



## OPEN REPORT COMMUNITY AND ENVIRONMENT COMMITTEE

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**Community and Environment Committee – 12<sup>th</sup> September 2024**

**National Planning Policy Framework - Council Response to Consultation**

**Report of Director of Place and Economy**

### **Contact Details**

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### **Wards Affected**

All

### **Report Summary**

On 30<sup>th</sup> July 2024, the Government published an 8-week consultation on proposed revisions to the National Planning Policy Framework. This report provides Members with the details of the proposed changes and enables Members to respond to the consultation by the 24<sup>th</sup> September 2024 deadline.

### **Recommendation**

1. That Members note the extent of the proposed changes to the National Planning Policy Framework.
2. That the draft responses to the consultation questions, as set out in Appendix 4 form the basis of the District Council's formal response to the MHCLG consultation on proposed changes to the NPPF.
3. That delegated authority be given to the Director of Place and Economy in consultation with the Chair of the Community and Environment Committee to submit the District Council's response to the MHCLG consultation by the deadline of 24<sup>th</sup> September 2024.

### **List of Appendices**

Appendix 1 – Proposed reforms to the National Planning Policy Framework and other changes to the planning system  
Appendix 2 – Tracked Changes Version of Proposed Changes to NPPF  
Appendix 3 – Outcome of the Proposed Revised Standard Method  
Appendix 4 – Proposed Response to Consultation Questions

**Background Papers**

[Proposed reforms to the National Planning Policy Framework and other changes to the planning system](#)

[National Planning Policy Framework: draft text for consultation](#)

[Outcome of the proposed revised method](#)

**Consideration of report by Council or other committee**

None

**Council Approval Required**

No

**Exempt from Press or Public**

No

# CONSULTATION ON PROPOSED REVISIONS TO THE NATIONAL PLANNING POLICY FRAMEWORK

## 1. Background

- 1.1 The National Planning Policy Framework (NPPF) was first published in March 2012 and 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. The most recent version was published in December 2023.
- 1.2 The Chancellor of the Exchequer set out in a speech on 8<sup>th</sup> July that the priority for the new Government was the delivery of sustainable economic growth, as well as the delivery of 1.5 million new homes over the lifetime of the current parliament.
- 1.3 At the same time, the Chancellor indicated that the planning system was antiquated, and there was an intention to commence reforms to the planning system, starting with revisions to the NPPF, to facilitate a new-growth focused agenda for Government.
- 1.4 On 30<sup>th</sup> July 2024, the Secretary of State for Housing, Communities and Local Government published proposals for revisions to the NPPF for 8 weeks of public consultation ending on 24<sup>th</sup> September 2024. The relevant consultation documents are set out in **APPENDICES 1-3** to this report.
- 1.5 This report sets out the proposed policy changes to the NPPF and provides Members with the opportunity to set out the District Council's formal response to the 106 questions which accompany the consultation. Draft responses to each of the 106 questions are set out in **APPENDIX 4** to this report.

## 2. Key Issues

- 2.1 The main reforms set out in the public consultation are summarised below:
  - a. make the standard method for assessing housing needs mandatory, requiring local authorities to plan for the resulting housing need figure, planning for a lower figure only when they can demonstrate hard constraints and that they have exhausted all other options;
  - b. reverse other changes to the NPPF made in December 2023 which were detrimental to housing supply;
  - c. implement a new standard method and calculation to ensure local plans are ambitious enough to support the Government's manifesto commitment of 1.5million new homes in this Parliament;
  - d. broaden the existing definition of brownfield land, set a strengthened expectation that applications on brownfield land will be approved and that plans should promote an uplift in density in urban areas;

- e. identify grey belt land within the Green Belt, to be brought forward into the planning system through both plan and decision-making to meet development needs;
- f. improve the operation of 'the presumption' in favour of sustainable development, to ensure it acts an effective failsafe to support housing supply, by clarifying the circumstances in which it applies; and, introducing new safeguards, to make clear that its application cannot justify poor quality development;
- g. deliver affordable, well-designed homes, with new "golden rules" for land released in the Green Belt to ensure it delivers in the public interest;
- h. make wider changes to ensure that local planning authorities are able to prioritise the types of affordable homes their communities need on all housing development and that the planning system supports a more diverse housebuilding sector;
- i. support 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 – given their importance to our economic future;
- j. deliver community needs to support society and the creation of healthy places; and
- k. support clean energy and the environment, including through support for onshore wind and renewables.

2.2 Other aspects of the consultation include the desire to ensure that there is full coverage of Local Plans across the country, with potentially more scope for intervention by the Secretary of State.

