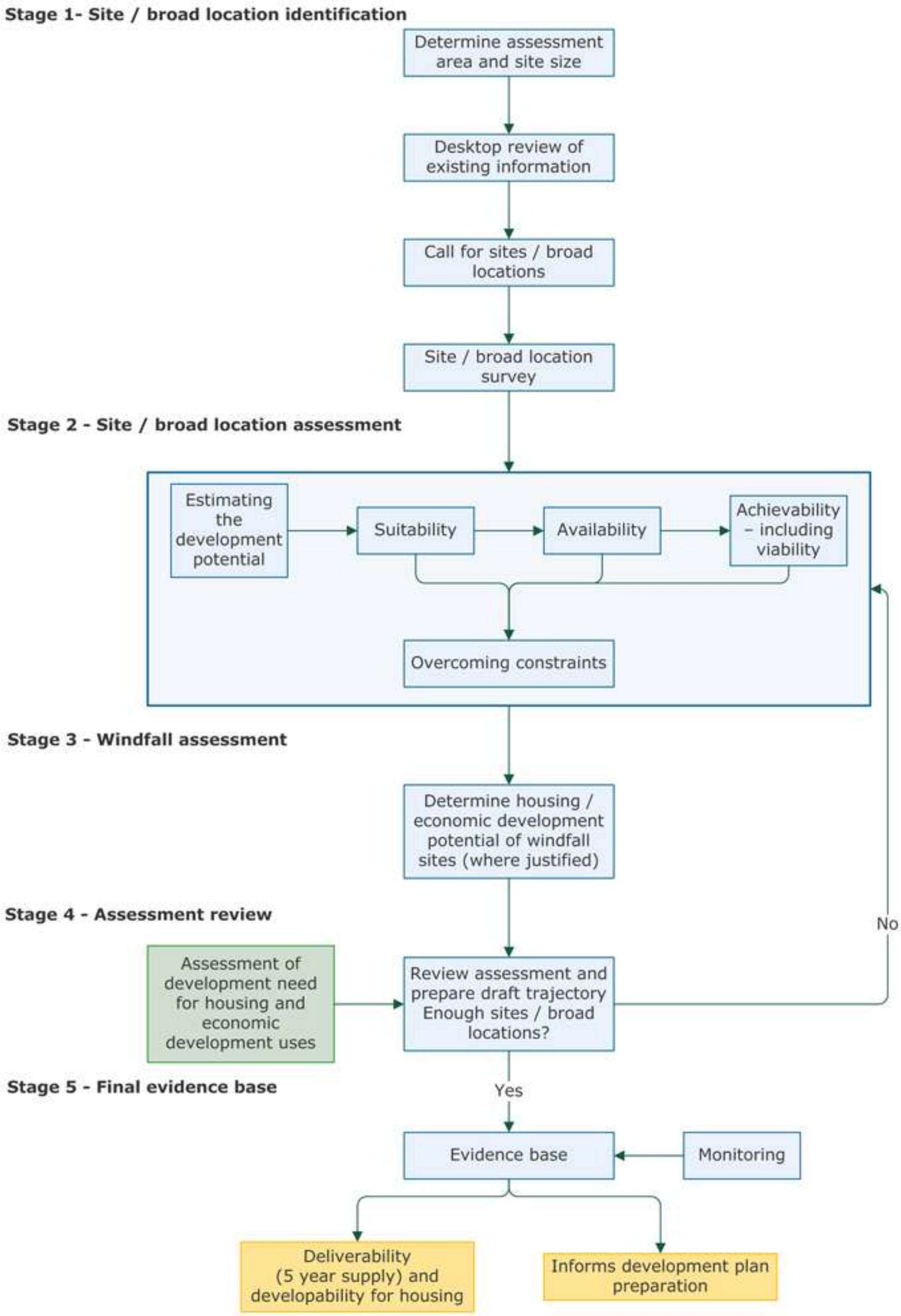
2.2.3 The scope of the SHLAA has gradually been refined since the initial 2008 and subsequent 2009 update to be geared to the emerging SAMDev Plan, in order to be able to demonstrate that there is adequate capacity in the identified settlements for the Plan to deliver the housing required. The 2014 SHLAA Update therefore includes:

- Shrewsbury
- The Market Towns and Other Key Centres
- Community Hubs and Community Cluster settlements where there are proposed housing allocations, 'accepted' housing sites or sites identified as of long term potential. Maps for these settlements are included in Appendix 4, set out in alphabetical order.

[1] The pre-submission version of the emerging SAMDev Plan was published on 17th March 2014.

There are other settlements identified in the SAMDev Plan, (some of which have maps in the SAMDev Plan), without maps included in Appendix 5 as no sites with a capacity of more than 5 dwellings have been identified. Such settlements will, of course, still have some capacity for windfall development through infilling, small groups of houses and conversion of existing buildings.

Figure 2.1 Planning Practice Guidance March 2014: Assessment of Land Availability Methodology Flow Chart



2.3 Stage 1: Site identification

Determining Site Size

2.3.1 In addition to identifying settlements committed to housing delivery, there is also a need to limit the scope of sites to those capable of accommodating 5 or more dwellings. This is to ensure that assessments and surveying are carried out in a time and resource effective manner. Sites in some urban areas are generally considered to deliver a higher density of housing and therefore the hectare size determined to deliver housing in these areas will naturally be smaller.

Desktop Review of Existing Information

2.3.2 The base date for assessing information relating to planning permissions is the **31st March 2014**.

2.3.3 The desktop review included sites that were currently **in the planning process** and a selection of planning permissions were taken as a sample deliverability of sites for Shropshire Council's Five Year Housing Land Supply statement and also as background evidence for the SHLAA:

- Planning Applications
- Existing Housing Allocations
- Change of Use

2.3.4 The desktop review of the SHLAA also considered information **from outside of the planning process**

- Existing Housing Allocations
- Local Authority Records
- National Register of Public Sector Land
- Emerging Site Allocations and Management of Development (SAMDev) Plan
- Former Employment Allocations

Call for Sites

2.3.5 A 'Call for Sites' was undertaken as part of the consultation process for both the initial (2008) and update (2009) SHLAA. The SAMDev process has been undertaken through county wide consultation on site options in March 2010, March 2012 and July 2013. Throughout all consultations promotions of sites have been implicitly or explicitly understood. There has therefore been no need to make a further 'Call for Sites' for the 2013 update of SHLAA. The evidence base used for the SHLAA is also updated regularly to include newly promoted sites.

Site and Broad Location Survey

2.3.6 The list of sites and broad locations has been assessed against national policies including assessments against the National Planning Policy Framework. Changes have been made to reflect any inconsistent information between desk assessments and call for sites.

2.3.7 Potential sites and broad have been assessed through more detailed site surveys undertaken from 2010 to 2013 and have allowed officers to update the site evidence base in more detail to ensure a thorough understanding of issues affecting deliverability on housing sites

2.3.8 The site surveys have been proportionate to the level of detail required for each site. Sites seen as deliverable have undergone a greater assessment than sites that are either developable within the planning period, or are currently not suitable but with future potential.

2.3.9 The survey covered a number of areas to ensure that our evidence base in the SHLAA is as accurate and as up to date as possible. This has included information on:-

- Site Size and Boundaries
- Current Land Use
- Surrounding Area
- Physical Constraints
- Environmental Constraints
- Development Management Progress
- Site Suitability

2.4 Stage 2: Site assessment

2.4.1 Site assessments have looked to assess sites based their suitability, availability and achievability. Definitions for these are available in the glossary. Identified constraints have been examined to see how they can be overcome.

Calculating the Development Potential

2.4.2 The development potential of each site has been calculated using a guidance of **30 dwellings per hectare** in the majority of sites with sites sometimes being able to deliver more or less depending on the individual surrounding area and circumstances of the site

Carrying out the survey

2.4.3 In a change from the SHLAA 2009 update methodology, this SHLAA 2013 update takes into account sites that are not currently developable but may become suitable and achievable in the longer term future beyond the current planning period.

2.4.4 Constraints have been defined in more detail to allow for sites outside of the development boundary to undertake a desktop assessment in terms of their suitability for housing over the longer term.

2.4.5 Sites where constraints may be able to be overcome have been looked at with respect to the likelihood of sites being able to overcome constraints and whether they are deliverable or developable, defined as:

- **Deliverable –** available now and with a reasonable prospect of development within 5 years

- **Developable –** sites suitable for housing and having a reasonable prospect of being delivered within the period of the plan

2.4.6 The SHLAA update now looks to include sites into the four categories outlined below. A site may move between these categories if its circumstances change:

- **Accepted sites** – sites which are currently suitable, available and achievable and lie within the development boundary. This includes a small number of SAMDev Plan listed sites within settlement boundaries.

- **Potential sites** - sites have been identified as proposed allocations for housing development in the emerging SAMDev Plan.

- **Longer Term Potential** – sites that face no insurmountable constraints to delivery in the longer term future. Includes sites currently outside of the development boundary, providing that they are adjoining the boundary and face no other insurmountable constraints. In situations where a settlement has no development boundary the criteria will be based on the site's proximity to the main settlement area. They form a larger pool of sites that are currently not developable but may become so in the longer term beyond the current plan period ending in 2026. In chapter 5 we assume that 50% of these sites will come forward post 2026. A conservative estimate of only 20 dwellings/hectare is made to avoid over-estimating the contribution from these edge-of-settlement sites. Again it is stressed that the inclusion of these sites is without prejudice to the Development Plan preparation or planning application processes.

- **Rejected** - sites have both insurmountable constraints to housing delivery (including too small sites – not capable of delivering 5 or more dwellings), or the site has already been developed, under construction or planning permission has been granted.

Assessing Suitability

2.4.7 Information from desktop assessments and site visits has been used to identify relevant policy and planning constraints that have been used to assess the suitability of housing.

