

Report for: Cabinet

Date of Meeting:	17 September 2024
Subject:	Proposed reforms to the National Planning Policy Framework and other changes to the planning system
Cabinet Member:	Cllr Keable, Cabinet Member for Planning and Economic Regeneration
Responsible Officer:	Richard Marsh, Director of Place & Economy
Exempt:	N/a
Wards Affected:	All wards.
Enclosures:	Appendix 1 – Mid Devon District Council NPPF Consultation Response

Section 1 – Summary and Recommendation(s)

This report provides a summary of the Government’s proposed reforms to the National Planning Policy Framework (NPPF) and other changes to the planning system, and provides a draft response to the Government’s consultation on the revised NPPF for noting and/or comment.

Recommendation(s):

That Cabinet:

- 1. Notes the contents of this report and the draft response to the Government’s consultation on ‘Proposed reforms to the National Planning Policy Framework and other changes to the planning system’ included in Appendix 1.**
- 2. Notes that Mid Devon consultation response, incorporating any final amendments, will be submitted ahead of the closure of the consultation deadline on 24th September 2024.**

Section 2 – Report

1.0 About the NPPF

1.1 The National Planning Policy Framework (NPPF):

“sets out the Government’s planning policies for England and how these should be applied. It provides a framework within which locally-prepared plans can provide for sufficient housing and other development in a sustainable manner. Preparing and maintaining up-to-date plans should be seen as a priority in meeting this objective. Planning law requires that applications for planning permission be determined in accordance with the development plan¹, unless material considerations indicate otherwise. The NPPF must be taken into account in preparing the development plan, and is a material consideration in planning decisions.”

1.2 The NPPF was first introduced in 2012, replacing previous national planning policy guidance and statements, and has been subject to updates made in July 2018, February 2019, July 2021 and in December 2023. The current version of the NPPF includes revisions made in response to the Levelling-up and Regeneration Bill: reforms to national planning policy consultation at that same time. In particular, the December 2023 NPPF removed the requirement for local authorities with an adopted local plan less than five years old to continually demonstrate a 5 year housing land supply.

2.0 Consultation on proposed changes to the NPPF

2.1 On 30th July 2024 the Government published its consultation “Proposed reforms to the National Planning Policy Framework and other changes to the planning system”, and has made clear that reform is necessary to reverse the December 2023 changes to the NPPF which it considers “were damaging to housing supply, disrupting plan-making and undermining investor confidence.” The proposed reforms to the NPPF take “a different, growth-focused approach” which the Government sees as “vital to deliver [its] commitments to achieve economic growth and build 1.5 million new homes”.

2.2 The consultation document includes 106 questions and comments are invited by 24th September 2024. There is now an opportunity for the Council to consider the implications of the proposed reforms in relation to plan making and also the determination of planning applications in Mid Devon and submit its own response to consultation. To assist Members, Section 3.0 of this report provides a summary of key proposed reforms that are being consulted on. However, it is recommended that Members review the Government’s consultation proposals in full. A link to the full suite of the Government’s consultation proposals is provided at the end of this report. **Appendix 1** to this report includes recommended responses from the Council to the consultation questions.

¹ In Mid Devon the development plan includes the adopted Mid Devon Local Plan 2013 – 2033, neighbourhood plans that have passed their local referendum, and the Devon Minerals and Waste Plans.

3.0 Summary of Consultation Proposals

3.1 There are 15 chapters within the consultation document which set out the Government's proposed approach to revising the National Planning Policy Framework as well as seeking views on a series of wider policy proposals in relation to increased planning fees, local plan intervention criteria and appropriate thresholds for certain Nationally Significant Infrastructure Projects. The 15 chapters cover the following topics:

Chapter 1 – Introduction

Chapter 2 – Policy objectives

Chapter 3 – Planning for the homes we need

Chapter 4 – A new Standard Method for assessing housing needs

Chapter 5 – Brownfield, grey belt and the Green Belt

Chapter 6 – Delivering affordable, well-designed homes and places

Chapter 7 – Building infrastructure to grow the economy

Chapter 8 – Delivering community needs

Chapter 9 – Supporting green energy and the environment

Chapter 10 – Changes to local plan intervention criteria

Chapter 11 – Changes to planning application fees and cost recovery for local authorities related to Nationally Significant Infrastructure Projects