2.3 There is also a suggestion that in order to plan for growth on a larger than local scale and to ensure effective cross-boundary co-operation that it will seek to introduce more effective strategic planning via legislation. It is anticipated from the consultation that this would be something that would be implemented at Mayoral level (where applicable) and most likely be part of the development of Spatial Development Strategies. However, in the short-term the duty to co-operate will remain in place.

2.4 The consultation sets out proposals for the introduction of higher planning application fees to aid better cost recovery. It seeks views on the options available for the localisation of planning fees and the extent to which planning application fees should be utilised to help cover the costs of the wider planning service.

2.5 The Government is keen to ensure full local plan coverage and the advice is for local planning authorities to continue progressing plans towards adoptions. It sets out a series of proposed transitional arrangements in the consultation paper which envisages that local planning authorities would be required to take account of the proposed changes to the NPPF almost immediately, unless a Local Plan has already been submitted to the Secretary of State, when it can progress under the existing NPPF.

## 2.6 Officer Commentary

- 2.7 The Standard Method for the calculation of housing need was introduced in 2018 as a means of ensuring a consistent approach to the identification of housing needs across the country. The current calculation is based upon a 2014 population projections, with a localised affordability factor applied, with a limit of a 40% increase in housing requirements. A 35% uplift was introduced in 2020 for the largest 20 towns and cities.
- 2.8 The proposed Standard Methodology uses a baseline of 0.8% of existing housing stock, with a more rigorous work-place based affordability factor applied. It also removes the 40% cap and the 35% uplift for those largest major towns and cities.
- 2.9 The outcome of the revised methodology, compared to the previous methodology is set out in **APPENDIX 3**.

### Change %

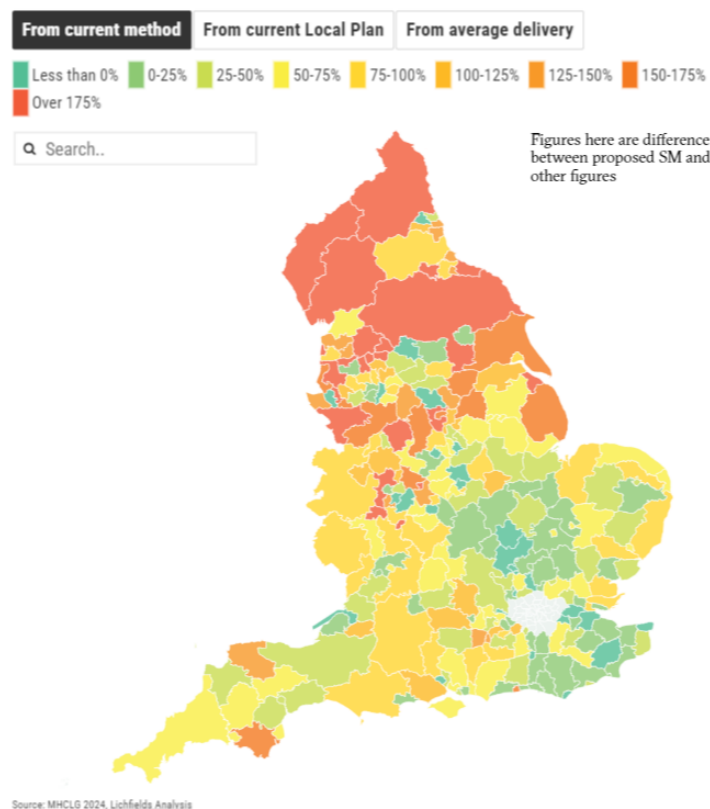


Figure 1 - Percentage Increase in Standard Method 2024

- 2.10 When the relative changes are mapped across the country as set out in Figure 1 above the evidence suggests that nationally rural local authorities in the north of England see the greatest increase in housing requirements, with urban areas seeing lower increases (and in some areas reductions) compared to rural areas. Given the nature of the distribution across the country it is considered that there should be revisions to the methodology such that it allows for more of the housing requirements to be focussed upon urban areas.