2.4.8 For the benefit of the study it has been necessary to further highlight constraints that are deemed to be insurmountable to rule out sites that are not suitable for housing and therefore removed from the study. We have defined insurmountable constraints broadly as the following:

- Site is not currently promoted;
- Site is too small (not capable of delivering 5 or more houses);
- Site is promoted as an employment site, is proposed as an allocation employment site or is protected as an employment site;
- Site is not well related to development boundary or, where there is no development boundary proposed, is not well related to the existing settlement;
- Site wholly or partly within internationally or nationally protected sites and species area;
- Site wholly within Flood Zone 3, or a significant part of the site is within Flood Zone 3;
- Site has insurmountable highways and access constraints;
- Site has insurmountable issues related to any further comments from consultant contacts on heritage, biodiversity and tree preservation orders.

Assessing Availability

2.4.9 Sites are considered available if they have been promoted in the previous 'call for sites' as part of the SHLAA process or promoted at one of the many stages of the SAMDev Plan process, unless there are specific reasons to believe otherwise.

Assessing Achievability

2.4.10 The economic viability and deliverability of the site has been informed by the Shropshire Viability Study 2013 and an understanding of national and local conditions as set out in the Market Assessment chapter of this report.

Addressing Constraints to Delivery

2.4.11 Where there are specific constraints to delivery, these are included in the site specific records on the SHLAA database along with any appropriate means of addressing them.

Timescale and Rate of development

2.4.12 Appendices 2 and 4 detail the likely timescales for development for each site.

3. Market Assessment

3.1 Introduction

3.1.1 Local planning authorities are expected to identify a supply of specific *deliverable* sites for the next five years, and supply of *developable* sites for the period beyond five years for the remainder of the plan period, all of which should be available, suitable and achievable (NPPF paragraph 47). This chapter of the SHLAA focuses on the achievability aspect, establishing *"realistic assumptions about the…..likely economic viability of land to meet the identified need for housing over the plan period"* (NPPF paragraph 159).

3.1.2 Viability is the key ingredient in whether a site is achievable because various constraints, such as infrastructure improvements and design requirements, can be overcome provided there is sufficient gross development value in a site to justify the costs incurred. Consequently the NPPF emphasises the importance of viability (paragraphs 173-177) as a key aspect of ensuring that plans are deliverable and effective.

3.1.3 The national planning practice guidance (PPG) that accompanies the NPPF includes a section on viability, which emphasises that, "*Understanding Local Plan viability is critical to the overall assessment of deliverability. Local Plans should present visions for an area in the context of an understanding of local economic conditions and market realities. This should not undermine ambition for high quality design and wider social and environmental benefit but such ambition should be tested against the realistic likelihood of delivery.*" (PPG viability paragraph 001).

3.1.4 The PPG states that, "*Plan makers should not plan to the margin of viability but should allow for a buffer to respond to changing markets and to avoid the need for frequent plan updating. Current costs and values should be considered when assessing the viability of plan policy. Policies should be deliverable and should not be based on an expectation of future rises in values at least for the first five years of the plan period. This will help to ensure realism and avoid complicating the assessment with uncertain judgements about the future.*" (PPG viability paragraph 008[2]).

3.1.5 This chapter therefore examines the deliverability of housing development given current market realities across Shropshire. This information helps answers the following key questions:

- What is the local housing market delivering at the current time?
- Are different types of site viable/ deliverable in current market conditions?

[2] http://planningguidance.planningportal.gov.uk/blog/guidance/viability-guidance/viability-and-plan-making/

- What are the main barriers to delivery, and how can these be addressed?
- What are the market risks?

3.1.6 The PPG also advocates a partnership approach, working together with stakeholders such as house builders and local agents to assess the deliverability of sites and show how market conditions may affect viability. Accordingly, the assessment of opportunities has been assisted by consultations undertaken with people familiar with the areas and knowledgeable about the operation of the local markets, such as the local agents and house builders, some of whom took part in the Market Assessment Review panel meeting and the various Shropshire Developer Panel meetings.

3.2 The state of the national market and viability overview

3.2.1 We are still suffering from a weak economy, lack of available mortgage finance, low bank base rates and high lender margins which are all contributing to a challenging residential market. Drivers of the market continue to be the 3 'D's of divorce, downsizing and death, with existing housing equity driving the market rather than the availability of mortgages.

3.2.2 The past five years have seen a huge divergence in the performance of different property types and locations. The market has moved to a low transaction market where the main source of funding has shifted from debt to equity. Gaps have widened between mature owner occupier households and would-be first time buyers. For those with equity looking to buy into the bottom end of the market, often for buy-to-let, the focus is on the property's investment credentials and the income it can generate.

3.2.3 The inaccessibility of mortgage finance and a weak economic recovery has shifted the tenure of younger generations away from owner occupation towards renting. Nationally private sector renting is the largest tenure type for households aged under 35 years of age. There is strong demand in the rental sector and the number of rented homes is increasing faster than ever.

3.2.4 The low interest rates have helped to support existing home owners, so there have been far fewer repossessions, meaning the number of cheaper homes coming onto the market has also reduced. This and the lack of mortgages available have meant the first time buyer market is still flat.

3.2.5 In the past five years the number of first time buyer purchases nationally has averaged just 200,000 per annum, down from 390,000 per annum in the previous five years. Second steppers therefore have difficulty in finding a buyer and because the second steppers have little equity in their properties due to their suppressed values, moving on to the next step on the property ladder is difficult. This leaves the older, equity rich home owners, who are the ones who are currently keeping the market moving.

3.2.6 The market varies greatly across England, but the broad picture is shown by Savills' forecast in figure 3.1, which predicts a reasonable recovery over the next 3 years.

Knight Frank's regional forecast predicts a 2.0% growth in house prices over 2013 for the West Midlands.

Figure 3.1 National housing values forecast

TABLE 4.1

Mainstream markets: Five-year forecast values

	Forecast					
	2014	2015	2016	2017	2018	5yrs to end 2018
UK	6.5%	5.0%	4.5%	4.0%	3.0%	25.2%
London	8.5%	6.0%	4.0%	2.0%	2.0%	24.4%
South East	7.0%	6.5%	6.0%	5.0%	4.0%	31.9%
South West	7.0%	6.0%	5.5%	4.5%	3.5%	29.4%
East of England	7.0%	6.0%	5.5%	5.0%	4.0%	30.7%
East Midlands	6.0%	5.0%	4.5%	4.0%	3.0%	24.6%
West Midlands	6.0%	4.5%	4.0%	4.0%	3.0%	23.4%
North East	5.0%	4.0%	3.0%	3.0%	2.0%	17.6%
North West	5.5%	4.5%	3.0%	3.0%	2.0%	19.3%
Yorks & Humber	5.0%	4.5%	3.5%	3.5%	2.5%	20.5%
Wales	6.0%	4.0%	3.5%	3.5%	2.5%	21.0%
Scotland	4.5%	4.5%	3.5%	3.5%	2.0%	19.3%

Source: Savills Research

Source: Savills

3.2.7 Land values nationally were flat over September 2011 to March 2013, but have risen in recent months by approximately 1.6% over the 2011 level (source: Knight Frank's residential development land index)

3.2.8 According to the cost of construction index used by the Government Department of Business, Innovation and Skills (BIS), the cost of new build housing has been rising since the 2008 market crash, with costs now at similar levels to 2007 (figure 3.2). It remains to be seen whether costs will now stabilise, or continue to increase.

3.2.9 The Government has pursued a policy of increasing market demand through the availability of cheaper finance. The Bank of England incentive 'Funding for Lending' for banks and building societies to lend to UK households was introduced in June 2012. In order to make loans cheaper and more easily assessable banks can now borrow at a much lower cost and the more they loan out to buyers, the more they can borrow at the reduced cost. The introduction of the Funding for Lending scheme has shown that if more mortgages are available then the level of sales will increase, with activity at its highest during 2012 compared to the last 5 years. Nationally, property sales increased by 5% in 2012 to 932,000; the highest annual total since 2007.

3.2.10 There is increasing confidence in the construction sector, with the Government's 'Help to Buy' initiative singled out by the industry as helpful. The equity loan element of the scheme, which is targeted at new builds and aimed by the Government directly at encouraging house building, has already begun to increase new build reservations[3]. In March 2014 the Government announced that it would extend the equity loan scheme to 2020, committing a further £6 billion of public sector support to help 120,000 more households purchase a new build home. The Help to Buy equity loan scheme currently supports up to 30% of all new build homes in England. The mortgage guarantee element, arguably the bigger and more ambitious part of the scheme, came into effect in January 2014.

Figure 3.2 Cost of construction changes over time

Source: BIS website; tables 940/941

3.2.11 Looking ahead, interest rates are likely to rise post 2015 and could dampen the housing market as higher borrowing costs stretch house buyers. The affordability squeeze may act as a brake on future house price growth.