Chapter 12 – the future of planning policy and plan making

Chapter 13 – the Public Sector Equality Duty

Chapter 14 – Table of questions

Chapter 15 – About this consultation

3.2 A brief summary of the proposals within each chapter is provided below:

Reforming the presumption in favour of sustainable development

3.3 The function of the presumption is to provide a fall back to encourage planning permission to be granted where plan policies are not up-to-date, including where there is an insufficient supply of land. It broadly does this in two ways. It brings land into the scope of potential development where it has not been specifically allocated for development (e.g. a site on the edge of existing settlements), or where land is allocated for another purpose. Additionally, it 'tilts the balance' towards approval by making clear that permission should be granted unless doing so would cut across protections for safeguarded areas.

3.4 The proposed changes seek to clarify the application of the presumption. Currently, the presumption is triggered when there are 'no relevant

development plan policies' or those which are 'most important for determining the application are out of date' The Government proposes making clear that the relevant policies are those for the supply of land. It is also proposed to address concerns that developers have used the presumption to promote low quality, unsustainable development through adding and explicit reference to the need to consider locational and design policies, as well as policies for the delivery of affordable housing.

Restoring 5-year housing land supply requirements (5YHLS)

- 3.5 Prior to December 2023, the 5 year housing land supply required local planning authorities to annually identify and update a specific supply of deliverable sites sufficient to provide a minimum of 5 years' worth of housing. In December 2023, several changes were made with the effect that where a local planning authority has an up-to-date plan which meets certain criteria, it is exempt from having to continually demonstrate a 5 year housing land supply while that plan remains up to date. The 2024 proposals state that 'the logic for making these changes was incentivising plan-development – to 'protect' authorities from the presumption where they have a well-developed or up-to-date plan. But this means that if circumstances change over the 5 year lifetime of an up-to-date plan, and allocations turn out to be not deliverable, it is harder for new development to come forward and there is no clear mechanism for making up the shortfall'. The Government therefore proposes to reverse the December 2023 changes and re-establish the requirement for all local planning authorities, regardless of local plan status, to continually demonstrate 5 years of specific, deliverable sites for housing. The Government is also proposing to reintroduce the 5% buffer (which existed prior to December 2023) which will be added to all 5YHLS calculations in decision making and plan making, to provide an important buffer of sites, ensuring choice and competition in the market.

Effective co-operation and strategic planning (cross-boundary working)

- 3.6 In accordance with its manifesto commitment, the new Government has set out that it intends to introduce effective new mechanisms for cross-boundary strategic planning. The intention is to enable universal strategic planning coverage, which will be formalised in legislation. The model will support elected Mayors in overseeing the development and agreement of Spatial Development Strategies (SDSs) for their areas. The Government will also explore the most effective arrangements for developing SDSs outside of mayoral areas, in order to achieve universal coverage across England.
- 3.7 In the short term, the Government is proposing to amend the NPPF text to ensure that the right engagement is occurring on the sharing of unmet housing need and other strategic issues where plans are being progress. This will apply in conjunction with the Duty to Cooperate in the current plan making system.

- 3.8 Members will be aware the Council already has a proactive and supportive approach to strategic planning and continues to work closely with Exeter City Council, Teignbridge and East Devon District Councils in relation to cross border planning and infrastructure matters. This has included the recent preparation of a non-statutory Joint Strategy for the four local authority areas.

