

REPORT TITLE	Planning Reform Update
Executive Summary	The purpose of this report is to update Members in relation to planning reform with regard to the Council's response to the Government's consultation on proposed reforms to the NPPF.
Options considered.	None.
Consultation(s)	N/A
Recommendations	For information only
Reasons for recommendations	N/A
Background papers	Further supporting information and consultation documents can be found here

Wards affected	All
Cabinet member(s)	Cllr Andrew Brown, Portfolio Holder for Planning & Enforcement
Contact Officer	Report author: Iain Withington: Acting Planning Policy Manager. Response authors: Sarah Tudhope, Senior Planning Policy Officer. Russell Williams, Assistant Director Planning.

Links to key documents:	
Corporate Plan:	The report addresses all Five Corporate Priorities.
Medium Term Financial Strategy (MTFS)	N/A
Council Policies & Strategies	Planning application determination. Planning Policy – emerging and future approaches to local plan(s)

Corporate Governance:

Is this a key decision	No
Has the public interest test been applied	No
Details of any previous decision(s) on this matter	N/A

1. Purpose of the report

- 1.1 **The purpose** of this report is provide a brief update around planning reform and to inform Members of the NPPF consultation and the councils response.

2. Introduction & Background

- 2.1 The Government consulted on substantial proposed changes to the National Planning Policy Framework, NPPF, between 30th July and 24th September 2024. In addition, a series of wider policy proposals in relation to increasing planning fees, Local plan intervention criteria and appropriate thresholds for certain Nationally Significant Infrastructure Projects, NSIPs were also included in the material published.
- 2.2 The proposed changes to the NPPF, should they be implemented would have a significant impact on planning and development both locally and nationally. The proposals for increased planning fees would provide additional resource for planning. The other aspect of the consultation, government intervention in plan-making at this time, would have a limited impact on North Norfolk Council, primarily because we are currently being examined on the local plan under transitional arrangements under the September 2023 version of the NPPF. Should the local plan not progress to adoption in the anticipated timeline then the full impacts of the changes will need to be reflected in any future Plan and or Plan review.
- 2.3 The submitted response is attached as in Appendix 1
- 2.4 Our response is supportive of many of the planned policy changes e.g. grey/green belt, affordable housing (locally set evidence base priorities), and increasing planning fees to at least meet cost recovery and puts forward further considerations in these areas as well as commenting on how changes could be made to ensure local plans are more at the forefront in delivering on the climate change mitigation and adaptation agenda and developments incorporate the appropriate energy and water standards now.
- 2.5 There are a number of responses that do not support the proposed changes and or set out further considerations. These mainly focus on the proposed new methodology for assessing housing need and the proposed requirements for a five year housing land supply even where local plans have recently been adopted. In response to Q105 it is reported that the Council are *not optimistic that the new Planning and Infrastructure Bill in the next parliamentary session will deliver the radical changes to planning policy so badly needed.*

3. Background

- 3.1 The previous government's aim was to significantly raise housing delivery in England to 300,000 units per annum, with planning reform intended to contribute to raising delivery. Measures introduced included the Housing Delivery Test and the standard method for assessing housing need.
- 3.2 The 2020 Planning White Paper, [Planning for the Future](#), encompassed a new, simplified approach to plan-making, a streamlined development management system, speeding up the delivery of development, planning for infrastructure, and delivering change
- 3.3 However mainly attributed to bech bench pressure (my emphasis) there was a gradual watering down of policy on housing requirements set through local plans during the last parliament and very few aspects of the Planning for the Future have been implemented, though primary legislation has been enacted through the Levelling-up and Regeneration Act 2023.
- 3.4 Figures from the Department for Levelling Up, Housing and Communities ([DLUHC](#) – see figure 3 in particular) show that housing completion figures in England dropped steeply in the year ending September 2020 to 144,980. Completions recovered to a peak of 181,940 in the year ending June 2021 and have since fallen to 153,800 in the year ending March 2024.
- 3.4 Since coming into Office in July 2024, the new government has made planning a priority, stating that urgent reform is needed to the planning system to drive sustained economic growth and deliver more urgently needed housing. This includes significantly increasing housebuilding nationally to deliver 1.5 million homes in this parliament though a new housing requirement which aims to deliver around 370,000 homes per annum. Other priorities are driving development in the future economy sectors and ensuring that development supports an improved environment. To achieve this, government has moved extremely quickly since the general election and has announced a wide range of planning reforms.
- 3.5 A [policy statement](#) issued on 8th July committed the government to doubling onshore wind energy by 2030.
- 3.6 The Kings speech on the 17th July 2024 outlined legislative changes that will take place through the Planning and Infrastructure Bill to speed up and streamline the planning process to build more homes and accelerate the delivery of infrastructure. The bill will also: revise compulsory purchase compensation so that it is “fair, but not excessive” to unlock development sites; modernise planning committees; increase local planning authorities’ capacity and use development to fund nature recovery. Th speech also announced the English Devolution Bill which will grant new planning powers to Mayors and combined authorities and will include measures to empower locals to buy community assets.
- 3.7 Matthew Pennycook MP, MHCLG, wrote to PINS on 30th July setting out the new government's position on how examinations should be conducted in regard to delays and the meaning of “pragmatism”. A ‘pragmatic’ approach should be used only where it is likely that plans are capable of being found sound and any pauses for additional work should usually take no more than six months overall. Deficient plans that are unlikely to be found sound without significant additional work at examination should be sent back to allow the

local authority to bring forward a new plan in partnership with their communities.