3.3 The Shropshire Market

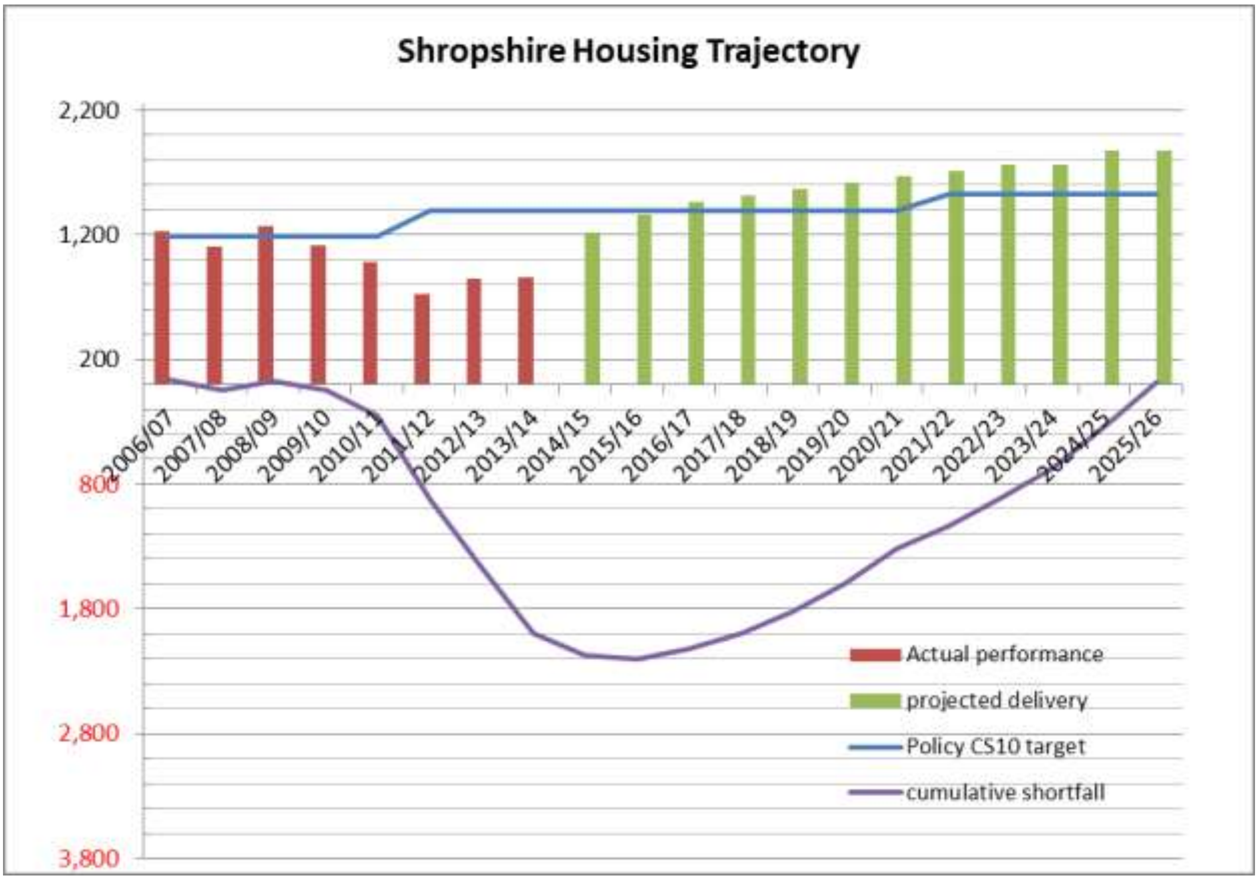
Performance

3.3.1 Delivery of housing in Shropshire in the eight years 2006-2014 is shown in red in figure 3.3 below. It is substantially lower than the housing target shown in blue, with targets of 1190 dwellings per annum for 2006-2011, rising to 1390 dwellings per

[3] Savills residential property focus Q3 2013

annum from 2011-2021 and 1530 per annum for 2021-2026, as phased by Core Strategy Policy CS10. Under delivery against target has given rise to a cumulative shortfall of 1,999 dwellings as of 31st March 2014, shown in purple in figure 3.3. This trajectory indicates delivery levels for years 1-5 rising from 1,215 to 1,565 dwellings per annum, and running to over 1,800 per annum for the last 5 years of the Plan period, which would be particularly high compared to historic rates.

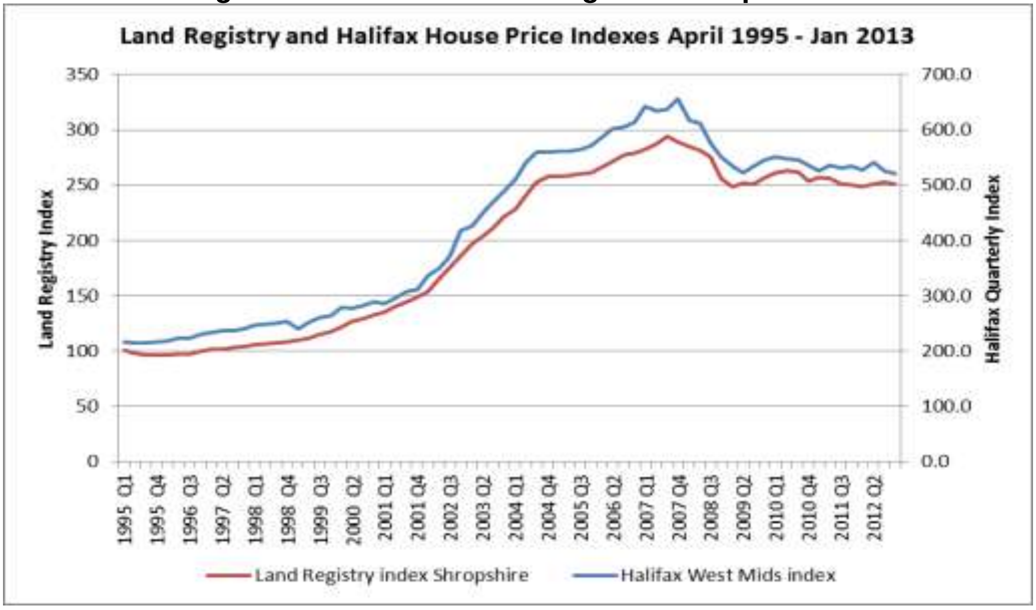
Figure 3.3 Housing Delivery in Shropshire



House prices

3.3.2 The main cause of lower completions over 2010-2014 has been a weak market due to the fall in house prices in 2007/08 followed by flat recovery, as shown by the Land Registry and Halifax house price indexes (figure 3.4). Sales rates have also remained lower than before the downturn.

Figure 3.4 House Price changes in Shropshire



Source: Shropshire Viability Report May 2013

Land values

3.3.3 Land values in Shropshire have dropped considerably from values pre-2008 of about £1 million - £1.6 million per net developable acre, down to £500,000 - £800,000 per acre in the SHLAA 2010 report, to even more reasonable values of £200,000 to £600,000 per acre in 2013. Values vary across Shropshire, with highest values broadly in the south and lower values in the north. The results of a survey of the Shropshire Developer Panel in May 2013 (figure 3.5) indicate that land values in the lowest value parts of Shropshire (the northern towns) are approximately £200-£300,000 per acre, rising to over £500,000 per acre in the highest value parts of Shropshire (the south).

Figure 3.5 Shropshire land values May 2013

'Gut feel' average land value £/acre	£/hectare	Low value	Mid value	High value
under £200,000 /acre (<£17,000/ plot)	<£494,000	1		
£200,000 to £300,000 / acre (£17 - £25,000/ plot)	To £741,000	5	1	
£300,000 to £400,000 / acre (£25 - £33,000/ plot)	To £988,000	2	3	1
£400,000 to £500,000 / acre (£33 - £42,000/ plot)	To £1,235,000	1	4	2
£500,000 to £600,000 / acre (£42 - £50,000/plot)	To £1,482,000		1	4
over £600,000 / acre (over £50,000/ plot)	>£1,482,000			4

Source: survey of the Shropshire Developer Panel

Build rates

3.3.4 The Five Year Supply Statement published in August 2014 uses the latest available data including developer feedback to establish current build rates, and concluded that the current average build rates are:

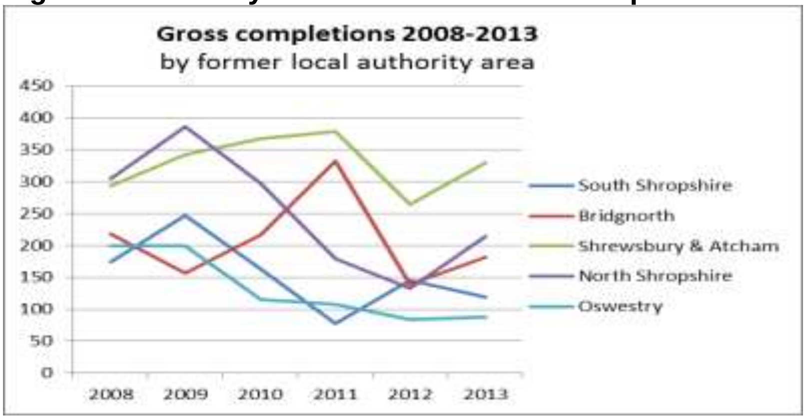
North Shropshire	25 dwellings/year
Central Shropshire	38 dwellings/year
South Shropshire	36 dwellings/year

3.3.5 These build rates are not dissimilar to the national rates for the major housebuilders, which are in the region of 30 units/year[4]. On very large sites, the Council has assumed a 1.5 multiplier following feedback from developers. This assumes two housing developers working on larger sites, and has been supported as a reasonable assumption through the work with the Council's Developer Panel.

Delivery across Shropshire

3.3.6 The drop in completions since 2008 across Shropshire is not even across the county. As figure 3.6 below shows, the overall drop obscures a more positive picture in central and eastern Shropshire, the former Shrewsbury & Atcham and Bridgnorth district council areas. The drop in completions was most marked in North Shropshire. In 2013 North Shropshire and South Shropshire showed some signs of recovery, but Oswestry district area continues to stagnate.

Figure 3.6 Delivery Performance across Shropshire



Source: Shropshire Council Development Trends Report 2013

[4] At 2012, Individual company reports gave the following average completions figures for a typical site in the UK: Bellway 26 units/year; Galliford Try 28 units/year; Persimmon 35 units/year; Redrow 29 units/year; Taylor Wimpey 31 units/year.

3.3.7 At the December 2012 meeting of the SHLAA Market Assessment Review Panel (the panel) it was stated that properties in the high demand areas were still selling well, for example Much Wenlock and Bishops Castle, but there is still a north/ south split on demand and so developers wouldn't choose to develop small sites in the North as it wouldn't work financially. Similar comments were reiterated at meetings of the Developer Panel in 2013 and 2014.

3.3.8 The panel agreed that there were quite a lot of equity rich buyers purchasing Town Centre apartments and buy to lets. However the lower end of the market that relied on mortgages was still struggling and suggested that owner occupiers would buy smaller units in order to get on the housing ladder. First Buy and Help to Buy Schemes are assisting purchasers, which the Shropshire Developer Panel reports is having a noticeable positive impact on sales.

3.3.9 An analysis of house prices across Shropshire shows marked differences across the county, as in figure 3.7. There are also wide variations in values between the lowest and highest market prices, represented in the table below by the standard deviation, particularly in the more rural areas. Statistically 68% of properties lie within the range represented by one standard deviation above and below the mean.

