

North East Derbyshire District Council

Cabinet

19 September 2024

Proposed reforms to the National Planning Policy Framework (NPPF) and other changes to the planning system.

Report of Councillor S Pickering, Portfolio Holder for Environment and Place

Classification: This report is public

Report By: Planning Policy and Environment Manager

Contact Officer: Helen Fairfax

PURPOSE

- To advise Cabinet on the content of the Government's proposed changes to the planning system and their implications for planning in North East Derbyshire.
- To secure Cabinet approval of the proposed responses to the consultation questions at Appendix 1 of the report so they may be submitted formally as the Council's response.

RECOMMENDATIONS

1. That Cabinet notes the content of the report and approves the detailed responses outlined at Appendix 1 as forming the Council's formal response to the consultation.
2. That Cabinet authorises the Assistant Director of Planning in consultation with the Leader and Portfolio Holder to exercise delegated authority to make further detailed amendments to the responses.
3. That Cabinet agrees proposals to consider in more detail a timetable for a review of the Local Plan (in discussion with the Local Plan Working Group) in light of the implications of the proposals for housing numbers and plan making and that this be brought back to a subsequent Cabinet meeting.

Approved by the Portfolio Holder – Cllr Pickering, Cabinet Member for NEDDC

IMPLICATIONS

Finance and Risk: Yes No

Details: None arising as a direct result of this report, although the content if adopted as national policy will have the effect of placing the Council at risk of speculative development until such time as it gets a new Local plan in place to meet the proposed elevated housing target.

On Behalf of the Section 151 Officer

Legal (including Data Protection): Yes No

Details: None arising from this report.

On Behalf of the Solicitor to the Council

Staffing: Yes No

Details: None arising as a direct result of this report, although the content, if adopted as national policy will have a significant effect on the Council's staffing resources.

On behalf of the Head of Paid Service

DECISION INFORMATION

Decision Information	
Is the decision a Key Decision? A Key Decision is an executive decision which has a significant impact on two or more District wards, or which results in income or expenditure to the Council above the following thresholds: NEDDC: Revenue - £100,000 <input type="checkbox"/> Capital - £250,000 <input type="checkbox"/> <input checked="" type="checkbox"/> <i>Please indicate which threshold applies</i>	No
Is the decision subject to Call-In? (Only Key Decisions are subject to Call-In)	No
District Wards Significantly Affected	None directly by this report.
Consultation: Leader / Deputy Leader <input type="checkbox"/> Cabinet <input type="checkbox"/> SMT <input type="checkbox"/> Relevant Service Manager <input checked="" type="checkbox"/> Members <input checked="" type="checkbox"/> Public <input type="checkbox"/> Other <input type="checkbox"/>	

Links to Council Plan priorities, including Climate Change, Equalities, and Economics and Health implications.

All

REPORT DETAILS

1. Background

- 1.1 The Government launched a consultation on its proposed approach to revising the National Planning Policy Framework to achieve sustainable growth in the planning system on 30th July 2024. The consultation covers a wide range of issues and asks over 100 questions, including proposals in relation to increasing planning fees, local plan intervention criteria and thresholds in relation to Nationally Significant Infrastructure Projects. The consultation also proposes reversing many of the changes made to the NPPF by the previous Government in December 2023.
- 1.2 Building on their election manifesto commitments the consultation reaffirms the Government's commitment to delivering 1.5 million homes in England over the next 5 years and commits to accelerated growth, notably in relation to strategic planning and the intention to move to a model of universal strategic planning covering functional economic areas within the next five years, implementing a new mandatory standard method for assessing housing needs, and reform of Green Belt policy including the introduction of the 'Grey Belt' to meet development needs.
- 1.3 The deadline for consultation responses is 24th September 2024.

2. Details of Proposal

- 2.1 The consultation seeks views on a wide range of issues, but this report focuses only upon those issues with particular relevance for North East Derbyshire. This report summarises the Government's proposals for these key issues along with an officer view on the likely implications for the District. Where appropriate the report provides a cross reference to the relevant specific consultation questions, (reproduced at Appendix 1) along with a recommended response.
- 2.2 The consultation is focused upon planning to meet housing needs. The Government believes that decisions about what to build and where should reflect local views and planning should be about how to deliver the housing and area needs – not whether to do so at all. This sets the context for the Government's proposals to reverse changes made to the NPPF by the previous Government in December 2023.