- 3.8 On the 31st July the government published its vision for a [new generation of new towns](#). The underlying principle is that each new town will contain at least 10,000 homes and be delivered through exemplary development being *well connected, well designed, sustainable and attractive places where people want to live and have all the infrastructure, amenities and services necessary to sustain thriving communities*. The new towns development will also be led by a New Towns Code which will support the high standards being required, including the *target rate of 40% affordable housing, with a focus on social rented homes*. A Task force headed by Sir Michael Lyons is proposed to advise ministers on appropriate locations delivering a shortlist of recommendations within 12 months.
- 3.9 The New Homes Accelerator was first announced by the Chancellor on 8 July 2024 and launched on the 29th August 2024. It is a key component of the government's commitment to deliver 1.5 million new homes by the end of this Parliament. The New Homes Accelerator will focus on selected large-scale housing developments that are encountering significant delays or obstacles. Where large scale development is delayed or "stuck" we are invited to identify schemes so MHCLG can better understand and evaluate what support can be provided. Large scale is defined as 1,500 dwellings but PINS advises that smaller sites over 500 units may also qualify. Support may come in various forms, such as strategic advice, planning assistance or facilitation with stakeholders, depending on the issues that sites are experiencing. Submitting a site does not guarantee any follow up or government support. The application window closes at 11.59pm on Thursday 31 October 2024.
- 3.10 On 22nd September the MHCLG published a Planning reform Working Paper: [Brownfield Passport: making the most of urban land](#). It's understood this is a document that seeks discussion around options for a form of brownfield passport, which would be more specific about the development that should be regarded as acceptable, with the default answer to suitable proposals being a straightforward "yes".
- 3.11 It understood that the previous governments intention to producing national Development Management policies will be retained. The intention of introducing an Infrastructure Levy though has been scrapped in favour of the retaining of the Community Infrastructure Levy (CIL) and Section 106 payments to provide infrastructure funding to support development.
- 3.12 Officers will continue to update members of the PPBHP when resources allow and as reforms and initiatives progress with more details become known.

4. The Consultation (proposed changes to the NPPF)

- 4.1 The consultation includes various documents including a [main document](#) that explains the proposed changes and contains the consultation questions, secondly a [NPPF draft document](#) which includes the proposed changes to the NPPF shown as tracked changes, and thirdly an Outcomes spreadsheet available from the [main consultation website](#) which sets out the prescribed housing requirements for each LPA resulting from the proposed revised method of calculating housing needs on a regional and district basis.
- 4.2 The consultation consists of 106 questions which are set out in relation to a number of themes and packaged around the need for urgent reform is

needed in the planning system to drive sustained economic growth. They include:

- Making the standard method for assessing housing needs through local plans mandatory
- Reversing other recent changes to the NPPF to promote housing delivery
- Strengthening policy to promote the development of brownfield land and stating that plans should promote an uplift in density in urban areas
- Identifying grey belt development land within the green belt
- Improving “the presumption in favour of sustainable development” to support housing supply, by clarifying when it applies and making it clear that its use cannot justify poor quality development
- Delivering affordable, well-designed homes
- Making wider changes to ensure that local planning authorities can prioritise the types of affordable homes their communities need and that the planning system supports a more diverse housebuilding sector
- Supporting economic growth in key sectors, aligned with the Government’s industrial strategy and future local growth plans, including laboratories, gigafactories, datacentres, digital economies and freight and logistics.
- Delivering community needs to support society and the creation of healthy places.
- Supporting clean energy and the environment, including through support for onshore wind and renewables.

4.3 The current standard methodology based on population projections (2014) established a dwelling requirements of 557dpa for North Norfolk. A requirement that the local plan in agreement with the Inspector now seeks to deliver. (an increase from the submitted plan which was 480 dpa). The housing requirements for North Norfolk under the new system would be 943 dpa, i.e. a 70% increase.

4.4 For comparison the proposed requirements for adjacent authorities is provided below:

District	Annual requirements current methodology	Annual requirement proposed methodology	Increase between methodologies (%)	Change from current local plan (%) (i.e. current adopted plan)
North Norfolk	557	943	70	136
Breckland	625	917	45	50
Kings Lynn & West Norfolk	554	1,042	88	58
Great Yarmouth	354	569	61	36
Broadland	501	877	75	25
South Norfolk	821	942	15	10
Norwich	606	828	37	75
Greater	1,928	2,647	37	30

