Statement in Respect of the Telford and Wrekin Local Plan Examination

Matter 4 – Strategic Policies (Other than Housing)

On Behalf of the Wappenshall Consortium

January 2026

Bridgeway House, Bridgeway, Stratford upon Avon, CV37 6YX

1. INTRODUCTION

1.1 This Hearing Statement has been prepared by Marrons on behalf of the Wappenshall Consortium with respect to Matter 4 – Strategic Policies (Other than Housing). The Consortium control SC3 – Land North of A442 Wheat Leasows.

2. MATTER 4 – STRATEGIC POLICIES (OTHER THAN HOUSING)

Issue 1: Have the Strategic Policies been positively prepared, do they reflect the priorities and development strategy, are they justified by a robust and credible evidence base, and are they consistent with national policy?

Q42 Is Policy Strategic S7 justified, consistent with the evidence and does it accord with the relevant regulations?

2.1 No, Policy Strategic S7 is not justified, or consistent with the evidence base for the Plan.

2.2 Firstly, Criterion c. of Part 1 of Policy Strategic S7 requires contributions to on-going revenue such as the management and maintenance of services and facilities, subject to statutory processes and regulations.

2.3 The Consortium objected to the wording and sought greater clarification within the policy as to when contributions towards 'on-going revenue' might be sought as these are not normally compliant with the CIL regulations.

2.4 In response, the Council have suggested modifications to Criterion c. of Part 1 of Policy Strategic S7 which seek to make clear that these contributions would be limited to 'commuted sums for the management and maintenance of services and facilities'.

2.5 The Consortium remain in objection to the wording of Criterion c. of Part 1 of Policy Strategic S7 because 'services and facilities' is a virtually unlimited category. It is requested the wording is amended to *'On-going revenue via commuted sums for the ~~management and~~ maintenance* ***of open space and***

sustainable drainage features'.

2.6 Secondly, Policy Strategic S7 makes no reference to contributions being collected towards the cost of land offsite to deliver infrastructure necessary to make development acceptable in planning terms. If land needs to be acquired in order to provide infrastructure, such as land for schools, it is reasonable for a contribution to be sought towards the cost of the land in accordance with the regulations.

2.7 The Council have suggested modifications to Policy HO2 SC1 and SC2 to reference the need for contributions to the provision of a Secondary School on SC3 in respect of 'land and build costs'.

2.8 The Consortium support this proposed modification, and request it is replicated in Policy S7 to ensure consistency between policies. It is requested 'land costs' are added to 1. d.

2.9 Thirdly, the Wappenshall Consortium are concerned as to the practicalities of implementing Part 4 of Policy Strategic S7 and how this will be applied in respect of developments that may come forward over a long time period, such as the allocated Sustainable Communities, and how any monies clawed back by the Council from the development will be used upon completion.

2.10 The Council has suggested proposed modifications to Part 4 of Policy Strategic S7 and the Reasoned Justification, however the Wappenshall Consortium objects to the modified drafting for it is unsound. The reasons for this are as follows.

2.11 The sentence structure of the draft policy does not now read clearly and coherently following modification. It also introduces undefined terms such as 'gross development value', 'updated costs' and 'normal profit', which risk misinterpretation or disagreement between parties due to ambiguity. This also makes it unclear as to what the threshold will be for scheme viability beyond which developments will be subject to 'clawback' by the Council. Terminology utilised should be consistent with National Planning Practice Guidance (NPPG on Viability, which takes precedence, and the relevant RICS Guidance and Professional Standards.

2.12 Reference is also made to use of a 'Construction Prices Index' in the draft policy wording, but this is not a recognised UK index. It is standard practice for construction costs to be indexed utilising the RICS BCIS All-in Tender Price Index. The draft policy wording must provide certainty on this point

2.13 It is unclear as to the Council's logic for introducing the review trigger at 60% of completions on developments of more than 500 homes. Typically, reviews at this stage of the development process would be at 75% of completions to provide greater clarity as to development outcomes (e.g. the London Plan and Manchester City Council). It is recommended that this is adjusted accordingly.

2.14 Finally, the draft policy seeks to apply the equivalent of 'late stage' reviews (i.e. those conducted beyond the mid-point of the delivery of a development), but assumes any 'uplift' in proceeds is paid in full to the Council. Contrary to this, it is well-established practice nationally (e.g. London Plan and others) for Councils to share (usually a maximum of 50%) any 'surplus' arising from the viability review process with the developer. Without doing so the developer has no commercial incentive to create any 'surplus', which will undermine the Council's objective to 'clawback' contributions towards policy maxima.

2.15 Cross-reference with the Council's published short paper on the subject, set out in the Policy S7 Developer Contributions and Review mechanisms Topic Paper (TP10, September 2025), confirms that it does not address the issues raised above. Notably, it does refer to 'normal profit' as representing 'the recognised 20% margin' in paragraph 3.4 on page 2, but it is not explicit as to what the 20% margin is measured against (i.e. is it revenues or costs). The Wappenshall Consortium assumes it is measured against revenues as per the NPPG[1].