Reversal of changes made to the NPPF in December 2023

- 2.3 Chapter 3 of the consultation proposes changes in respect of the advisory nature of the Standard Method for establishing the housing requirements, the removal of the blanket requirement to publish annually a statement of 5-year housing land supply and the requirement for buffers. These provisions are to be removed as they are considered to run counter to this Government's ambitions to increase housing supply.

Standard Method for calculating Housing Need:

- 2.4 A key change in the consultation is to make clear that the Standard Method should be used to assess housing needs by removing the reference in the NPPF to the

exceptional circumstances in which the use of alternative approaches to assess housing need may be appropriate.

- 2.5 This means that use of the standard method would be mandatory for establishing baseline need in Local Plans, with no provisions – exceptional or otherwise – for using a different method. Local Plans may still be justified in providing for less housing than needed in their area if there are areas or assets of particular importance that restrict development; such as the National Park, natural habitats and flood risk areas; or if the adverse impacts of meeting need would significantly and demonstrably outweigh the benefits. Local Planning authorities would need to justify their approach and be able to demonstrate that they have taken all possible steps such as increasing density, sharing need with neighbouring authorities and reviewing Green Belt boundaries. This sets a high bar, particularly when considered alongside the changes proposed to Green Belt policy.
- 2.6 *Officer response: the use of a mandatory Standard Method is supported in principle; it is considered that this approach provides clarity on the application of the standard method and would help to avoid the protracted arguments that take place around the issue at Local Plan examinations. However, the ‘non-binding’ nature of the baseline housing need will continue to be a matter of debate, so it remains to be seen how effective this will be in practice.*
(Q.1 – Q.2, Appendix 1)⁴

Restoring the 5-year housing land supply:

- 2.7 The requirement for local authorities with an up-to-date plan to continually demonstrate a 5-year housing supply was removed from the current NPPF in December 2023, along with removing references to guidance on dealing with past shortfalls and over supply. The consultation proposes to reverse these changes so that all local planning authorities regardless of local plan status must continually demonstrate 5 years of specific, deliverable sites for housing.
- 2.8 *Officer response: Whilst these changes may be supported in principle, when combined with the proposed changes for calculating housing need under the standard method, which will result in higher housing targets for many districts (including North East Derbyshire), they would have an immediate and significant adverse impact on the District. We would not be able to demonstrate a 5-year land supply and there would be no protection despite having an adopted Local Plan in place that is less than 5 years old. This would mean that the District would be susceptible to development pressure in areas outside settlements including on Green Belt (& Grey Belt land).*
- 2.9 *This is a matter of great concern and will undoubtedly give rise to speculative development proposals which will divert resources away from essential plan-making activities, to the detriment of good and timely plan-making. Furthermore, local people will be disenfranchised from the process, which may make it even more difficult to secure meaningful community involvement in the process.*
- 2.10 *It is therefore recommended that transitional arrangements are expanded to provide some relief for Council’s with an up-to-date plan, but where they can also demonstrate that they have a clear timetable and are making progress to securing a new local plan or additional sites to meet the new need figures. A suitable*

timescale could be mandated. Failure to put such mechanisms in place is at odds with the emphasis the Government places on a plan-led system, particularly where the implications have strategic significance in relation to the Green Belt.
(Q.7 & Q8, Appendix 1)

Restoring the 5% buffer:

- 2.11 The current NPPF requires local planning authorities to include a buffer of 20% on top of the 5-year housing land supply where there has been significant under delivery of housing over the previous 3 years, as measured through the Housing Delivery Test. Prior to December 2023, all local planning authorities were also required to include a buffer of 5%. The consultation proposes to retain the 20% buffer for underperforming areas and re-introducing the 5% buffer which will be added to all 5-year housing land supply calculations for the purposes of both plan-making and decision making.
- 2.12 *Officer response: The principal of including the 5% buffer is supported, it represents good planning, introducing a level of flexibility to housing land supply. However, without appropriate transitional arrangements this will further exacerbate the problems outlined at paragraph 2.8 – 2.10 above.*
(Q.9, Appendix 1)
- 2.13 Chapter 3 of the consultation also proposes changes to the NPPF in relation to character and density, strengthening and reforming the presumption in favour of sustainable development and strengthening the role of strategic planning and cross boundary cooperation.