Changes to housing need

- 3.9 The Government is proposing significant changes in respect of assessing housing needs including restoring the use of the standard method as mandatory. The new proposed standard method is now proposed to be a “stock based” approach. The approach starts with how many houses exist in the area at the moment, and then aims to increase that level every year by 0.8%. A further increase is then applied in areas where house prices are more than 4 times higher than earnings (to account for unaffordability),
- 3.10 For Mid Devon, this would mean an increase from 346 homes per annum under the current standard method to 571 homes per annum under the new proposed methodology. The table below sets out the implications of the proposed changes for all of the local authorities within the Exeter Housing Market Area:

Table 1: Outcome of the proposed revised method. Source: https://www.gov.uk/government/consultations/proposed-reforms-to-the-national-planning-policy-framework-and-other-changes-to-the-planning-system?mc_cid=4e7cb7bfb

ONS Code	Local Authority Name	Region	Current Method	Proposed Method	Average Annual Net additions (2020/21-2022/23)
E07000040	East Devon	South West	893	1,146	972
E07000041	Exeter	South West	642	815	518
E07000042	Mid Devon	South West	346	571	276
E07000045	Teignbridge	South West	717	1,066	557

- 3.11 In all cases, the new proposed housing need figure significantly exceeds the current standard method and indeed, recent average annual net additions to housing supply.
- 3.12 The Government’s approach is intended to support its ambition of delivering 1.5 million new homes over the next five years and provide greater certainty to the sector through more stable and predictable housing numbers.

- 3.13 The proposals also seek to amend the policy on housing mix with the NPPF's text including specific reference to Social Rent and "looked after children" as among those for whom needs should be assessed and reflected in planning policies. The changes set out that policies should specify the minimum proportion of Social Rent homes required.

Brownfield, grey belt and the Green Belt

- 3.14 The Government intends to set out in national policy that brownfield development is acceptable in principle and is consulting on whether it would be beneficial to expand the definition of 'Previously Developed Land' to include hardstanding and glasshouses, but are keen to understand how this might affect the availability of horticultural land.
- 3.15 Additionally, a number of significant policy changes and reversals from the December 2023 changes are proposed which will make it more difficult for authorities to rely on Green Belt constraints to argue against meeting their full local housing needs in local plans. The consultation proposals also introduce 'Grey Belt' which is defined as land within the Green Belt comprising Previously Developed Land and other parcels that make a limited contribution to the Green Belt purposes.
- 3.16 However, as there is no Green Belt within Mid Devon, there will be no direct implications for the planning of the district arising from these changes.

Affordable, well-designed homes and places.

- 3.17 The consultation proposals include a clear commitment to improve the existing system of developer contributions (s106 and CIL). The new Government has confirmed that it will not be implementing the Infrastructure Levy as introduced in the Levelling-up and Regeneration Act 2023 by the previous Government. Officers will investigate the implications of this confirmation, which will require consideration by the Council alongside the preparation of the new local plan.
- 3.18 In respect of affordable housing requirements, the Government proposes to remove the prescriptive requirements relating to affordable home ownership products. It is proposed to remove the requirement to deliver at least 10% of the total number of homes on major sites as affordable home ownership and the requirement that a minimum of 25% of affordable housing units should be secured as First Homes.
- 3.19 Additional policy is proposed to promote mixed tenure developments that could include rented affordable housing, build to rent, housing designed for specific groups such as older people's housing and student accommodation, and plots sold for custom or self-build.

- 3.20 The consultation also proposes greater support for community-led development, including amending the definition of ‘community-led development’ and removing the size limit for community-led exception sites, where an alternative limit is established through the development plan.
- 3.21 The Government is also concerned that SME house builders are not able to access the small sites that they need, and that local planning authorities are not bringing forward small sites in their plans to the level set out in the NPPF. In response, the Government is seeking views on whether the 10% small site allocation should be mandatory and what would be required to implement this more stringent approach.

Infrastructure and economic growth

- 3.22 Alongside supporting housing, changes to the NPPF are proposed to drive greater commercial development in those sectors which will be the engine of the UK’s economy in the future. Changes are proposed to provide particular support for laboratories, gigafactories, digital infrastructure and freight and logistics.