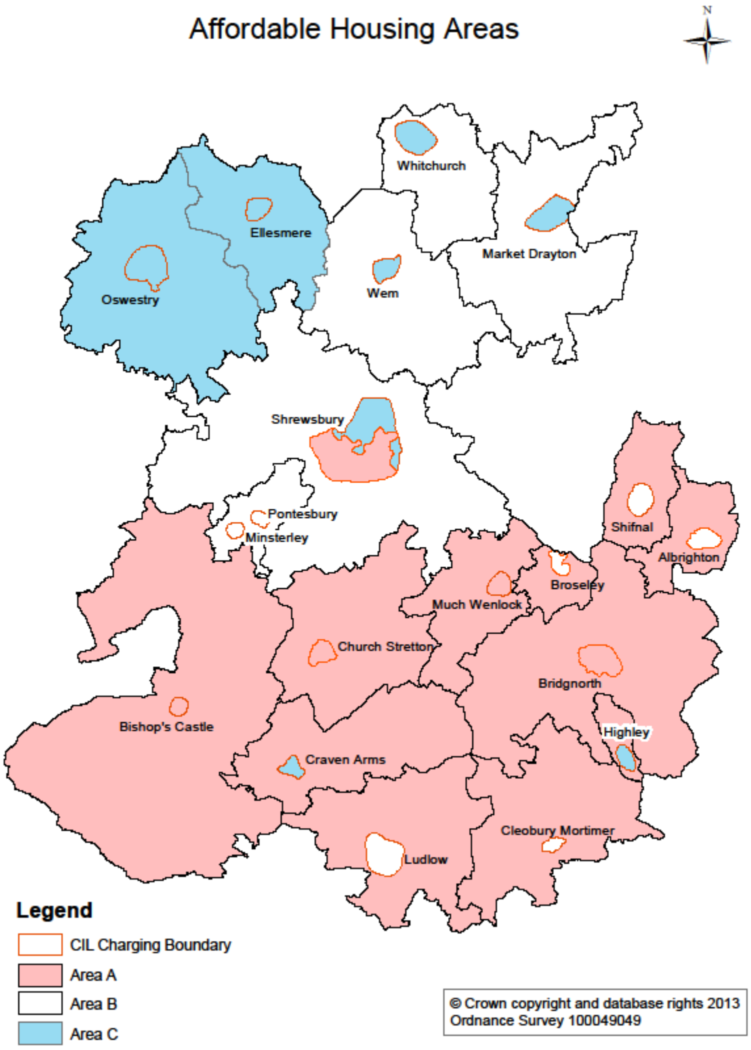
Figure 3.7 House prices by area

Town or rural area	standard deviation (sd)	sd below mean	mean	sd above mean	no. records
Albrighton	£65,869	£109,627	£175,496	£241,366	82
Bishops Castle	£78,125	£129,295	£207,420	£285,545	50
Bridgnorth	£83,862	£117,121	£200,983	£284,845	501
Broseley	£57,879	£109,793	£167,671	£225,550	126
Church Stretton	£126,783	£127,890	£254,672	£381,455	171
Cleobury Mortimer	£73,170	£103,141	£176,311	£249,480	81
Craven Arms	£71,359	£89,669	£161,029	£232,388	64
Ellesmere	£60,914	£90,953	£151,868	£212,782	121
Highley	£52,570	£86,191	£138,761	£191,331	64
Ludlow	£96,310	£79,269	£175,579	£271,889	451
Market Drayton	£56,106	£96,946	£153,051	£209,157	324
Minsterley & Pontesbury	£71,561	£117,928	£189,489	£261,050	81
Much Wenlock	£101,067	£149,968	£251,036	£352,103	99
Oswestry	£66,835	£81,765	£148,601	£215,436	593
Rural Central	£127,844	£118,317	£246,161	£374,005	673
Rural East	£142,751	£146,680	£289,431	£432,183	353
Rural North East	£121,860	£131,139	£253,000	£374,860	553
Rural North West	£121,675	£80,452	£202,128	£323,803	638
Rural South	£145,126	£145,111	£290,236	£435,362	472
Shifnal	£69,428	£103,733	£173,161	£242,589	191
Shrewsbury North	£68,470	£82,180	£150,650	£219,120	793
Shrewsbury South	£105,523	£92,513	£198,036	£303,559	1529
Wem	£56,775	£99,057	£155,831	£212,606	220
Whitchurch	£65,076	£85,708	£150,784	£215,860	235

Source: Land Registry transactions Jan 2009-Sept 2012 (c.8,500 house transactions)

3.3.10 This data was converted to a simplified map showing high (A), medium (B) and low (C) value market areas. Even with the higher average floorspace in rural areas taken into account it is apparent that most towns have lower values than their surrounding rural area. While there is in very broad terms a division between north, central and south Shropshire in terms of house prices, the urban/rural division overlays this to provide a more complex picture. The Shropshire Developer Panel was consulted on the results, and concur that they reflect the real differences between towns in Shropshire, and between the towns and the surrounding villages.

Figure 3.8: Market Strength across Shropshire



Source: Shropshire viability study May 2013.

3.4 Differing demand for different types of development

3.4.1 The different type of residential units built in Shropshire in the 6 years from 2007/08 is shown below. The trend towards more smaller units (apartments and terraced houses) that was apparent over 2008-2010 has reversed, with the last two years 2012-2013 showing a much greater proportion of detached and semi-detached houses. There is typically at least a 2-year time lag between preparing a development scheme and completion, so the figures suggest that market pressures 3 years ago (2010/11) led to larger and more expensive houses being delivered. As the market recovers, it is likely that this will reverse, albeit with a time-lag in response.

Figure 3.9 Delivery in Shropshire by house type

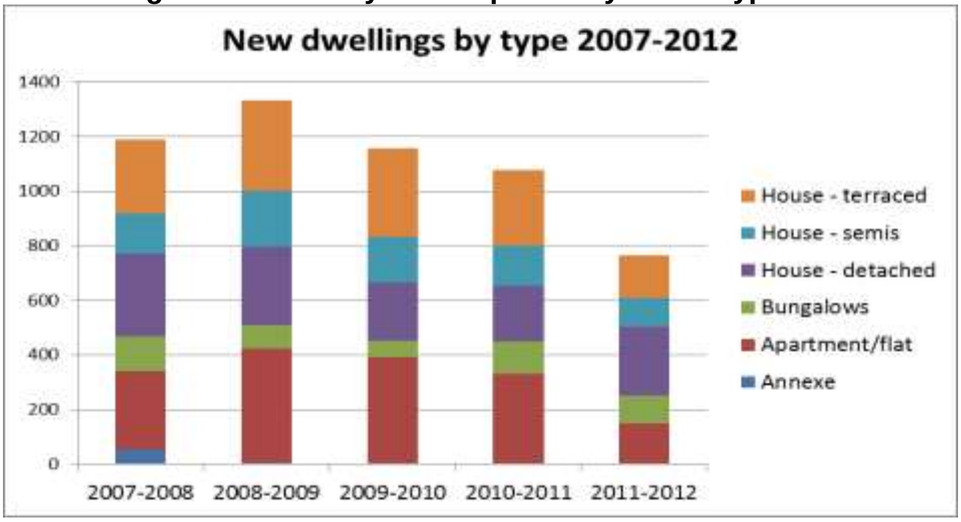
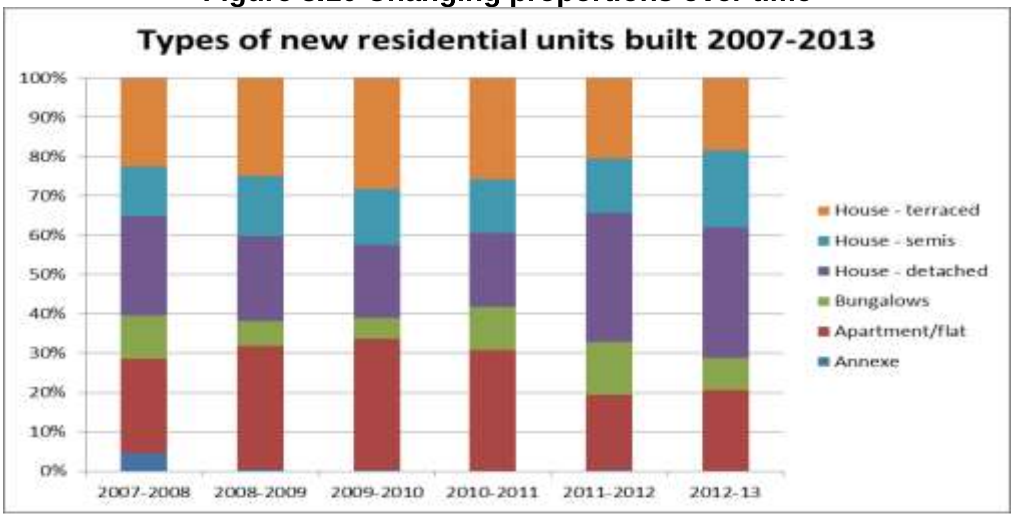


Figure 3.10 Changing proportions over time



Source: Data set for the development trends reports 2007-2013

3.4.2 A comparison of the size of dwellings built in Shropshire over 2008-2013 and further broken down into each of the 5 former districts that make up Shropshire Unitary Council's area (figures 3.11) shows distinct spatial differences and changes over time. In recent years 2012 & 2013 there has been a trend towards larger properties. The proportion of 1 and 2 bedroom properties fell from around 50% over 2008-2011 to less than 40% in 2012 & 2013, with a related increase in the proportion of 4+ bedroomed properties from around 20% to 30% of properties built.