Achieving Sustainable Development:

- 2.14 Under paragraph 11 of the current NPPF the presumption in favour of sustainable development i.e. the 'tilted balance' is engaged when there are 'no relevant development plan policies' or those which are 'most important for determining the application are out of date'. The consultation proposes to remove reference to 'most important' and make clear that the relevant policies are those for the 'supply of land'. A new footnote defines policies for the supply of land as 'those which set an overall requirement and/or make allocations and allowances for windfall sites for the area and the type of development proposed.
- 2.15 The tilted balance will continue to be engaged in circumstances where the local planning authority cannot demonstrate a 5 year supply of housing land, or where delivery has fallen substantially below (less than 75%) of the housing requirement over the previous three years.
- 2.16 *Officer response: It is considered that these changes provide useful clarification on which policies are relevant. However, the lack of transitional arrangements will be problematic for the district for the reasons outlined at paragraphs 2.8 – 2.10 above.*
(Q.6, Appendix 1)

Character, density and design:

- 2.17 Paragraph 130 of the NPPF enabled local planning authorities to take local character into account when considering their ability to meet local housing needs. The consultation proposes to remove this policy in the NPPF and actively promote uplift in density in urban areas through local plans. Alongside this, the consultation signals a move away from district-wide design coding, instead expecting the focus to be on localised design codes, masterplans and guides for areas of most change and potential, such as regeneration sites, urban extensions and new communities for example.
- 2.18 It is also proposed to remove the words referring to beauty in terms of design which was introduced in the 2021 NPPF and replace it with the more easily defined 'well-designed.'
- 2.19 *Officer response: The changes will provide the necessary context for plan making and are unlikely to have a material impact on the District. This is because of the largely rural nature of the District and also because development opportunities within urban areas are limited such that they are likely to have only a limited impact upon land supply.*
- 2.20 *The move away from district-wide design codes is especially welcome and will enable resources to be focused in a more targeted and meaningful way.*
- 2.21 *Removal of the term 'beauty' and its replacement with the term 'well-designed' is also supported. The new wording can be interpreted with greater objectivity in the context of the National Design Guide and gives greater certainty to those designing and delivering development. It also reflects the fact that there is more to high quality design than subjective aesthetic considerations.*
(Q.4 & Q.5 & Q.59, Appendix 1)

Effective cooperation and strategic planning:

- 2.22 The Government is clear that the country's housing needs can only be met by planning for growth on a wider than local scale. It therefore proposes to give greater emphasis to cross boundary co-operation and delivery of sustainable growth in terms of meeting housing needs, delivering strategic infrastructure, whilst addressing economic growth and climate resilience.
- 2.23 This will be achieved in the short-term by changes to the NPPF (paragraphs 24 – 27) to strengthen the requirement for effective cross-boundary strategic planning. In the longer term and separate from the NPPF, the Government intends to enable universal coverage of strategic planning and this will be formalised in legislation. In the meantime, the Government will work with Mayoral Combined Authorities to explore extending existing powers to facilitate the preparation of Spatial Development Strategies. Strategic level planning is seen as having a vital role in delivering sustainable growth and addressing key spatial issues including meeting housing needs, delivering strategic infrastructure, growing the economy and improving climate resilience.
- 2.24 *Officer response: These changes signal a major shift back towards strategic level planning. This will bring benefits for areas of high growth and will enable better*

co-ordination with infrastructure, but only if we operate within a plan-led system that doesn't operate under the constant threat of un-coordinated speculative development.

2.25 *This strategic level also represents the most appropriate level to undertake Green Belt reviews and would enable a more objective approach to this sensitive policy area. However, the mechanisms will not be in place quick enough to enable this to happen before developers start to pick areas off.*

2.26 *The East Midlands Combined County Authority does not currently have spatial planning powers and would fall within the 'extended powers' category. So it is unlikely that there would be any strategic level planning in place to guide the Council's next Local Plan.*
(Q.12, Appendix 1)

New Standard Method for assessing housing need:

2.27 Chapter 4 of the consultation material sets out proposals for a new standard method. This seeks to address the problems associated with the current approach and is intended to provide stability and certainty, supporting a more ambitious house building strategy which aligns with the Government's aspirations for the housing market to deliver 1.5 million homes over the next 5 years.

2.28 The current method uses household projections which are then adjusted to take account of affordability and capped to limit the increase. This method has been criticised as household projections are volatile making it difficult to plan ahead with certainty. The previous Government's response to this was to freeze the household projections at 2014 levels, which did not manage to improve the significant under provision across the country.

