

13 September 2018

<b>Report of</b>	Assistant Director: Corporate & Policy	<b>Author</b>	Karen Syrett
<b>Title</b>	National Planning Policy Framework July 2018		
<b>Wards affected</b>	All		

## 1. Executive Summary

- 1.1 The finalised version of the revised National Planning Policy Framework (NPPF) was issued by the Ministry of Housing, Communities and Local Government (MHCLG) on 24 July. There are a number of areas where the new NPPF has confirmed or altered key proposals and policies.
- 1.2 The document has been reformatted so there is not an opportunity to provide a tracked change version or an easily comparable report. Section 5 below therefore highlights the most significant areas of change.

## 2. Recommended Decision

- 2.1 The Committee is asked to note the publication of the revised National Planning Policy Framework July 2018.

## 3. Reason for Recommended Decision

- 3.1 To make members aware of the latest national planning policy.

## 4. Alternative Options

- 4.1 There are no alternative options – the report is for information only.

## 5. Background Information

- 5.1 The Government published draft revisions to the National Planning Policy Framework (NPPF) on 5 March this year. The Council, along with 29,223 others, responded to the consultation and the revised Framework was published on 24<sup>th</sup> July. This is the first revision of the National Planning Policy Framework since 2012. It implements around 85 reforms announced previously through the Housing White Paper, the planning for the right homes in the right places consultation and the draft revised National Planning Policy Framework consultation.
- 5.2 Alongside the NPPF the Government published a number of other documents including;
  - a press release, "Government's new planning rulebook to deliver more quality, well-designed homes",
  - James Brokenshire's short written ministerial statement, entitled "housing policy"
  - The Government response to the draft revised National Planning Policy Framework consultation, setting out its summary of consultation responses

received to the March draft and "the Government's view on the way forward". The document only identifies the main substantive changes.

- Updated Planning Practice Guidance on housing and economic development needs assessments (albeit with further guidance to come).
- Updated Planning Practice Guidance on Viability.
- The "Housing Delivery Test Measurement Rule Book", setting out the methodology "for calculating the Housing Delivery Test result".
- There is a call for evidence in relation to the Independent Review of Planning Appeal Inquiries chaired by Bridget Rosewell. The call for evidence is accompanied by some additional material.

- 5.3 Key issues and changes are summarised below, and further information on the potential implications for Colchester will be presented verbally at the Committee once officers have had time to analyse proposals in more detail.
- 5.4 The introduction of a housing delivery test for local authorities in November this year. The test will measure the number of homes created against local housing need and penalise councils that underdeliver against various thresholds over a three-year period. This includes applying the presumption in favour of sustainable development where delivery is below 75 per cent of the housing requirement from 2020. However, this year, the presumption penalty threshold is less than 25 per cent, rising to 45 per cent next years.
- 5.5 The introduction of a new standardised method of calculating housing need. The method takes the government's household growth projections and applies an affordability ratio, comparing local house prices with workplace earnings, to produce a need figure. The government hopes the method will end protracted wranglings on the issue during local plan examinations. However, the MHCLG, in its consultation response, said it will consider adjusting the methodology in order to meet its 300,000-homes-a-year target in light of the impending publication of new household growth projections that are likely to be lower than previous estimates. It will "consult on the specific details" when the new projection figures are published in September.
- 5.6 The reinstatement of "social rent" in the NPPF's definition of affordable housing. The term had been omitted from March's draft version prompting concerns from some sector bodies.
- 5.7 A controversial small sites requirement in the draft NPPF has been watered down in response to sector concerns. The new NPPF says councils must accommodate ten per cent of their housing requirement on small sites, as opposed to 20 per cent of sites under the draft version.
- 5.8 The importance of design standards is emphasised. The creation of high-quality buildings and places is 'fundamental' to what the planning and development process should achieve, the revised NPPF states. In particular, councils should try to "ensure that the quality of approved development is not materially diminished between permission and completion, as a result of changes being made to the permitted scheme.
- 5.9 The policy on green belt alterations has been revised. In new wording added to the draft, the new NPPF requires green belt reviews to be "fully evidenced and justified".
- 5.10 The new NPPF strengthens the requirement for councils to produce local plans compared to the draft version. The draft stated that local policies "may" come forward "either as part of a single local plan or as part of a subsequent local plan or neighbourhood plan", while the final version says that "non-strategic" policies "should be included in local plans".