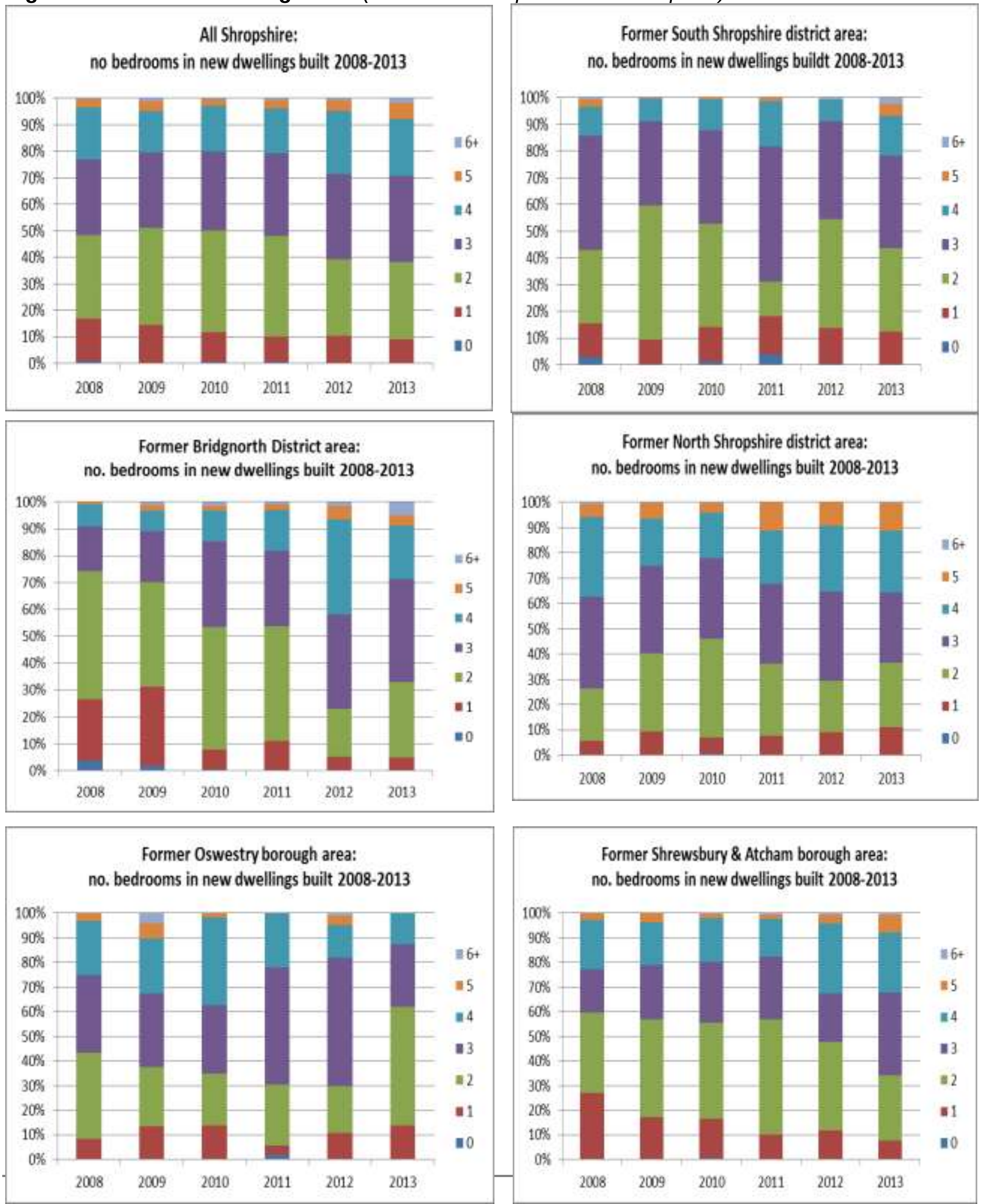
3.4.3 Across Shropshire there are some notable spatial differences. Oswestry and South Shropshire buck the overall trend, having noticeably fewer larger properties in recent years. The construction of small properties is relatively more common in South Shropshire, possibly reflecting an ageing demographic.

3.4.4 Welfare reform is resulting in registered providers requiring smaller affordable units (one and two bedroomed homes only).

3.4.5 The preferred type of housing for development on open market sites remains the traditional family home, with larger homes popular in most areas of Shropshire and smaller properties in demand in in town centres and in the North. Developers agree that the demand for extra care maybe present in Shropshire, but funding, especially revenue funding, is difficult to obtain and therefore many were reluctant to move away from the traditional housing development.

3.4.6 Obtaining finance for larger sites remains difficult and therefore they are sometimes split down into many phases. Barclays are now easing slightly on their lending criteria and it has been lending a little more but only to existing lenders with a good reputation.

Figure 3.11 Size of dwellings built *(Source: development trends reports)*



Shropshire Council

3.5 Viability of development in Shropshire

3.5.1 Viability is patchy across Shropshire, being highest in the south and lowest in the northern towns. Shropshire's affordable housing rate is adjusted in accordance with the dynamic viability index, keeping it aligned to market conditions. This resulted in the affordable housing target rate falling to 13% from April 2011. In September 2013 the dynamic viability index[5] was revised following publication of a Viability Study in May 2013[6] to introduce three geographical rates, of 20%, 15% and 10% in areas A, B and C respectively as shown on the map in figure 3.8.

3.5.2 The NPPF[7] requires local authorities to assess the cumulative impact of all the Local Plan policies on viability. Table 3.12 below summarises the effect of the proposed SAMDev Plan policies together with adopted Core Strategy policies and the Community Infrastructure Levy.

Table 3.12 Effect of local plan policies on viability

Policy	Policy title	Impact on viability of housing developments
Shropshire Core Strategy		
CS1	Strategic Approach	Potential impact if CS1 spatial distribution results in restricted availability of land in the area, pushing up land values.
CS2	Shrewsbury Development Strategy	On larger developments, transport contributions.
CS3	Market Towns and Other Key Centres	On larger developments, s106 contributions for necessary infrastructure incl. water and roads.
CS4	Community Hubs and Community Clusters	'Mix of housing that caters for local needs' may impact on viability; CIL covered under CS9.
CS5	Countryside and Green Belt [Elaborated by the Type and Affordability of Housing SPD adopted September 2012]	Size and occupancy restrictions for rural workers' dwellings.
CS6	Sustainable Design and Development Principles	Requires minimum water standards; open space provision; appropriate design taking into

5 http://www.shropshire.gov.uk/planningpolicy.nsf/viewAttachments/MHOL-9EJJGG/$file/Shropshire%20Dynamic%20Viability%20Index.pdf
6 http://www.shropshire.gov.uk/planningpolicy.nsf/viewAttachments/MHOL-9EJJGG/$file/Shropshire%20viability%20study%20May%202013.pdf
7 National Planning Policy Framework paragraph 174

	[Elaborated by the Sustainable Design SPD adopted July 2011 and the Open Space Interim Planning Guidance]	account local character.
CS7	Communication and Transport	Promotes sustainable travel options, which can require additional contributions on larger developments.
CS8	Facilities, Services and Infrastructure Provision	Relevant where protecting an existing asset.
CS9	Infrastructure Contributions [Elaborated by the Community Infrastructure Levy Charging Schedule adopted January 2012]	Requires critical on-site infrastructure to be provided, plus £40/sqm CIL rate in towns £80/sqm CIL rate in rural areas.
CS10	Managed Release of Housing Land	n/a
CS11	Type and Affordability of Housing [Elaborated by the Type and Affordability of Housing SPD adopted September 2012]	Affordable housing target rates currently 10%, 15% and 20% Can also impact on the types of market dwellings.
CS12	Gypsies and Traveller Provision [Elaborated by the Type and Affordability of Housing SPD adopted September 2012]	n/a
CS13	Economic Development, Enterprise and Employment	n/a
CS14	Managed Release of Employment Land	n/a
CS15	Town and Rural Centres	n/a
CS16	Tourism, Culture and Leisure	n/a
CS17	Environmental Networks	Can require land to be dedicated for environmental uses.
CS18	Sustainable Water Management	Requires land for drainage and water efficiency in buildings.
CS19	Waste Management Infrastructure	n/a
CS20	Strategic Planning for Minerals	n/a
Site Allocations and Management of Development (SAMDev) Plan		
MD1	Scale and Distribution of Development	n/a
MD2	Sustainable Design	Requires quality design and open space of 30sqm/person.
MD3	Managing Housing Development	Refers to the inclusion of an appropriate mix and type of housing. Potential costs of additional community engagement.

MD4	Managing Employment Development	n/a
MD5	Sites for Sand and Gravel Working	n/a
MD6	Green Belt & Safeguarded Land	None.
MD7a	Managing Housing Development in the Countryside	Size and occupancy restrictions for rural workers' dwellings.
MD7b	General Management of Development in the Countryside	Cross-reference to MD2 & MD13
MD8	Infrastructure Provision	Ensure sufficient infrastructure capacity.
MD9	Protecting Employment Areas	n/a
MD10a	Managing Town Centre Development	n/a
MD10b	Impact Assessments for Town and Rural Centres	n/a
MD11	Tourism Facilities and Visitor Accommodation	n/a
MD12	Natural Environment	Contribute to natural environment.
MD13	Historic Environment	Contribute to the historic environment, where relevant.
MD14	Waste Management Facilities	n/a
MD15	Landfill and Land Raising Sites	n/a
MD16	Mineral Safeguarding	n/a
MD17	Managing the Development and Operation of Mineral Sites	n/a
S1-S18	Settlement specific policies, including allocations of land for development	Availability of land, affecting landowner price expectations.