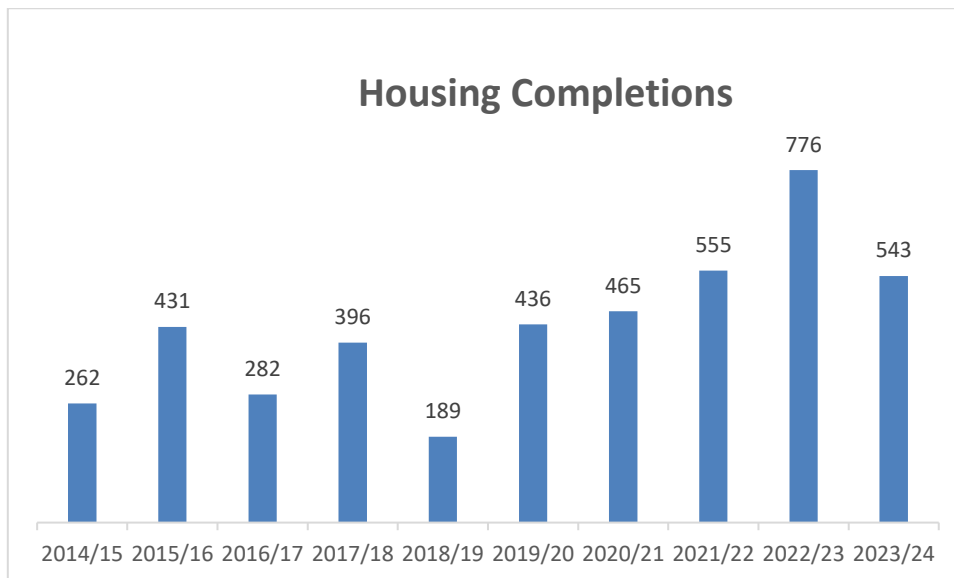
2.29 The new proposed method takes the approach of increasing the existing housing stock in an area by 0.8% to reflect the average growth in housing stock nationally over the last 10 years. Added to this is a revised adjustment for housing affordability which includes a stronger affordability multiplier, a three year average affordability ratio and no cap.

2.30 The figure below illustrates the outcome of the new standard method for the District compared to the current method. Noting that this is the baseline need and not necessarily the housing target, which may require further uplift to align with economic growth aspirations.

	Existing Method	No of dwellings	Proposed Method	No of dwellings
Step 1 Baseline Projections/ stock increase	2014-based household growth projections to calculate the average annual household	179	NEDDC Housing Stock at 2023: 48,602 x 0.8%	389

	growth over a 10-year period			
Step 2 Affordability uplift	<p>Uses the most recent ratio and applies a 0.25% multiplier.</p> <p>With a multiplier increase of 0.25% for every percentage above the standard 4:1 ratio.</p> <p>Adjustment Factor = (Ratio figure - 4) / 4x0.25 +1=</p> <p>Calculation: (8.03 - 4) / 4.03 x 0.25 = 25.2%</p> <p>25.2% of 179 from step 1 = 45.07</p>	45.07	<p>Uses a 3-year average of the median workplace-based affordability ratio – For NEDDC (8.03 + 7.73 + 8.26) / 3 = 8.01</p> <p>With a multiplier increase of 0.6% for every percentage above the standard 4:1 ratio.</p> <p>Adjustment Factor=(3yr ave. affordability ratio)-4)/4x0.6</p> <p>Calculation: (8.01 - 4) / 4.01 x 0.6 = 60.1%</p> <p>60.1% of 389 from Step 1 = 233.79</p>	233.79
Step 3	Uplift capped at 330, which is higher than the 224 total, and is therefore not applicable	-	No cap	-
TOTAL		224.07		622.9

- 2.31 *Officer response: The new standard method would result in a 178% increase in housing need for the District compared to the current Standard Method. This is the highest increase of any local authority in Derbyshire and more than figures for the East Midlands (32%) and nationally (22%) and would have profound implications for the District affecting decision making in the immediate short term and plan-making in the longer term.*
- 2.32 *As part of the consultation the Government includes figures showing each district's Average Annual Net housing additions between 2020/21-2022/23 (611 dwellings for North East Derbyshire). Although the standard method calculation is not based on this figure, it is provided to imply that the new standard method should be achievable.*
- 2.33 *However, this gives a misleading impression for the situation in North East Derbyshire. The data range used coincides with a period of unprecedented housing delivery in the District. In the 2022/23 monitoring year 776 dwellings were delivered, which was a result of a combination of exceptional circumstances including adoption of the Council's Local Plan in November 2021 and post-Covid economic recovery which boosted new house building and completion of previously stalled sites. The table below gives a more realistic picture of achievable annual delivery rates.*