- 5.11 The NPPF's policies come into effect straight away for decision making. However local plans submitted before the end of January 2019 will be examined against the 2012 framework. The revised NPPF's annex states that development plans submitted after 24 January - exactly six months after publication of the final revised NPPF - will be examined under the new document's policies.
- 5.12 The glossary confirms the revised definition of "deliverable" housing sites set out in the March draft, apart from one minor clarification. It says that "sites that are not major development" – rather than "small sites", as in the draft – and sites with detailed planning permission "should be considered deliverable until permission expires, unless there is clear evidence that homes will not be delivered within five years". Sites with outline planning permission, permission in principle, allocated in the development plan or identified on brownfield registers should only be considered deliverable "where there is clear evidence that housing completions will begin on site within five years", it says. For housing, the glossary defines "major development" as schemes where ten or more homes will be provided or the site has an area of at least 0.5 hectares.
- 5.13 The approach advocated in the 2016 written ministerial statement on neighbourhood development plans (NDPs) is enshrined in the finalised framework. Paragraph 14 says that where the presumption in favour of sustainable development would otherwise apply in the absence of relevant or up-to-date plan policies, the adverse impact of allowing housing schemes that conflict with NDPs is likely to "significantly and demonstrably outweigh the benefits" where the plan was adopted two years or less before the decision, it contains policies and allocations to meet its identified housing requirement and the local planning authority has at least a three-year supply of deliverable housing sites against its five year requirement, including any appropriate buffer against underdelivery. In addition, the planning authority's record must show that at least 45 per cent of homes required were delivered over the previous three years, the document says.
- 5.14 Policies on developer contributions should not undermine plans' deliverability, the finalised framework insists. Paragraph 57 says applications that comply with contributions policies "should be assumed to be viable". It adds: "It is up to the applicant to demonstrate whether particular circumstances justify the need for a viability assessment at the application stage." This is in contrast to the March draft, which suggested that where proposals for development accord with all the relevant policies in an up-to-date development plan, "no viability assessment should be required to accompany the application". The finalised framework explains: "The weight to be given to a viability assessment is a matter for the decision-maker, having regard to all the circumstances in the case, including whether the plan and the viability evidence underpinning it is up to date, and any change in site circumstances since the plan was brought into force."
- 5.15 Local plans and spatial development strategies must, as a minimum, "seek to meet the area's objectively assessed needs" to be declared sound. This phrase reinforces the soundness test laid down in paragraph 35 of the finalised framework, which requires plans that are positively prepared, justified, effective and consistent with national policy. A footnote adds that, for housing policies, such needs should be assessed using a clear and justified method. Paragraph 60 says that, in determining the minimum number of homes needed, strategic policies should be informed by a local housing need assessment conducted using a standard method to be prescribed in national planning guidance, "unless exceptional circumstances justify an alternative approach which also reflects current and future demographic trends and market signals". It adds: "In addition to the local housing need figure, any needs that cannot be met within neighbouring areas should also be taken into account in establishing the amount of housing to be planned for."