Community needs

- 3.23 In order to help improve the provision and modernisation of key public services infrastructure such as hospitals and criminal justice facilities, it is proposed to add to the wording at paragraph 100 of the NPPF to make clear that significant weight should be placed on the importance of facilitating new, expanded or upgraded public service infrastructure when considering proposals for development.
- 3.24 The proposals also introduce a ‘vision led’ approach to transport planning. The Government states that ‘at present, planning for travel too often follows a simplistic ‘predict and provide’ pattern, with insufficient regard for the quality of places being created or whether the transport infrastructure which is planning is fully justified.’ The approach set out in the draft NPPF is designed to focus on the outcomes desired, and planning to achieve them.

Green energy and the environment

- 3.25 On 8th July, the Chancellor announced that the additional tests placed on onshore wind schemes by the previous Government would no longer apply. This consultation proposes to re-integrate onshore wind into the NSIP (Nationally Significant Infrastructure Project) regime and direct decision makers to give significant weight to the benefits associated with renewable and low carbon energy generation, and proposals’ contribution to reaching zero carbon electricity by 2030. The consultation invites comments on whether the thresholds at which on-shore wind and solar developments are deemed to be Nationally Significant and therefore consented under the NSIP regime. Increased thresholds could mean more proposals can be determined by local authorities.

Local Plan intervention

- 3.26 The Government's proposals make clear it is "committed to taking tough action to ensure authorities have up-to-date plans in place... Where authorities fail, the law provides powers for the Government to take action to ensure that plans are progressed and in place". The consultation seeks views on better aligning this with the Government's priorities for planning to be a key driver for growth by either removing or revising the policy criteria for intervention (although it is important to note there is no proposal to change the legal powers set out in Part 2 of the Planning and Compulsory Purchase Act 2004).

Planning application fees / cost recovery

- 3.27 This chapter sets out views on whether to raise planning application fees, and whether to introduce statutory cost recovery for local planning authorities for their role in applications for development consent under the NSIP regime. The Government recognises that current planning fee levels do not generate enough income to cover the full cost of some planning applications and want to reduce this funding shortfall.

The proposals include a proposed fee increase for householder applications. Currently the fee is £258 although the Government has acknowledged that the costs to local planning authorities to process these applications is significantly higher. It is therefore proposed that the fee for householder applications should be increased to £528 which the Government estimates would be the level needed to meet cost recovery.

- 3.28 The consultation also requests views on any other forms of application for which the fee is currently inadequate as well as application types for which fees are not currently charged but which should require a fee.

In addition to the above, the consultation is seeking views on two potential models for the localisation of planning application fees. These are as follows:

- **Model 1 – Full Localisation** – This assumes that fees would no longer be set nationally. Instead all local planning authorities would set their own fees within the existing fee categories and exemptions set by the Secretary of State
- **Model 2 – Local Variation** (from default national fee) – Local variation would maintain a nationally set default fee but give local planning authorities the option to vary the fees within prescribed limits where they consider the nationally set fee does not meet their actual costs.

Finally, the proposals note that there are wider planning services, for example plan-making and enforcement, heritage and conservation and design services, for which no fees are charged and therefore these have to be funded through other council budgets. It is estimated that to cover the costs of wider planning services all existing fees would need to increase by 157%,

which could risk deterring some development. The Government is interested in views on the principle of allowing fees to fund wider planning services and if so, what the appropriate fee increase should be.

Future of planning policy and plan making

- 3.29 This chapter sets out the future direction of plan-making and the Government's aspiration to ensure complete coverage of up-to-date plans as soon as possible. The Government is clear that local planning authorities should continue to progress their plans to adoption under the existing system without delay. A number of transitional arrangements are proposed for emerging plans in preparation, to facilitate continued progress in light of the proposed reforms.
- 3.30 In terms of future proposals, the Government has confirmed its intention to implement the new plan-making system as set out in the Levelling-up and Regeneration Act from summer or autumn 2025. However, new regulations and future national planning guidance will be necessary to set out what the new plan-making system will be. It therefore remains unclear whether the Government intends to carry forward previous proposals for the introduction of a 30 month plan-making timetable and 'gateway' checks at key stages in the plan's preparation. It is anticipated that all current plans subject to the transitional arrangements will need to be submitted for examination under the 2004 Act system no later than December 2026.
- 3.31 Officers are continuing to progress the preparation of Plan Mid Devon and will keep its timetable under review and update the Local Development Scheme as necessary. Members are advised that should the Government's proposed amendments to the standard method be implemented, the resulting increase to the district's housing requirement may require additional technical work to be undertaken and create time challenges to progress to a Draft Plan Stage, consult and submit by December 2026.