Housing delivery 2014 - 2024

- 2.34 *Immediate impacts – if the new standard method is implemented later this year along with the reinstated requirement to demonstrate a 5-year supply and in the absence of any transitional arrangements, this Council will be in the position of having to apply the tilted balance in decision making (in line with paragraph 11d of the NPPF). It will also mean that for sites on ‘Grey Belt’ land in sustainable locations (see paragraphs 2.44– 2.47 below) developers will not need to overcome the ‘very special circumstances’ currently required to justify development in the Green Belt.*
- 2.35 *In the longer term the elevated housing need would set a difficult context for plan-making in the District. The most recently adopted Local Plan faced difficulties in finding land for 330 dwellings per year as a result of Green Belt constraints and the need to protect settlement identity elsewhere. A Green Belt review was undertaken which demonstrated that the majority of the Green Belt continued to robustly meet at least one of the five purposes and objectives of the Green Belt. It is therefore unlikely that a subsequent review to identify grey belt land will yield sufficient previously developed land to meet the likely new target.
(Qs.15 - 19, Appendix 1)*

Brownfield, grey belt and the Green Belt:

- 2.36 The Government is clear that development must prioritise previously developed land wherever possible. They also acknowledge that brownfield development alone will not be enough to meet the country’s housing and commercial needs, so they are proposing the targeted release of grey belt land (taken from the Green Belt) to be underpinned by strategic and clear safeguards.

Brownfield development to be acceptable in principle:

- 2.37 Chapter 5 of the consultation proposes amendment to the NPPF (para. 122c) to make clear that use of suitable brownfield land within settlements for homes and other identified needs should be regarded as acceptable in principle.

- 2.38 *Officer Response: This change provides helpful clarity but is not a significant change in itself. Although Question 20 does refer to this being a first step towards brownfield passports (these were proposed by the Government in their pre-election manifesto and identified as urban brownfield land which would receive fast track approval and feature high density housing).*
- 2.39 *A critical element of paragraph 122c) is that it relates to suitable brownfield land. It would be helpful if further explanation of the determinants of what makes brownfield sites 'suitable' could be provided within guidance.*
(Q.20, Appendix 1)

Previously developed land in the Green Belt:

- 2.40 The consultation proposes to relax the restrictions currently applied to Previously Developed Land (PDL) and limited infilling in the Green Belt (para 154g) of the NPPF) to make clear that development is not inappropriate if it would not cause substantial harm to the openness of the Green Belt. This is in contrast to the current wording that development should have no greater impact on the openness of the Green Belt.

Definition of Grey Belt:

- 2.41 The consultation proposes the introduction of Grey Belt land which is defined as land in the Green Belt comprising PDL and any other parcels and/or areas of Green Belt that make a limited contribution to the five Green Belt purposes. It is proposed to exclude from the definition any land of environmental value or assets of particular importance such as SSSI's, AONB etc.
- 2.42 In terms of judging whether land makes a limited contribution to Green Belt purposes the consultation sets out that Grey Belt land must:
- a) Not strongly perform against any Green Belt purpose;
 - b) Have at least one of the following features:
 - i. Land containing substantial built development or which is fully enclosed by built form;
 - ii. Land which makes no or very little contribution to preventing neighbouring towns from margining into one another;
 - iii. Land which is dominated by urban land uses, including physical developments;
 - iv. Land which contributes little to preserving the setting and special character of historic towns.
- 2.43 The consultation seeks views on the definition for grey belt land, whether there is a need for additional measures to ensure that high performing Green Belt land is not degraded to meet grey belt criteria; whether additional further guidance is required to assist in identifying land which makes a limited contribution to Green Belt purposes; and on the role of Local Nature Recovery Strategies in identifying areas of Green Belt for enhancement.
- 2.44 *Officer response: This Council has relatively recent experience of undertaking a Green Belt review which involved assessing the performance of defined plots of land against the five purposes and objectives of including land in the Green Belt. This reveals that out of 457 land parcels assessed, 15 were found to only partially*

meet Green Belt objectives and only 2 small parcels did not meet any Green Belt purposes. The remainder were found to robustly meet at least one of the five purposes.