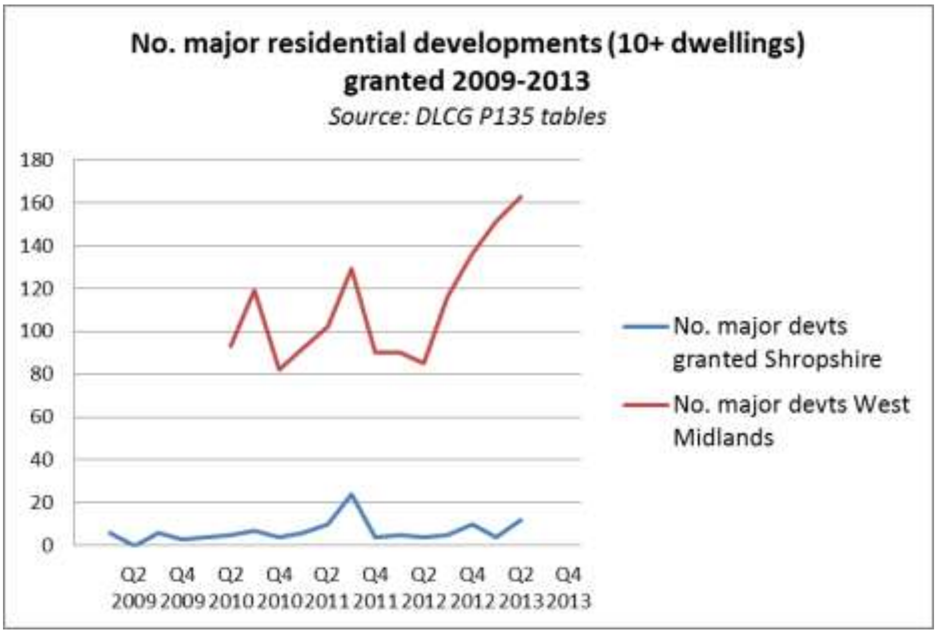
3.5.3 The key policies that impact on development viability are therefore those that affect:

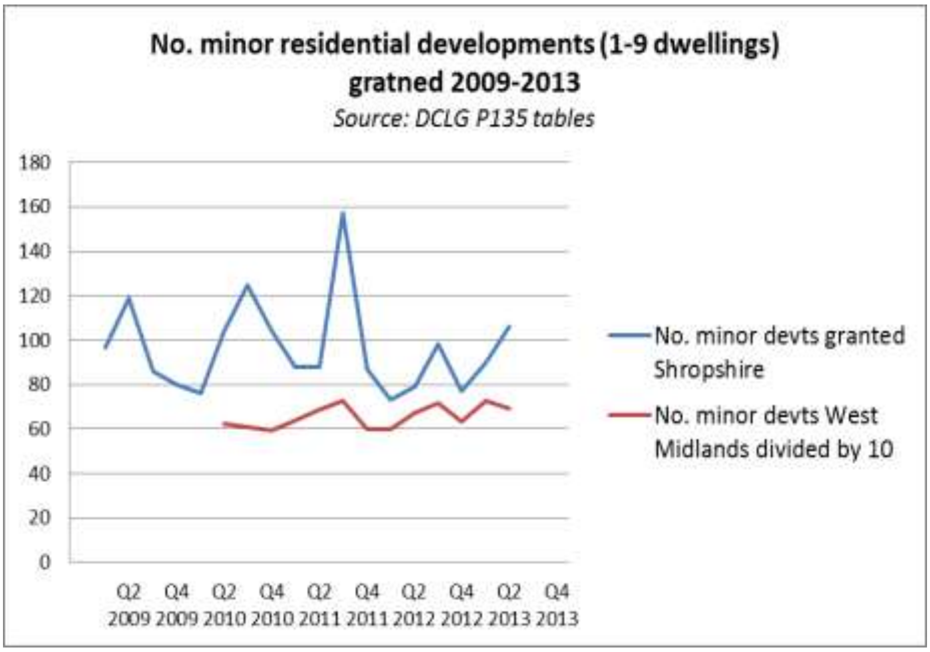
- Distribution of development and thereby the availability of land and land values (policies CS1, S1-S18);
- Housing types sought (CS4, CS5, CS11, MD3, MD7);
- Affordable housing contributions (CS11);
- Infrastructure contributions (CS9, CIL, CS7, CS2, CS3, MD8);
- Design and open space requirements (CS6, CS17, CS18, MD2, MD12, MD13);
- Community engagement costs (CS4, CS5, MD3).

3.5.4 The acid test of whether these costs are too onerous is whether delivery is affected by them. We know that completions have been low in recent years, but this has affected all parts of England as the largest single variable has been the national housing market and difficulties in the national banking sector. An alternative way of assessing the effect of Shropshire-specific policies is to compare Shropshire's delivery with experience across the rest of the West Midlands. This can only measure the impact of Core Strategy policies (effective from 31st March 2011) and the introduction of the Community Infrastructure Levy (effective from 1st January 2012). From this experience, some of the impact of emerging SAMDev Plan policies might be surmised.

3.5.5 The graphs below compare the number of planning applications granted planning permission, for major and minor developments, comparing Shropshire's trend with the West Midlands as a whole. Initial indications are that Shropshire's policies may be dampening its recovery relative to the rest of the West Midlands. However, the recent flurry of large applications granted in Shropshire over 2013-14 may change the picture considerably. Regular monitoring is recommended.

Figure 3.13 Planning applications granted consent

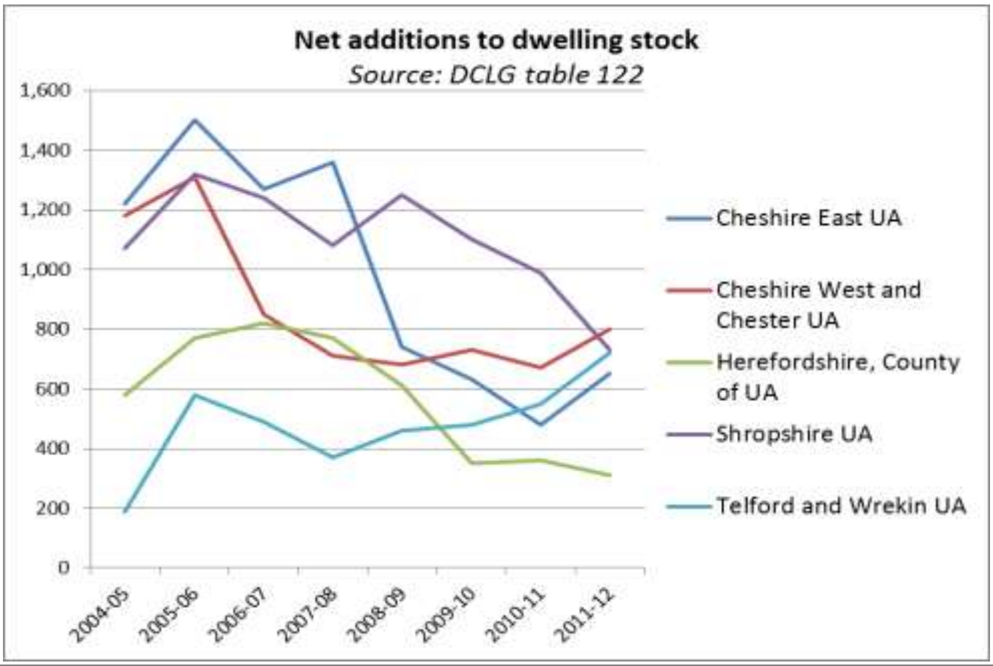




Source: Planning applications quarterly PS2 returns

3.5.6 A comparison of completions between Shropshire and its neighbours also illustrates that Shropshire's performance as the housing market recovered in 2010-12 is lagging behind. Cheshire East, Cheshire West and Telford & Wrekin all showed improved delivery over 2010-12. Herefordshire's delivery did not pick up over these years, while Shropshire's delivery continued to fall.

Figure 3.14 Delivery compared with neighbouring authorities



3.6 Deliverability of different site typologies

3.6.1 The viability and deliverability of sites clearly varies across Shropshire by market attractiveness (section 3.3) and type of dwelling (section 3.4). It also varies by type of site, as summarised in figure 3.16 below. The single most important factor remains the gross development value of the completed development and the cost of the land.

3.6.2 While there is a large stock of extant planning permissions (pp) for conversions and brownfield redevelopment, these are not necessarily being reflected in completions. Many planning permissions remain unimplemented as the market delivers sites in good locations in preference to sites in more marginal locations. In the current climate, the type of site appears to matter less than its location.

3.6.3 Shropshire Council has received an unusually high proportion of planning applications for greenfield sites in the past twelve months, but this is probably more related to the stage of the plan making process and impact of the NPPF's presumption in favour of sustainable development than the financial viability of greenfield sites.

Figure 3.15 Site deliverability

Site type	**% of sites with pp at April 2012***	**Key deliverability issues**	**Other factors**
Large greenfield sites (50+ dwellings)	0.6%	Site infrastructure can add significant costs. Mix of house types where required can reduce profitability.	Open space provision can be significant on large sites, reducing the net developable area.
Mid-sized greenfield sites (5-49 dwellings)	3.4%	Mix of house types where required can reduce profitability	Open space provision reduces the net developable area.
Small greenfield sites (1-4 dwellings)	20.0%	Can face higher infrastructure costs per unit in some locations.	CIL reduction for custom build homes.
Brownfield redevelopment sites	32.3%	Attractiveness of surrounding area affects gross development value.	CIL deduction for existing buildings. Often already well connected to utilities.
Urban conversions	19.2 %	Conversions have higher construction costs than new build.	CIL deduction for existing buildings.
Rural conversions	24.5 %	Highest construction costs are incurred where an old building is being preserved. Rural sites tend to have higher infrastructure costs (septic tanks, longer distance to connection points, etc.).	CIL deduction for existing buildings.

**Note The percentage of SITES is not directly comparable with the percentage of DWELLINGS delivered, because a. small percentage of large sites delivers a much higher percentage of completed dwellings.*

3.7 Conclusions

3.7.1 The purpose of this chapter was to examine market attractiveness and development viability. It has shown that the market varies considerably over the county, with a much stronger market in areas such as south Shrewsbury and some of the southern market towns, contrasting with a weak housing market in Oswestry and the northern market towns. Housing delivery was hit by the collapse in the housing market over 2008-2010, and is slowly recovering.

3.7.2 Detached and semi-detached houses dominate recent new build developments, with around 30% of all recent developments being larger (4+ bedroomed) homes. Flats and terraces are currently less favoured by the market.

3.7.3 Sites in stronger market areas are clearly more deliverable than areas with weaker markets, such as the northern towns. The main barriers to delivery are landowner expectations of inflated land values, and higher costs for self-build and smaller sites. The former can be addressed by ensuring competition in land, thereby influencing landowner expectations. The latter is being assisted by national changes to the community infrastructure levy (CIL) that exempt custom build housing from the CIL, and by Shropshire's dynamic and flexible approach to affordable housing contributions.

3.7.4 The greatest risk to delivery would be if relative market strength were ignored. To deliver sufficient housing requires Shropshire to work with the market, facilitating delivery in locations where the market is prepared to invest, whilst not over-relying on delivery in locations where market viability is problematic and the risks to delivery are therefore highest.

4 Sites with Planning Permission for housing

4.1.1 All sites with planning permission[8] (1) for housing in Shropshire at 31st March 2014 are set out in Appendix 1. To prevent double-counting, all sites that have planning permission are automatically placed in the ‘rejected’ sites category, as outside the study’s scope of identifying future sites.

