

Report of the Portfolio Holder for Economic Development and Asset Management

Response to Draft NPPF Consultation

Purpose of Report

To agree responses to the Government's consultation on draft changes to the National Planning Policy Framework (NPPF) and related matters.

Recommendation

Cabinet is asked to RESOLVE that the draft response be approved and submitted on behalf of the Borough Council.

Detail

The Government is consulting on draft changes to the NPPF, to the Standard Method for calculating housing need and to planning fees until 24 September 2024. The consultation extends to 106 questions and draft responses to each are in the **Appendix** to this report. The key changes proposed are as follows:

Standard Method for assessing housing need

For Broxtowe Borough, the current formula results in a need for 384 dwellings per year. However, proposed changes that would use a percentage of existing housing stock instead of population projections and affordability, would result in a need for 658 dwellings per year (a 71% increase). There were 512 completions in the Borough last year, significantly more than previous years but still below the proposed new target. The Government is also reinforcing the need to undertake Green Belt reviews and optimise density in order to meet housing targets and to work with neighbouring authorities if any unmet need has to be shared.

Planning for the homes we need

The NPPF currently exempts Local Planning Authorities (LPAs) with an up-to-date plan from having to demonstrate a five-year housing land supply. It is proposed that all local authorities must do so, regardless of plan status, and to add a 5% buffer, or 20% if there is significant past under delivery. The Borough Council already applies a 20% buffer to its housing land supply, but would find it challenging to do so for a higher requirement of 658 dwellings per year. This would mean that a presumption in favour of sustainable development would soon apply, making it more difficult to resist speculative planning applications.

There is also a focus on supporting elected Mayors to develop and agree Spatial Development Strategies for their areas, although there is limited detail as to what

this may involve. The consultation also proposes that design codes should be locally focused, based in areas of change or potential, rather than district wide.

Brownfield, grey belt and Green Belt

The Government will require Green Belt reviews to be undertaken to meet needs for housing, commercial and other development when local plans are prepared or updated. This is in contrast to the current NPPF, which makes no such requirement.

The Government is introducing the term 'grey belt', which is land within the Green Belt that is proposed for 'targeted release'. 'Grey belt' is defined in the draft NPPF as "land in the green belt comprising Previously Developed Land and any other parcels and/or areas of Green Belt land that make a limited contribution to the five Green Belt purposes". (The five purposes relate to 'sprawl', merging, 'encroachment', historic towns and urban regeneration; the draft NPPF would not amend these purposes.) The consultation also refers to 'grey belt' as being land of "poor quality". In a parliamentary statement accompanying the consultation, the Secretary of State described 'grey belt' as "land on the edge of existing settlements or roads, and with little aesthetic or environmental value".

A 'sequential' approach is proposed for the release of Green Belt land, with previously-developed land (PDL) first, then "other grey belt sites" and, thirdly, "higher performing Green Belt sites". Examples given of appropriate PDL for release are former "petrol stations or carparks".

'Golden rules' would apply to land that is released from the Green Belt for 'major' development, through either local plans or development management decisions: at least 50% 'affordable' housing would be required, including an 'appropriate' proportion of 'Social Rent' ("subject to viability"); "necessary improvements to local or national infrastructure" would also be required; and there should be "the provision of new, or improvements to existing, local green spaces that are accessible to the public".

Associated with the 'golden rules', the Government is inviting views on various options to ensure public benefit from the release of Green Belt land. This involves issues relating to viability assessments, 'benchmark' land values, 'hope' value, 'fair' prices for landowners, compulsory purchase powers and potential proactive roles in the assembly of land for LPAs, combined authorities and Homes England.

In development management decisions, in future development would be 'not inappropriate' in the Green Belt if the LPA cannot demonstrate a '5-year housing land supply' or is 'delivering' less than 75% against the 'Housing Delivery Test' (which relates to completions over the previous three years), or if "there is a demonstrable need for land to be released for development of local, regional or national importance" and if, in addition, the proposal is on 'sustainable' 'grey belt'

land, where the 'golden rules' (referred to above) are satisfied, and where development "would not fundamentally undermine the function of the Green Belt across the area of the plan as a whole".

The test as to whether the redevelopment of PDL is 'not inappropriate' would be limited to whether it would "cause substantial harm to the openness of the Green Belt" (no longer involving a comparison with the existing development).

Delivering affordable, well-designed homes and places

Changes seek to support affordable housing delivery by strengthening planning obligations to ensure developments provide more affordable homes and to support councils and housing associations to build their capacity. The main changes are to meet local need, ensure developments provide the right mix of tenures and types; enable SMEs to build on allocated small sites and encourage more sustainable ways of extending residential properties.