- 2.45 *This process also revealed that the size of land parcel selected had a direct bearing on the result. It is therefore of critical importance that such reviews are undertaken comprehensively as part of plan-making and not through the development management process. With the latter it is conceivable that we could end up a series of ad-hoc small-scale schemes that individually do not have a meaningful impact on the Green Belt, but have a cumulative effect (similar to historic patterns of ribbon development) compromising the strategic significance of parts of the Green Belt.*
- 2.46 *The definition of the term 'limited contribution to the Green Belt purposes' is currently too ambiguous and open to interpretation. It is suggested that a policy change of this magnitude should be attributed greater significance in the NPPF and feature as a detailed Annex rather than in the glossary. This would enable the definition to be expanded and clearly defined using examples to clarify the terminology. For example, what is meant the term 'limited'? As currently set out the features in criterion b just repeat the five purposes of the Green Belt rather than adding any further explanation. It would also be helpful to clearly prescribe the specific and quantifiable measures for 'substantial built development' referred to at point b)i. if we are to avoid protracted arguments at both application and plan making stages.*
- 2.47 *The exclusions from the definition of Previously Developed Land should also be extended to ensure that residential gardens, parks, recreation grounds and allotments are protected as they are in built up areas.*
(Qs. 21 – 26, Appendix 1)

Compulsory Green Belt Reviews to meet development needs:

- 2.48 The consultation proposes changes to the NPPF to make it explicit that housing and other development needs can expressly justify exceptional circumstances for Green Belt release. It goes on to mandate that local authorities should review and, if necessary, alter Green Belt boundaries when they cannot fully meet housing or commercial requirements. A caveat to this would be where the review provides clear evidence that such alterations would fundamentally undermine the function of the Green Belt across the area of the Plan as a whole, although how this would be determined is not clear.
- 2.49 A sequential test is proposed to guide the release of land from the Green Belt. This would require first consideration to PDL in sustainable locations, followed by other grey belt land in sustainable locations, and then finally other sustainable Green Belt locations.
- 2.50 The consultation also proposes to introduce 'golden rules' to ensure that any major development on land released from the Green Belt benefits both communities and nature, as follows:
- In relation to housing schemes at least 50% affordable housing including appropriate proportion of social rent, subject to viability (set against benchmark land values – set out in proposed NPPF Annex 4).

- Necessary improvements to local or national infrastructure, including delivery of new school, GP surgeries, transport links, care homes and nursery places; and
- The provision of new, or improvements to existing, green spaces that are publicly accessible.

2.51 Annex 4 of NPPF24 'Viability in relation to Green Belt release' raises some questions. In defining viability, it seeks to define a national policy basis for adopting an Existing Use Value (EUUV) plus a "reasonable and proportionate premium" when calculating benchmark land values (BLV) as part of viability assessments. The consultation raises three options:

- a. Government sets a benchmark land value for viability assessments for Green Belt to then inform LPA policies. This raises the question of a two tier land market for Green Belt / non Green Belt.
- b. Government sets policy parameters so that where land transacts at a price above a nationally set benchmark land value, policy requirements should be assumed to be viable
- c. Government sets out that where development proposals comply with benchmark land value requirements, and a viability negotiation to reduce policy delivery occurs, a late-stage review should be undertaken, in effect an overage mechanism.

2.52 *Officer response: Taken together, these updated Green Belt policies set out a significant step change from the approach of the past few years and is likely to be aimed at those local authorities that have historically refused to countenance a serious review of historic Green Belt boundaries, despite acute housing pressures.*

2.53 *As stated above, NEDDC has undertaken a Green Belt review relatively recently. Whilst this would need to be revisited to ensure it fully aligns with any new guidance, it is likely that the process will not yield sufficient sites to meet the inflated housing figures.*

2.54 *In terms of the 'golden rules', requirements 2 and 3 are unlikely to be problematic in themselves. The crucial issue is viability of affordable housing provision. It is unlikely that most schemes will be capable of delivering 50% affordable housing, so almost all schemes will be subject to viability testing, which will have resource implications.*

2.55 *It is likely that benchmark land values for Green Belt will be set below that of other land. This differential viability approach means a two-tier land market for Green Belt release compared to other areas of land and the risk that if BLVs are set at a level below that which current viability assessments would regard as "the minimum return at which a reasonable landowner would be willing to sell their land" it risks holding back that land being brought forward, and arguably provides an extra complication for plan making and applications.*
(Qs.28 – 46, Appendix 1)

Delivering affordable, well-designed homes and places

2.56 The consultation proposes to set an expectation that housing needs assessments consider the needs of those requiring Social Rent and that authorities give priority to Social Rent in the affordable housing mix in line with any local needs.