4.1.2 Sites with planning permission are included on table 7.1 of the assessment as they reduce the number of sites needed to meet Shropshire’s housing requirements.

4.1.3 A total of **7,066 dwellings** have planning permission for development as at 31st March 2014. Of these, 6513 are considered deliverable within the next five years, as set out in the Shropshire Five Year Land Supply Statement published in August 2014.

[8] This list also includes selected sites where Committee has resolved to grant permission subject to a legal agreement.

5 Site specific sources

5.1 Introduction

5.1.1 The identification of a range of sites from various sources is discussed in earlier sections; including sites previously proposed for development and those promoted through the 'call for sites' process. From this wide range of sources **1,333 sites were identified** within the scope of the study. Each site has been mapped on the GIS base and linked to an access database to store information about the site and the assessment of its potential for housing.

5.1.2 The list of the accepted sites is included in Appendix 2. For each site, consideration of its particular characteristics, assessment of the local market and owner expectations all combined to provide a likely yield for the site and, in line with the practice guidance, was indicated in one of three time periods.

5.1.3 A large number of sites were considered as not being suitable, available or achievable and these are included in the list of rejected sites in Appendix 6.

5.1.4 A number of sites identified through the study were outside of existing settlement boundaries. Some of these are now proposed as sites allocated for housing development in the SAMDev Plan and therefore, if there are no changes to the Plan as it progresses through its examination phase, would become accepted sites upon adoption of the Plan. In the meantime they are placed in the 'potential sites' category for the purposes of this study and can be seen in Appendix 3.

5.1.5 The majority of the sites that lie outside settlement boundaries and which are not proposed for allocation in the SAMDev Plan nevertheless have potential and effectively form a set of sites from which the Council may in the future select 'Broad Locations for Growth' for development post 2026. These sites have been placed in the 'longer-term potential' category for SHLAA purposes and are listed in Appendix 5.

5.2 Findings

5.2.1 The analysis of sites indicates that from a total of **134 accepted sites** identified across the study area, a total of **4,652 dwellings** could potentially be developed in the period to 2026.

5.2.2 Within these figures there is a range of sources of housing which has been identified and the following sections break down the total figure above into the individual sources.

Sustainable urban extension sites

5.2.3 A total of **2,401 dwellings** have been identified as likely to come forward on Sustainable Urban Extension (SUE) sites established by the Core Strategy, which has increased to **2,600 dwellings** in the SAMDev Plan. There is a commitment to bring forward these sites and they are considered to provide a realistic opportunity for housing development. Masterplans have been adopted for the two Shrewsbury

SUE's, with development subsequently having commenced on the Shrewsbury South SUE and a current application for the first phase of the Shrewsbury West SUE.

Potential sites

5.2.4 The SAMDev Plan is proposing a number of the sites for allocation for future residential development. The SHLAA cannot predict the outcome of the SAMDev Plan examination and whether all of the sites will be successfully allocated at adoption. The majority of these SAMDev Plan sites are detailed in Appendix 3 and total a yield of **5,328** dwellings (up to 2026). There are also a small number of SAMDev Plan sites within settlement boundaries which are listed under Appendix 2, these total approximately 523 in terms of dwelling yield.

5.2.5 The Sustainable Urban Extension sites (SUE's) at Shrewsbury and Oswestry are not included within the 'Potential' category as they are considered to be 'Accepted' sites due to the identification of the SUE's in the adopted Core Strategy. SAMDev Plan proposed allocation sites within existing development boundaries are also included as 'Accepted' sites, due to the greater certainty of their delivery.

Long Term Potential sites and Beyond the Plan Period

5.2.6 Looking beyond 2026, a number of the sites are identified that adjoin the boundaries of the identified SHLAA settlements. Unless there are known constraints that would prevent these sites from coming forward, they have been identified as broad areas of search with 'Long Term Potential'.

5.2.7 A small number of sites may also run beyond the Plan period in terms of delivery and these have also been added to the post-2026 totals. Where Long Term Potential sites are now forecast to be delivered up to 2026, these have now been removed from the Long Term Potential totals. It is estimated that 24,482 dwellings [9] has been identified from this source using a multiplier and discounting approach as outlined in the methodology.

Employment sites

5.2.8 A number of the sites identified are presently in employment use. These are generally small sites in marginal employment locations often set within residential areas.

5.2.9 The protection of employment uses in order to provide for a balanced local economy remains a key aspect of sustainable development and therefore the significant loss of employment land is resisted in planning policies. Therefore, only a small percentage of the total provision is identified on such sites.

Suitable Greenfield

[9] This figure does not take into consideration a small number of recent planning permissions for sites designated as originally long term potential, or the addition of new long term potential sites to the database. This figure will be updated once the SHLAA database is updated later this year and re-run.

5.2.10 The March 2014 update of the SHLAA indicated that, within Shropshire, 46 sites which could be categorised as greenfield locations which have been identified and assessed as accepted. From this source a total of **2,539 dwellings** were identified as suitable, available and achievable. Of this total, 41 sites (976 dwellings) were within development boundaries. The remaining 5 sites (1563 dwellings) are located within the Sustainable Urban Extension areas that fall outside of the current development boundary. This information is under review for the next update of the SHLAA.

Brownfield land

5.2.11 In addition, the March 2014 update of the SHLAA indicated that, within Shropshire, **2,307 dwellings** are anticipated to come forward on identified brownfield sites within the study settlements. These will come forward on a range of sites, from conversions of existing buildings, to redevelopment of land and buildings. A further **667 dwellings** are on mixed greenfield/brownfield sites. Again, this information is under-review for the next update of the SHLAA.

5.3 Summary

5.3.1 Following the methodology set out in Section 2, sites identified from the variety of sources have been visited and have been assessed. Appendix 6 identifies all those sites which were identified but not considered to represent an opportunity for housing development, i.e. not currently developable.

5.3.2 Appendices 2 and 3 provide Site Yield Summary lists of the sites likely to come forward for housing. A full review of the sites has been undertaken and site pro-formas will be added to this document shortly, following an update to the working SHLAA database.

5.3.3 The total number of identified dwellings from all accepted, potential and long term potential sources (on sites of 5 dwellings or over) is **10,098 dwellings** up until 2026.

6 Housing potential from windfalls

6.1 Introduction

6.1.1 The NPPF allows SHLAAs to make an allowance for windfall sites if they have compelling evidence that such sites have consistently become available in the local area and will continue to provide a reliable source of supply. This may be used for both the first five years and for years 6-15 (NPPF paragraph 48 and PPG paragraph 24).

6.1.2 Windfall provision within the Shropshire area has traditionally provided a significant percentage of the housing supply, much of previous development coming forward from the redevelopment of unallocated sites and buildings previously in non residential uses. It is therefore considered that some element of windfall allowance is justified in order to ensure that the full future capacity of the settlements to provide housing is included.

6.1.3 Windfall sites fall into three categories:

- Small windfall sites of 1-4 dwellings (section 6.2);
- Future sites of 5+ dwellings within development boundaries that are not yet identified as site specific SHLAA sites (section 6.3);
- Broad areas of search (equivalent to the 'long-term potential' category section 5.2.6 - 5.2.7).

6.1.4 It is particularly important to avoid any double-counting of sites. A great many sites have been identified around Shropshire's settlements and are included elsewhere in this study in the 'sites with long-term potential' category. These are effectively Broad Areas of Search described in the PPG. To avoid double counting, they are not included in this chapter on windfalls.

6.1.5 This study has sought to identify specific large sites (5+ dwellings) which will come forward for housing development. Given the constraints of this study with regard to time, resources and imperfect information for the future, the assessment of likely yield from identifiable sites is considered robust within the short term, but beyond the next 5 years the identification of individual sites is not necessarily reliable. Built-up areas will continue to recycle land from existing uses and some large windfall sites will inevitably come forward within development boundaries that have not yet been identified. The amount of housing likely to arise from additional large windfall sites not currently identified as specific sites in the SHLAA is estimated in section 8.3 for the period 2019/20 to 2025/26.

6.1.6 The analysis below is based on figures provided by the Council's planning and land use monitoring system (PLUMS) regarding housing completions from 2003 - 2013.

6.1.7 The assessment of sites likely to come forward in the future draws upon the past completion rates but also considers the likely opportunities which may remain for future housing provision within settlements and also likely planning policies, which will increasingly support redevelopment in appropriate locations.

6.2 Small windfall sites

6.2.1 Figure 6.1 below illustrates the annual completion rates for small site schemes over the period from 2003/4 to 2012/13. In total, 4,663 dwellings were completed on small sites of under 5 dwellings over this ten year period, of which 3,953 were coded in the PLUMS database as 'windfall' sites.

6.2.2 Figure 6.2 provides a breakdown by greenfield and brownfield sites. The PLUMS data identifies residential garden sites as 'former residential browfield' (514 dwellings). Excluding these from windfall calculations in accordance with paragraph 48 of the NPPF, and also excluding greenfield windfall (445 dwellings) results in a revised windfall figure of 2,994 dwellings.

6.2.3 The ten year average for small windfall was therefore 299 dwellings per annum. This is comprised of an average of 97 dwellings per annum from conversions of agricultural buildings and 202 dwellings per annum from brownfield sites.

6.2.4 The Government's recent relaxations of permitted development rights to allow the conversion of offices, shops and agricultural buildings to residential units without the need for planning permission suggests that the past rate of small windfall developments will continue at, or above, past rates. Therefore we conclude that an average of **299 dwellings per annum** from small sites may be considered appropriate.