4.0 Groups consulted / Next Steps

- 4.1 The Planning Policy Advisory Group was briefed about the Government's consultation at its meeting on 29 August 2024 and also comments provided from the Net Zero Advisory Group. This meeting provided an opportunity to shape the Council's responses to proposed amendments to the NPPF, that are included in **Appendix 1**. This meeting was open to all Council Members to attend and have their say on the Government's proposals.
- 4.2 Responses to the Government's consultation must be submitted before the deadline of 23:45 on 24th September 2024. Officers will update Members as and when policy proposals are implemented.

Financial Implications

There are no direct financial implications arising from this proposal. There are a number of proposals within the consultation proposals which address cost recovery associated with planning applications. If these changes are implemented then the Council would generate additional funding from relevant applications going forwards. However, the proposals also place a number of additional resourcing commitments upon the Council, for example, with reference to strategic planning without additional resourcing commitments.

Legal Implications

There are no legal implications arising directly from the consultation.

Risk Assessment

There are no risks arising directly from the consultation. However, the Government has indicated that it is intent on implementing a new plan-making system from summer or autumn 2025. While it has published transitional arrangements for plans that are currently being prepared, plans will need to be submitted under the current 2004 Act system no later than December 2026. Officers are currently investigating the implications of this in relation to the preparation of a new local plan for Mid Devon ('Plan Mid Devon'). New planning regulations and guidance will be needed to support the implementation of the Levelling-up and Regeneration Act and until these are published there remains uncertainty about what the new plan-making system will entail and how this may impact on Plan Mid Devon. The proposals would also inevitably result in greater resourcing requirements, to facilitate delivery of key proposals, such as any future strategic planning obligations.

Impact on Climate Change

No direct impact, although the proposals are implemented, national policy will direct decision makers to give significant weight to the benefits associated with renewable and low carbon energy generation.

Equalities Impact Assessment

The Government is responsible for assessing the potential impacts of their proposals on persons with a relevant protected characteristic as defined by the Equality Act 2010 and is inviting views on this as part of the consultation exercise.

Relationship to Corporate Plan

If the Government's proposed changes to the NPPF are implemented as drafted they will help support the Council achieve some of the priorities in the Corporate Plan 2024 - 2028, including:

"Planning, Environment & Sustainability" – support the district's response to the climate emergency

"Homes" – increase the delivery of quality new homes, including affordable housing across the district

“Economy and assets” – growing the district economy

Section 3 – Statutory Officer sign-off/mandatory checks

Statutory Officer:

Agreed by or on behalf of the Section 151- Andrew Jarrett

Date: 03/09/2024

Statutory Officer:

Agreed on behalf of the Monitoring Officer – Maria De Leburne

Date: 03/09/2024

Chief Officer:

Agreed by or on behalf of the Corporate Director – Richard Marsh

Date: 03/09/2024

Performance and risk: Steve Carr

Agreed on behalf of the Corporate Performance & Improvement Manager

Date: 09 September 2024

Cabinet member notified: yes.

Section 4 - Contact Details and Background Papers

Contact: Arron Beecham (Principal Housing Enabling and Forward Planning Officer)

Email: abeecham@middevon.gov.uk

Telephone: 01884 234221

Contact: Tristan Peat (Forward Planning Team Leader)

Email: tpeat@middevon.gov.uk

Telephone: 01884 234344

Background papers:

[Proposed reforms to the National Planning Policy Framework and other changes to the planning system - GOV.UK \(www.gov.uk\)](#)

[National Planning Policy Framework: draft text for consultation \(publishing.service.gov.uk\)](#)