- 2.57 Alongside this the revised NPPF removes both the requirement to deliver at least 10% of the total number of homes on major sites as affordable home ownership and to secure through developer contributions a minimum of 25% of affordable housing as First Homes.
- 2.58 *Officer Response: These changes are supported and will enable the Council to respond to local priorities for affordable housing need, rather than nationally prescribed quotas for home ownership, that included products that are out of reach for many of our District's residents.*
- 2.59 *Other changes to encourage mixed tenures on sites is supported in principle, but national policy must provide a firm basis to support the development of locally specific policies to be included in Local Plans.*
(Qs.47 -55, Appendix 1)

Building a modern economy

- 2.60 Chapter 7 of the consultation sets out the Government's aim to ensure that the UK remains a stable place for business to invest. Alongside delivering 1.5 million new homes it is considered essential that the planning system is reformed to build the infrastructure necessary to power the economy for the future and support the forthcoming industrial strategy.
- 2.61 The Government is proposing changes to the NPPF to prioritise commercial development in certain sectors and build a 'modern economy'. The types of development included in this are:
1. Laboratories (to support research and development).
 2. Gigafactories (battery cell manufacturing plants to support the electric vehicle supply chain).
 3. Digital Infrastructure (i.e. data centres that host networked computer servers that store and process data at scale, support AI and cloud-based data).
 4. Freight and Logistics (to provide the network of storages and distribution infrastructure to support the local, regional, national and international operations of the sector).
- 2.62 The proposed changes seek to make it easier to build laboratories, gigafactories, data centres and digital infrastructure, and the facilities needed to support the wider supply chain. The proposed changes are intended to create a positive expectation that suitable sites for modern economy uses are identified in local plans.
- 2.63 *Officer Comment: These uses are relatively land-hungry and have specific locational requirements which is likely to drive the market and inform local plan making.*
- 2.64 *If local authorities are to demonstrate in their Local Plans that they have considered the needs of the sector in terms of demand and locational requirements it is suggested that planning practice guidance should be updated to reinforce this expectation and to provide guidance on how the specific requirements of these sectors should be assessed through the preparation of economic needs assessments.*
(Qs.62 – 66, Appendix 1)

Supporting green energy and the environment

- 2.65 Chapter 9 of the consultation seeks views on revisions to the NPPF to increase support for renewable energy schemes, tackle climate change and safeguard environmental resources. Boosting the delivery of renewable energy is vital to achieving the Government's target of zero carbon electricity generation by 2030, of which onshore wind and solar are a major component.
- 2.66 The Government intends to bring forward changes to the National Strategic Infrastructure Planning (NSIP) regime through the Planning and Infrastructure Bill, to enable a more streamlined and agile consent process that speeds up decision making and puts in place a review framework to ensure national policy can adapt to rapid changes in technology. The consultation seeks responses to proposals to amend the NPPF by removing the restrictions currently placed on onshore wind schemes; to bring onshore wind back into the NSIP regime and to increase the thresholds at which onshore wind and solar projects are considered as nationally significant.
- 2.67 It is also proposed to strengthen the NPPF to direct decision makers to give significant weight to the benefits associated with renewable and low carbon energy generation to help meet a net zero future; and to set a stronger expectation that authorities proactively identify sites for renewable and low carbon development when producing plans (NPPF paragraphs 160 & 163).
- 2.68 *Officer Comment: These proposals are essential if the country is to meet net zero targets and effectively tackle climate change and are therefore supported in principle. There will however, be implications for the Council, both in terms of decision making and plan making functions. The changes to the NSIP thresholds will mean more schemes will fall to the District to determine. Furthermore the requirement to pro-actively identify sites in plan-making will introduce an additional evidence requirement to an already complex and time consuming process, which is likely to affect plan making timescales.
(Qs.72 – 81, Appendix 1)*

The future of planning policy and plan-making:

- 2.69 The Government is committed to a plan-led system which is considered critical to the delivery of 1.5 million homes. Chapter 12 of the consultation sets out how local planning authorities should prepare local plans in response to the revised NPPF, confirming that they should continue to progress their plans to adoption without delay. Authorities that have an up to date plan in place are identified as being in the best possible position to steer growth in their areas supported by their communities and lay the foundations for a plan-led system.