Norwich				
---------	--	--	--	--

Source: NSF/ Norwich City Council

- 4.5 Arguably the key question is one that the consultation doesn't directly ask – it is whether there is support for the Government's Plan to increase the [national target](#) for North Norfolk from 557 new dwellings per annum (using the current standard method) to 943 dwellings per annum (i.e. a 70% increase) (using their new proposed method).
- 4.6 Commentary is provided on this within the answer to Question 15 - Appendix 1 and set out here too. Basically, our submission was that the Council strongly opposes the increase in the district's housing requirement that would result from the proposed changes to the standard method. There would be a 70% increase from one standard methodology to the next. It should also be noted that this would amount to a 136% increase from the current adopted Local Plan requirement of 400 dpa. Furthermore, our records demonstrate that between 1 April 2001 and 31 March 2024 there have been 8,604 completions which equates to an annual average trend of 374 dpa. The best year (2017/18) in terms of number of homes delivered achieved 546 new homes. Last year's delivery (2023/24) was 232 dwellings.
- 4.7 In addition, the following points are considered relevant:
- Market absorption rates tend to guide build out rates. Build rates tend to be determined by developers, who regardless of national and local targets will not build more houses than can be sold at a profit that they consider acceptable. This tends to mean that developers ensure that new housing does not 'flood' an area to the extent that it significantly affects sales prices;
 - 35% (approx. 34,500ha out of 98,500ha) of the Council's administrative area has a statutory landscape or nature protection designation (e.g. SAC, SPA, SSSI, RAMSAR, Local Nature Reserves, National Nature Reserves, Undeveloped Coast, Heritage Coast, Norfolk Coast National Landscape, Scheduled Monuments and Registered Parks & Gardens);
 - 35.5% (approx. 35,000ha out of 98,500ha) of the Council's administrative area is at risk of flooding (Coastal Constraint Management Area, Flood Risk Zone 2, 3, 3a);
 - 56% (approx. 55,350ha out of 98,500ha) of the Council's administrative area is in a Nutrient Neutrality Surface Water Catchment Zone;
 - The district is bordered to its north by the sea and has some 45 miles of coast, with significant areas subject to or at risk from coastal erosion,
 - Our 3 largest towns of North Walsham, Fakenham and Cromer have populations of approximately 12,930, 8,060 and 7,760 respectively and are already taking significant growth to enable us to hit our existing housing targets
 - We have the oldest population in the country and significant pressures in the health and social care sectors and concerns about the potential for economic growth in our fairly remote and sparsely populated district to support new residents
 - There is no evidence that there is the available infrastructure to support the far higher levels of growth in our area and no published plans for upgrades that would be required in relation to, amongst other matters, water supply, sewerage capacity and electricity provision.
 - With regard to affordable housing there are currently only two providers interested in delivering their product in the district because of the extra challenges developing in this detached area bring."

- 4.8 In relation to transitional arrangements and in recognition that local authorities across England will have plans at various stages of development, transitional arrangements have been proposed in the consultation document. The transitional arrangements seek to balance keeping plans progressing to adoption with making sure they provide for sufficient new housing. These vary according to the stage the plan has reached within one month of publication of the revised version of the NPPF.
- 4.9 Plans at examination will be allowed to continue (and will be examined under the same version of the NPPF they were prepared under). However, where there is a **significant gap of more than 200 dwellings between the plan's housing requirement and the new local housing need figure, authorities will be expected to begin a new plan at the earliest opportunity in the new system.**
- 4.10 Plans at an advanced stage of preparation (Regulation 19) will also be allowed to continue to examination under the version of the NPPF that they have been prepared under, unless there is a significant gap of more than 200 dwellings between the plan's housing requirement and the new local housing need figure, in which case authorities will be asked to rework their plans to take account of the higher figure and will be examined under the revised version of the National Planning Policy Framework.
- 4.11 Authorities at an earlier stage of plan preparation should prepare plans against the revised version of the National Planning Policy Framework and progress them as quickly as possible.
- 4.12 Commentary is provided on these arrangements in questions 103 – 105 and summarised below.
- 4.13 Essentially, we recognise that transitional arrangements are necessary and as such welcomed to allow for the continuation of well-progressed local plans, as forcing a restart would result in further delays to sustainable housing development and place additional strain on limited resources. However, the 200-dwelling threshold is considered too rigid / strict / small. A higher threshold would be more appropriate, particularly for those plans that are at the latter stages of examination. Having to begin preparation of another plan so quickly could harm / reduce public confidence in the plan making system.
- 4.14 Consideration should be given to adjusting the threshold based on local context and housing market signals. Introducing some flexibility may help accommodate varying areas needs and reduce administrative burden.

5. Corporate Priorities

- 7.1 The report addresses all Five Corporate Priorities.

6. Financial and Resource Implications

- 8.1 None at this stage – should the recommendations come into effect through revisions to national policy there will be knock on effects to resources, training and fees.

9 Legal Implications

- 9.1 none at this stage – should the recommendations come into effect through revisions to national policy future planning decisions and strategy work will need to comply.

10 Risks

10.1 N/A

11 Net Zero Target

11.1 No assessment has been made against the council's [Net Zero 2030 Strategy & Climate Action Plan](#).

12 Equality, Diversity & Inclusion

12.1 N/A

13 Community Safety issues

N/A

14 Conclusion and Recommendations

The report is for information only

Appendix

Appendix 1 - Consultation response

End