- 2.11 For Derbyshire Dales the revised Standard Methodology shows an increase from 216 dwellings per annum to 571 dwellings per annum. As the housing stock data is only published at local authority area there is no indication of a split between the Derbyshire Dales local planning authority area and the Peak District National Park local planning authority area.
- 2.12 The changes to the Standard Methodology, may well deliver an increase in the number of dwellings sufficient to meet the Government's target of 1.5 million homes. However, the proposed approach, by using an uplift on stock results in an artificial increase in housing numbers which does not take account of local economic development aspirations, as well as forecast actual population and household formation changes.
- 2.13 Whilst the revised approach leads to an increase in future housing requirements it is only part of the solution to delivering more new homes. The model is predicated upon the private sector delivering them through the open market. The revisions to the NPPF do not, however, set out what incentives or penalties, if any, the Government is likely to put into place to ensure that the number of new homes completed over the lifetime of this parliament achieves the desired level of 1.5 million new homes.
- 2.14 Furthermore the consequence of the changes to the Standard Methodology and the resultant distribution of new housing development across the Country would suggest that without investment in services and facilities and accompanying infrastructure it will not deliver sustainable communities, where there is the potential for the creation of local employment opportunities and with more sustainable access to local services and facilities. Rather it has the prospect of creating large areas of residential development with potential for out commuting. To achieve sustainable communities will also require appropriate investment in economic development opportunities to match the potential increase in housing development.
- 2.15 Making the outcome of the Standard Methodology a mandatory requirement works well in locations where the local planning authority and local authority coincide. However, in the circumstances of Derbyshire Dales, where there are two local planning authorities, one local authority, and one National Park the proposed revisions do not provide adequate clarity about how the overall requirement should be distributed. There is a suggestion that further guidance may be published to help clarify how to approach such scenarios, however it is anticipated this will not be available until the revised NPPF is published.
- 2.16 In terms of setting a clear priority for development on brownfield sites, it is considered that this is a suitable policy approach to articulate in the revised NPPF. However, as Members will be aware, the reality is that such sites are more costly to remediate and redevelop compared to greenfield sites. Without any suitable investment from the Government to pump prime brownfield sites and get them 'oven ready' for

development it is highly debatable whether they will be capable of delivering the much needed new residential development.

- 2.17 The consultation sets out that it is the Government's aim to ensure that more and better quality affordable homes are delivered, with much more of a focus on providing affordable homes that are actually required within local communities. The proposed revisions put much more emphasis on the delivery of affordable housing within the social rented sector and less emphasis on 'discounted' market homes such as First Homes. It also sets out support for more community-led housing such as provided by Community Land Trusts.
- 2.18 Such an approach is to be welcomed as these are the types of tenures that the District Council considers are much more appropriate to meet local housing needs in Derbyshire Dales.
- 2.19 As there is no statutory Green Belt in Derbyshire Dales, no comments are therefore made in respect of the proposed changes that relate to the Green Belt policy.
- 2.20 The proposals in the consultation seek to ensure that development generates more green energy as a means of tackling climate change. The Government has already made changes to the NPPF which now provide support for on shore wind energy production. It also places an emphasis on the modernisation and improvement of hospitals, courts, and schools, all of which are important to developing sustainable communities.
- 2.21 It does not however, mention anything in relation to the more localised physical infrastructure which is needed to support development in areas such as Derbyshire Dales, including the provision of appropriate improvements to foul and surface water infrastructure, which are already operating at or very close to capacity, and in time of heavy rain cause localised flooding with often significant damage to local properties.
- 2.22 Having full coverage of Local Plans across the country is seen by the Government as being vital to ensuring that plans are in place to deliver 1.5 million homes. As such the Government has indicated that the Secretary of State will intervene more, to ensure that this is achieved. Whilst there are already legislative provisions in place the Government is looking to set out revised policy criteria which would define when intervention was likely to take place.
- 2.23 Such powers have not been used infrequently in the past. It is however considered that given the emphasis that the Government has placed on reforming the planning system to deliver additional new homes it is likely to intervene more frequently than it has in the past. Preparing a Local Plan effectively and efficiently and meeting both national and local aspirations is important, and as such is not likely to be subject of any enhanced intervention from the Government.
- 2.24 Proposals to introduce universal coverage of strategic planning across the country will allow for the circumstances that face Derbyshire Dales

and the Peak District National Park to be taken into account, as it had been previously with Regional and Structure Plans. However the introduction of new arrangements will take some time to be put in place as it requires legislative changes to achieve. The continuation of the Duty to Co-operate until such times as revoked under the Levelling Up and Regeneration Act as the means of securing cross-boundary co-operation will given the levels of housing requirements identified under the revised Standard Methodology may result in circumstances where agreement cannot be reached about shortfalls in housing capacity. The consequence of which is the possibility of delayed and unsound plans. It is considered that the Government should be encouraged to bring forward legislation to deliver a new approach to Strategic Planning.