Transitional arrangements:

- 2.70 In a new proposed Annex 1 to the NPPF the Government sets out the transitional arrangements for emerging plans at various stages in the process in relation to which version of the NPPF they will be examined under and against which standard method for calculating the local housing need.

- 2.71 It makes clear that 'all plans at earlier stages of preparation i.e. plans that have not yet reached Regulation 19 stage one month after the revised NPPF is published' should be prepared against the revised version of the NPPF and updated local housing need figures and progressed as quickly as possible. This would be the case for NEDDC.
- 2.72 *Officer comment: It is considered that the transitional arrangements are clearly set out and appropriate in so far as they affect this Council. Members will recall a decision by the Cabinet on 28th March 2024 (minute no: CAB/ 87/2 3-24) to not formally progress with a full Review of the Local Plan pending the introduction of the previous Government's planning reforms under the Levelling Up and Regeneration Act (LURA). At the same time Cabinet approved an action plan for preparation of the evidence base to support a future plan review, to place the Council in the best possible position to meet the anticipated new timescales for plan preparation.*
- 2.73 *Work is already underway on a number of key strategic matters around housing need, employment land, flood risk, playing pitches and recreation. The proposed changes outlined in the consultation in relation to calculating housing needs and employment priorities has implications for this evidence base work, which will need to ensure it addresses any changes to the NPPF.*
(Q.103 Appendix 1)

Plan-Making Reforms:

- 2.74 The Government intends to implement the new plan-making system as set out in the LURA from summer/autumn 2025 (a year later than the previous Government intended). For Plans to be examined in the context of the 2004 Planning Act they must be submitted no later than December 2026. Thereafter it is intended that Plans will be examined against the context of the LURA. This will provide more time for councils in the early stages of plan preparation to reflect on the revised NPPF and progress positive plans that will stand up to scrutiny. The Government indicates that it will publish further details around its intentions for plan-making reform in due course.
- 2.75 *Officer Comment: The report to Cabinet on 28th March 2024 outlined that under the Government's proposals at that time, for plans to be examined against the current legislation they would need to be submitted for Examination by 30 June 2025. Officers advised that a full Plan review in that timeframe was not feasible. The current consultation proposes extending that timeframe to December 2026, adding a further 18 months for plan preparation. This is considered to be a more realistic timeframe but would still be challenging.*
- 2.76 *Set against the implications of other changes outlined in this consultation around the new standard method for assessing housing need and 5-year housing land supply against that higher figure, (should they come into force without suitable transitional arrangements to enable Council's with an up to date plan to maintain a 5 year land supply against their Local Plan requirement), there is clearly merit in the Council considering whether to formally commence the preparation of a new local plan at the earliest opportunity with the aim of securing plan submission before December 2026. For this to be achievable there would need to be a strong collective buy in to the process, streamlined processes for decision making and access to additional resources to support community engagement.*

2.78 *It is recommended that Cabinet supports officer's proposals to consider in more detail a timetable for a review of the Local Plan (in discussion with the Local Plan Working Group) within the above timeframe and that this be brought back to a subsequent Cabinet meeting.*
 (Q.104, Appendix 1)

3. Reasons for Recommendation

3.1 It is considered important that the Council makes informed comments and raises concerns and comments whether further work is required on emerging national planning policy and this will have a direct impact on how we determine applications for development in the shorter term and how we develop a Plan that meets the needs of the district in the longer term.

4. Alternative Options and Reasons for Rejection

4.1 The alternative is to not comment on the consultation material. This was rejected on the basis that it is important that the Council is aware of the implications of the Governments proposed changes to national planning guidance and that we take the opportunity to inform the Government of the likely impacts of their proposals on the district and seek to influence policy development at a national level.

4.2 In terms of a review of the Council's Local Plan, one alternative is to do nothing and await the implementation of new planning guidance. This was rejected on the basis that significant changes are imminent and to do nothing would put the Council at greater risk of speculative development for an additional extended period of time.

DOCUMENT INFORMATION

Appendix No	Title
1	Response to Consultation on Proposed Reforms to the NPPF and other changes to the Planning System
Background Papers (These are unpublished works which have been relied on to a material extent when preparing the report. They must be listed in the section below. If the report is going to Cabinet you must provide copies of the background papers)	
None	