2.16 For the reasons above, the draft policy requires a comprehensive rewrite so that it is structured clearly and incorporates sufficient information to ensure consistency with the NPPG[2].

2.17 To address this soundness issue, the Wappenshall Consortium propose comprehensive modification to Part 4 of Policy Strategic S7 as follows:

4 For major developments (10 homes or more) where it has been demonstrated by the Applicant that the developer contributions or

[1] NPPG Viability Paragraph: 019 Reference ID: 10-019-20190509
[2] NPPG Viability Paragraph: 010 Reference ID: 10-010-20251216

infrastructure delivery sought under Policy Strategic S7, or the provision of affordable housing sought under Policy HO4 and Policy HO5, would make the development unviable, the contributions will be adjusted accordingly. The applicant shall demonstrate this by the submission of a Financial Viability Assessment, prepared by a suitably experienced chartered surveyor in conformity with the NPPF, NPPG and relevant RICS guidance and professional standards.

Where reduced developer contributions are accepted by the Council on viability grounds at the application stage, the Council will apply review mechanisms secured via Section 106 Agreement so that if viability improves over time the Council has the ability to seek increased contributions, adjusted to reflect the level of viability. For major developments of 10 homes up to 500 homes, the review will be triggered upon practical completion. For major developments of over 500 homes, the review will be triggered on practical completion of 75% of the total homes.

Viability reviews will be conducted on a full open book basis using evidence of actual values and costs or forecasts where developments are incomplete.

50% of any surplus will be paid to the Council as a financial contribution, capped at the value required to achieve the maximum sought via policy, and any contribution shall be used by the Council in the delivery of affordable housing and/or infrastructure in accordance with the priorities set out in the Local Plan or Infrastructure Delivery Plan. Any deficit will be addressed with reference to the terms of the specific Section 106 Agreement for the development.

2.18 The Reasoned Justification in Paragraph 4.62 related to Part 4 of Policy Strategic S7 is also inconsistent with the actual wording of the Policy itself. Notably, it refers to different thresholds (by dwelling) for review triggers, different thresholds (by dwelling) for the methodology to be applied by the Council in conducting reviews and introduces vague undefined terms such as ‘lighter touch’, ‘normal profit’ and ‘land value’.

2.19 This does not provide stakeholders with the necessary clarity on the timing, process or terms by which developments will be subject to review. Accordingly, it cannot be deemed sound as drafted.

2.20 To address this soundness issue in a simple format, as well as ensuring consistency with the Wappenshall Consortium's proposed modifications to Part 4 of Policy Strategic S7, the Wappenshall Consortium propose the following modifications to Paragraph 4.62 of the Local Plan:

> *4.62 ~~In some cases~~ **T**he National Planning Policy Framework allows for developers to make a case for a reduction in contributions **on the grounds of financial viability** to allow developments to come forward. ~~The council will resist a reduction in contributions and, w~~**W**here this does occur, **the Council** will exercise its right to review ~~and reassess~~ the viability ~~case on completion~~ of a development and recoup any reduced contributions. ~~Where the Gross Development Value (GDV) plus Consumer Prices Index (CPI) is exceeded at the point of completion the Council will recoup the difference up to meeting a full policy compliant scheme. Review mechanisms will take the form of a full reappraisal for schemes over 50 units and a lighter touch approach for schemes below 50 units, with a review of GDV against original costs plus Construction Prices Index, normal profit and land value.~~ Reviews will be undertaken on a transparent open book approach. Affordable Homes delivered onsite without a Section 106 obligation will not offset normal policy requirements.*

2.21 The Wappenshall Consortium also have concerns with the assumptions set out in the Viability Assessment supporting the emerging Local Plan, including how the assumed £15,000 per plot costs of strategic infrastructure and £4,000 per plot Section 106 costs relates to the required mitigation for the proposed Sustainable Communities.

2.22 The experience of the Consortium and their consultants is that, benchmarking this against other Sustainable Communities delivered across the Midlands, these cost allowances are far lower than is realistically required to deliver the strategic and community infrastructure on projects of this scale. The impact of underestimation of these costs will be that results in the Regulation 19 Viability Note (VS02, December 2024) will overstate the viability of the Sustainable Communities. Further technical assessment of strategic infrastructure costs will be necessary at the determination stage. This is explored further in the Wappenshall Consortium's response to Matter 5, Issue 2 (Question 51).

2.23 As an aside, it is noted that the Council have proposed modifications to Part 1 of Policy Strategic S7 which removes reference to the requirement that infrastructure or contributions towards infrastructure can be sought only if this is 'necessary to make the development acceptable in planning terms. Not only does this make this Part of the Policy unclear, but it is also not supported by the Consortium as a matter of principle given the need for developer contributions to be towards infrastructure which is necessary to make the development acceptable in planning terms, fairly and reasonably related in scale and kind to the development, and proportionate to the impact of development.

23rd January 2026

Marrons

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