Building infrastructure to grow the economy

Amendments are proposed to "drive greater commercial development in those sectors which will be the engine of the UK's economy in the future". The sectors concerned are: research and development laboratories; battery manufacturing ('gigafactories'); data centres and other 'digital infrastructure'; and 'freight and logistics'. Local plans would be expected to identify suitable sites for these.

The Government is also inviting views on the potential for these uses to be included in the 'Nationally Significant Infrastructure Projects' (NSIP) consenting regime process. This would potentially mean that, perhaps subject to size thresholds, decisions on applications would be taken out of LPA control.

Delivering community needs

Significant weight would be placed on the importance of improving public service infrastructure, adding reference to early years and post-16 places specifically alongside school provision. It would seek to replace the 'predict and provide' model for transport infrastructure with a 'vision-led' approach focussed on achieving desired outcomes, to create healthy communities by tackling obesity, encouraging active travel and supporting a healthy childhood.

Supporting green energy and the environment

The changes proposed to the NPPF seek to give more weight to the need for green energy, and that, given advances in technology, appropriate mechanisms for approving the infrastructure are set out (for example, by way of assigning them as NSIPs, or whether they can be dealt with by LPAs). The changes also seek to secure water resources to deal with climate change by either flooding or drought, by looking at the mechanism to approve these developments. Food security is also considered as part of the changes.

Local plan intervention criteria

The Government proposes to amend the criteria for when they intervene in Local Plans. This includes the Secretary of State issuing directions on or removing powers for plan making, based on local, sub-regional, regional or national needs and plan progress.

Changes to application fees and cost recovery for LPAs related to NSIPs

Householder application fees would be more than doubled from £258 to £528. Other fees may be increased and fees charged where there are currently none, potentially to fund wider planning services, including plan-making. LPAs may be allowed to set their own fees or vary national fees to cover costs, and to charge NSIP applicants for relevant services that they provide.

The future of policy and plan making

Because the Levelling-up and Regeneration Act 2023 created a new system of plan making, transitional arrangements are already in place to ensure that local plans in preparation under the old system are submitted for examination within the next year.

In recognition of the further proposed changes to the Standard Method within that timeframe, this deadline has been extended to the end of 2026. Alternatively, local plans that reach publication (“Regulation 19”) stage within a month of the revised NPPF being issued will be allowed to proceed under the current NPPF provided they have a housing requirement that is within 200 dwellings of the new local housing need figure. For Broxtowe, this would mean a housing requirement of at least 458 dwellings per year.

The revised NPPF is likely to be published before Christmas, possibly as early as November and it seems likely that the current draft Greater Nottingham Strategic Plan (GNSP) could meet this timescale. Whilst all current system plans that are not subject to the transitional arrangements will need to be submitted for examination by the end of 2026, it is unclear when plans which are at publication (“Regulation 19”) stage, or shortly will be (as the GNSP is likely to be), would need to be submitted.

Summary

Significant changes are proposed to the method for calculating housing need at a time of transition into a new plan-making system. Together with a reversion to previous policy on housing delivery and land supply, this will present significant challenges with a risk that control and, therefore, strategy will be lost. A balance will need to be struck to deliver development quickly in as sustainable and well-planned a way as possible. Draft responses appear in the **Appendix**.

Key Decision

This report would not result in a key decision as defined under Regulation 8 of the Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012, because, whilst the proposals could be significant in terms of its effects on communities living or working in an area comprising two or more Wards or electoral divisions in the Council's area, the decision is to respond to a consultation and not to effect the proposed changes.

Updates from Scrutiny

As the response must be made before 24 September 2024, the report has not been taken to the Policy Overview Working Group.

Financial Implications

The comments from the Head of Finance Services were as follows:

The Council would welcome any uplift in planning application fees to assist in funding the cost of the Planning service. Any uplift in fees and charges revenues generated would reduce the Council's overall net cost and assist in meeting the General Fund budget funding gap. Further financial considerations are included in the attached responses to the consultation.

Legal Implications

The comments from the Monitoring Officer / Head of Legal Services were as follows:

There are no direct legal implications arising from this report.

Human Resources Implications

The comments from the Human Resources Manager were as follows:

Not applicable.

Union Comments

The Union comments were as follows:

Not applicable

Climate Change Implications

The climate change implications are contained within the report.

Data Protection Compliance Implications

This report does not contain any OFFICIAL(SENSITIVE) information and there are no Data Protection issues in relation to this report.

Equality Impact Assessment

This is not a change to policy so an equality impact assessment not required.

Background Papers

Nil.