Figure 6.1 Completions on small windfall sites

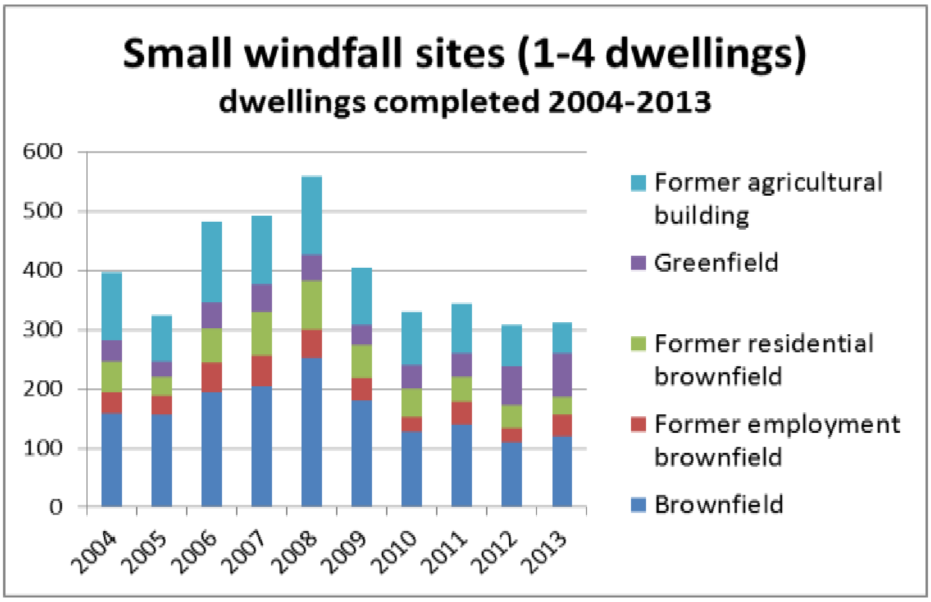


Figure 6.2 Windfall sites completions 2004-13

	small sites	large sites
Brownfield	1,648	1,875
Former employment brownfield	376	568
Former residential brownfield	514	419
Greenfield	445	561
Former agricultural building	970	194
Total	3,953	3,617

Source: PLUMS records of completions

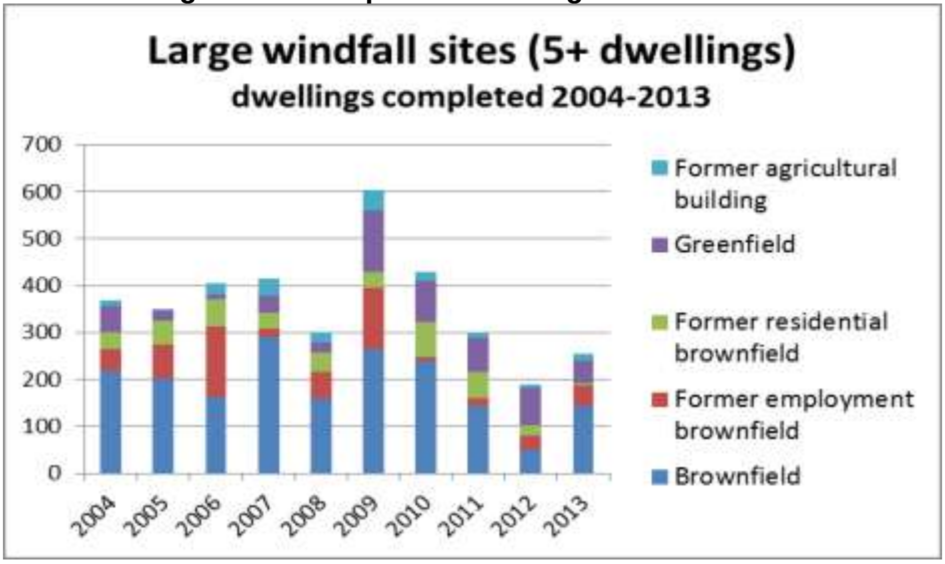
6.3 Large windfall sites beyond 2019/20

6.3.1 The graph below illustrates the previous completion of dwellings on large previously developed sites over the period from 2003/04 to 2012/13.

6.3.2 The total number of completions over the period of 10 years was 3,617 dwellings, on average **361 dwellings per annum** (dpa).

6.3.3 Many of the large windfall sites for the future are already identified in the SHLAA. Inevitably additional sites will present themselves throughout the plan period but in order to avoid double counting large windfall sites are not included in the study.

Figure 6.3 Completions on large windfall sites



Source: PLUMS records of completions

6.4 Conclusion

6.4.1 Planning policy will continue to promote the re-cycling of land within settlements and this is likely to continue in the future. The figures presented earlier in this document indicate the opportunities for sites to come forward generally within the next 10 years but it is accepted that sites will also come forward from what are currently windfall opportunities.

6.4.2 Small windfall sites should be included for the whole plan period, as these are too small to be individually identified as specific sites in the SHLAA. **299 dwellings per annum** are expected to come from this source. For the purposes of the Table 8.1, only 2 years of windfall supply is included for the period 2014-19, on the assumption that the first three years of this period are already 'in the system'. Large windfall sites will present as additions for future reviews of the SHLAA, and are therefore not included within the study. Further research is being undertaken on windfall types and trends and this will form part of an update to this SHLAA document.

7 Residential Care Homes and Affordable Housing Sites

7.1 Residential Care Homes

7.1.1 The Council has recently started monitoring residential care home permissions and new projects in more detail as part of its mainstream housing monitoring work. This follows advice detailed in the National Planning Practice Guidance that 'Local planning authorities should count housing provided for older people, including residential institutions in Use Class C2, against their housing requirement'. Traditionally the local authority has used the 'full self containment test' in determining whether to count accommodation for older people. However the Council's new approach is to include all self contained units (including those with limited kitchen facilities) as self contained as well as apply a multiplier to care bedrooms on the assumption of two thirds of care bedrooms will release a house on the market. This seems a reasonable assumption when reviewed against available statistical data. The SHLAA now contains a data stream of forecast to complete care home facilities (totally 205 dwellings), which are detailed in Appendix 7.

7.2 Affordable Housing Sites

7.2.1 A number of more strategic / large scale affordable housing sites are already included in SHLAA listings. New sites or sites which are in the new emerging affordable housing delivery programme, which do fall into the current SHLAA listings are currently detailed separately in the publication, alongside the care home schemes. These sites are also included in Appendix 7 and total 179 dwellings. It is intended to provide new SHLAA listing data for these sites as part of the ongoing updates to this document.

8 Review of assessment

8.1.1 The Planning Practice Guidance recommends that once site assessments have been completed, the housing potential of all sites can be summarised in the form of an indicative housing trajectory, setting out how much housing can be provided and at what point in time, with an overall risk assessment as to whether sites will come forward as anticipated.

8.1.2 Table 8.1 summarises the potential housing supply in Shropshire which has been identified from sites with planning permission at 31st March 2014 and from site specific sources within the study settlements. Shrewsbury is split out because it has its own separate target within Core Strategy policy CS1.

8.1.3 The Shropshire Core Strategy (2011) sets a housing requirement for 2006-2026 of 27,500 homes. Completions 2006-14 are shown in the table below.

8.1.4 The SHLAA covers the period from 1st April 2014 to the end of the plan period in March 2026. The SHLAA forecasts are broken down into three timeline groupings: 2014/15 to 2019/20 (which coincides with the new Five Year Housing Statement); 2019/20 to 2023/24 and 2024 to 2026.

8.1.5 Table 8.1 includes a small forecast of delivery from Accepted and Potential SHLAA sites beyond 2026 – totally 610 dwellings. This information mainly relates to larger sites or sites starting at a relatively late stage in the current plan period, where the build out is envisaged to continue beyond 2026.

Table 8.1 Housing supply

Source of Housing Potential	2006/07 to 2008/09	2009/10 to 2013/14	2014/15 to 2019/20	2019/20 to 2023/24	2024 to 2026	Total 2006 to 2026	2026+	Long Term Potential
Shrewsbury								
Completions	**623**	**1148**				**1771**		
Sites with Planning Permission			**1616**	**357**		**1993**		
Site Specific Sources								
Accepted Sites			**740**	**924**	**775**	**2439**	**16**	
Potential Sites			**395**	**323**	**90**	**808**		
Long Term Potential Site			**7**			**7**		**5640**
Rest of Shropshire								
Completions	**2976**	**3374**				**6350**		
Sites with Planning Permission			**4897**	**196**		**5093**		
Site Specific Sources								
Accepted Sites			**553**	**976**	**684**	**2213**	**535**	
Potential Sites			**2017**	**2069**	**434**	**4520**	**59**	
Long Term Potential Site			**111**			**111**		**18842**
Shropshire Totals								

Completions	**3599**	**4522**				**8121**		
Sites with Planning Permission			**6513**	**553**		**7066**		
<u>Site Specific Sources</u>								
Accepted Sites			**1293**	**1900**	**1459**	**4652**	**551**	
Potential Sites			**2412**	**2392**	**524**	**5328**	**59**	
Long Term Potential Site			**118**			**118**		**24482**
Care Homes and Affordable Housing			**384**			**384**		
Small Windfall Sites (1-4 dwellings)			**598**	**1495**	**598**	**2691**		
Total Housing 2006 to 2026	**3599**	**4522**	**11318**	**6340**	**2581**	**28360**		
Total Housing 2026+							**610**	**24482**
Grand Total								**53452**

9 Summary

8.1.1 This document follows the process for undertaking a SHLAA set out in the Planning Practice Guidance, in order to identify as many sites with housing potential in and around the settlements of Shropshire as possible. It has sought to do this in an inclusive manner, consulting with land owners, developers and local agents.

8.1.2 It has considered all sites coming forward from previous studies along with all sites promoted to the Council over the past 4 years as part of the planning process.

8.1.3 The SHLAA is intended as part of the evidence base for the Local Development Framework and the inclusion of any site within this study does not provide support to any particular scheme. Sites are considered based on available information and those identified as having potential are considered to be acceptable as housing sites in principle.

8.1.4 The total housing supply based upon historic delivery and forecast delivery across the remainder of the plan period is **28,360 dwellings**. Beyond 2026 site specific opportunities including sites forming broad areas of search outside of existing settlement boundaries have been considered for development potential through this study and are identified as sites with Long Term Potential. In addition to these long term potential sites, there are also some sites which will deliver housing beyond the plan period. In total these amount to a potential supply of **24,482 dwellings**.

8.1.5 Table 8.1 in Section 8 shows **53,452 dwellings** as the combined total from all sources including those within the broad area of search.

8.1.6 The total level of housing potential on identified sites exceeds what is required to meet the Shropshire Core Strategy figure of 27,500 homes over 2006-2026. Consequently not all locations will be required.

8.1.7 This study should provide the basis for future monitoring and enable Shropshire Council to manage the future release of land as necessary.