- 5.16 Larger-scale developments must be well located and designed and supported by the necessary infrastructure and facilities. This proviso appears in paragraph 72 of the finalised framework, which backs options such as new settlements and "significant extensions" to existing towns and villages as ways in which the supply of large numbers of new homes "can often be best achieved". Newly added guidance says that before proposing such development, strategic policy-makers should consider the opportunities presented by existing or planned investment in infrastructure, the area's economic potential and the scope for net environmental gains. It requires planning authorities to ensure that the size and location of such developments will support a sustainable community, make a "realistic assessment" of likely delivery rates and identify opportunities for supporting rapid implementation, "such as through joint ventures or locally led development corporations". It also reinserts a reference to garden city principles, controversially omitted from the March draft, as an example of how "clear expectations" for development quality can be laid down.
- 5.17 Planning performance agreements (PPAs) are likely to be needed for applications that are particularly large or complex to determine. This suggestion, contained in paragraph 46 of the finalised framework, did not appear in the March draft. The final version reiterates the government's view that applicants and local planning authorities should consider the potential for voluntary PPAs "where this might achieve a faster and more effective application process".
- 5.18 Plan reviews will be needed at least every five years where local housing need figures have or look set to "change significantly". Paragraph 33 of the finalised framework says: "Relevant strategic policies will need updating at least once every five years if their applicable local housing need figure has changed significantly; and they are likely to require earlier review if local housing need is expected to change significantly in the near future." This appears to be a less stringent review requirement than proposed in the March draft, which referred only to actual or anticipated "increases" in housing need figures.
- 5.19 The specific locational requirements of storage and distribution operations should be recognised in planning policies and decisions. This requirement, set out in paragraph 82 of the finalised framework, was absent from the March draft, which made no mention of the sector. The framework says policies and decisions should make provision for storage and distribution operations "at a variety of scales and in suitably accessible locations". Elsewhere, paragraph 20 reinstates employment in the list of land uses for which strategic policies will be required to set the pattern, scale and quality of development and make sufficient provision.
- 5.20 Free-standing veteran trees are accorded more protection in the finalised statement. Paragraph 175(c) says that development resulting in the loss or deterioration of irreplaceable habitats, such as ancient woodland and ancient or veteran trees, should be refused, "unless there are wholly exceptional reasons and a suitable compensation strategy exists". The glossary of the March specifically excluded draft individual aged or veteran trees found outside ancient woodland from its definition of irreplaceable habitat.
- 5.21 The revised NPPF includes several change to policies on planning for town centres compared to the draft version published in March. In particular, it drops a policy in the draft version that said authorities should "support diversification and changes of use where town centres are in decline". Chapter seven of the new NPPF, "Ensuring the vitality of town centres", says councils should "define a network and hierarchy of town centres and promote their long-term vitality and viability". In an addition to the draft, it says they should do this "by allowing them to grow and diversify in a way that can respond to rapid changes in the retail and leisure industries". March's draft version said councils should, when defining the extent of town centres and primary shopping areas, "identify primary and

secondary frontages" and make clear which uses will be permitted in such locations. The final version drops the frontages requirement but recommends that councils should carry out the exercise "as part of a positive strategy for the future of each centre".

- 5.22 Local Wildlife Sites have been reinstated in the document. The all-important new wording says that local councils will need to identify, map and safeguard components of the local ecological networks, including the hierarchy of international, national and locally designated sites of importance for biodiversity. Locally designated sites, as it explains in the glossary, means local wildlife sites. The wording doesn't go quite as far as recommending against development of these sites but the wildlife trusts have pledged to work with the government "to ensure that the guidance that accompanies the National Planning Policy Framework makes it clear how local wildlife sites should be safeguarded."
- 5.23 The Framework introduces Entry Level Exception Sites. These comprise of homes suitable for first time buyers (or those looking to rent their first home), unless the need for such homes is already being met within the authority's area. These sites should be on land which is not already allocated for housing and should:
- a) comprise of entry-level homes that offer one or more types of affordable housing as defined in Annex 2 of this Framework; and
  - b) be adjacent to existing settlements, proportionate in size to them, not compromise the protection given to areas or assets of particular importance identified in the Framework, and comply with any local design policies and standards.

## **6. Equality, Diversity and Human Rights implications**

- 6.1 An Equality Impact Assessment has been prepared for the Local Plan, and is available to view by clicking on this link:-  
<https://colch.sharepoint.com/:b:/s/Store/DyLi/EZA0GdflinZFsYaVaABNZigBvKSbQowOONFR-CqjyG4XAO>

## **7. Strategic Plan References**

- 7.1 The Councils Strategic Plan 2018 – 2021 includes 4 themes under which are a number of objectives which are relevant to the NPPF.

## **8. Consultation**

- 8.1 Consultation on the draft document took place earlier this year and the Council responded.

## **9. Publicity Considerations and Financial, Community Safety, Health and Safety and Risk Management Implications**

- 9.1 There are no publicity implications or financial, community safety, health and safety or risk management for the Council.