- 2.25 In principle the proposal to increase fees for planning applications is to be welcomed, because current fee levels do not cover the cost of some planning applications, and as such the shortfall falls on the public purse. The consultation also seeks views on the possibility of local planning authorities charging their own fees for the determination of planning applications. Two models are suggested; Full Localisation or Local Variation (Default National Fees). The former would allow local planning authorities to set all their own fees, and the latter would have a national default fee but with local planning authorities being able to vary the fee where they consider it does not cover their actual costs. An approach based upon the “Local Variation” model is favoured as it will allow for the option to alter some planning application fees, but at the same time not become less attractive to the development industry which may arise under the Full Localisation approach.
- 2.26 The consultation also seeks views on whether planning application fees should cover other aspects of a local planning authority’s services. This should be welcomed as it could include planning policy, which is currently fully funded from the public purse. Whilst it could be argued that wider planning services represent a public service that should be paid for by other council budgets, funded by the taxpayer, not by individual applicants, it is considered that there are sufficient checks and balances in the system through for example independent Examination in Public of Local Plans to ensure that no inherent risk of any conscious or unconscious bias towards developers submitting planning applications.
- 2.27 The Government is keen to bring revisions to the NPPF into force by the end of 2024. It does not want there to be any delay in the adoption of full local plan coverage and advises that work on local plans should continue. The Government does, however, recognise that the proposed revisions may require local planning to consider the consequences for their plan preparation progress. It has therefore suggested a set of transitional arrangements, including pushing back the backstop submission date from June 2025 to December 2026. Given the potential implications that the changes might have for Derbyshire Dales it is considered that the transitional arrangements are reasonable as it will allow the District Council to fully consider what actions it might wish to take in relation to the review of the Derbyshire Dales Local Plan.



## **Financial and Resource Implications**

### **3. Options Considered and Recommended Proposal**

- 3.1 The consultation paper is setting out proposals for changes in national planning policy. The revised version of the NPPF, and any subsequent legislative changes will need to be taken into account by the District Council during the on-going review of the Local Plan, and future decisions on planning applications.

### **4. Consultation**

- 4.1 Any changes to the Local Plan that emanate from revisions to the NPPF will need to be subject to public consultation.

### **5. Timetable for Implementation**

- 5.1 The Government has indicated that it will seek to introduce changes to the NPPF before the end of 2024. This should provide clarity over a number of issues that are pertinent to the Local Plan review and enable the District Council to continue towards the submission of a revised Local Plan.

### **6. Policy Implications**

- 6.1 The proposed changes to the NPPF set out in this report are likely to have significant policy implications for the review of the Derbyshire Dales Local Plan. Any policy changes to the Derbyshire Dales Local Plan will need to be overseen by the Local Plan Sub Committee, this Committee and Council.

### **7. Legal Advice and Implications**

- 7.1 This report relates to proposed changes to the National Planning Policy Framework
- 7.2 There are three decisions recommended to be taken as noted at the start of this report. The risk of legal challenge of taking those decisions has been assessed as low.

### **8. Financial Implications**

- 8.1 The on-going review of the Local Plan, alongside the revised version of the NPPF and any subsequent legislative changes will require an appropriate level of budgetary provision to deliver the projects and proposals included therein. This may necessitate some prioritisation and redeployment of existing budgets and staff.
- 8.2 Any re-alignment as a result of these changes will be reflected in the draft budget and Medium-Term Financial Plan that are due to be approved by Council on 3 March 2025. Where actions have resource implications in 2024/25, these will be accounted for within existing budgets where possible

or further supplementary budgets will be requested in line with the Council's financial regulations.

8.3 The financial risk of this report's recommendations is assessed as low.

## **9. Equalities Implications**

9.1 One of the questions posed as part of the public consultation seeks views on whether the proposals have an impact upon anyone with a relevant protected characteristic, and whether there are mitigation measures that can be put in place. It is anticipated that any comments to this question will shape the future contents of the NPPF.

9.2 Once these revised proposals have been translated into policies and proposals in the revised Derbyshire Dales Local Plan, they will be subject to a separate Equalities Impact Assessment which forms part of the legal requirements for the publication of the Local Plan.

## **10. Climate Change Implications**

10.1 The proposals in the public consultation do not have any direct climate change. However, once these revised proposals have been translated into policies and proposals in the revised Derbyshire Dales Local Plan, they will be subject to a separate Climate Change Impact Assessment.

## **11. Risk Management**

11.1 The review of the Derbyshire Dales Local Plan is one of the themes of work to be completed over the course of the current administration 2023-2027 as identified in the Derbyshire Dales Corporate Plan. The proposed changes to the NPPF are likely to have an adverse impact upon the completion of the targets set out in the Corporate Plan, and as such the risk to achieving Corporate Plan policy through the Local Plan is considered to be medium.

### **Report Authorisation**

Approvals obtained from Statutory Officers:-

	<b>Named Officer</b>	<b>Date</b>
Chief Executive	Paul Wilson	6 <sup>th</sup> September 2024
Financial Services Manager	Gemma Hadfield	6 <sup>th</sup> September 2024
Legal Services Manager	Kerry France	6 <sup>th</sup> September 2024