

Cabinet

10 September 2024

Consultation on proposed reforms to the National Planning Policy Framework and other changes to the planning system

For Decision

Cabinet Member and Portfolio:

Cllr. S Bartlett, Planning and Emergency Planning

Local Councillor(s):

ALL

Executive Director:

Jan Britton, Executive Lead for Place

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Report Status: Public (the exemption paragraph is N/A)

Brief Summary:

On 30 July, the Government made a Written Ministerial Statement and announced a consultation on a series of changes to the planning system, including a draft revised National Planning Policy Framework (NPPF). Responses are invited by 24 September.

The proposed changes aim to increase house building across the country. There is a new standard methodology for calculating housing targets, which would result in them being significantly higher. Targets would be mandatory rather than advisory, and where they cannot be met due to constraints, then the potential for neighbouring councils to meet them should be examined. There would be greater flexibility around potential development within the Green Belt, where necessary to meet housing requirements. New legislation would be introduced to

require a level of strategic planning across the country, and in the meantime the existing 'duty to cooperate' is proposed to be strengthened.

All councils are urged to bring up to date local plans in place as soon as possible. Changes to the process of preparing local plans, as previously proposed, are still due to take effect, but the timing of their introduction will be later, and councils are advised not to wait for that change before progressing their plans.

These changes will have very significant implications for the preparation of the Dorset Council Local Plan, which will need to be based on the new higher housing targets.

The consultation also includes suggestions for increasing planning application fees, so that the fees would cover a greater proportion of the costs of considering applications.

Recommendation:

That the responses to the consultation questions, as set out in Appendix 1, be submitted to Government by the 24 September deadline. These suggested responses include support for many of the proposals, but concern about the effects of the increased housing targets for Dorset.

Reason for Recommendation:

It is important to take the opportunity to respond to the consultation. The proposed changes could support the council's strategic priorities of driving economic prosperity and creating sustainable development and housing, but the significant increase in housing targets is likely to conflict with the aim of protecting the natural environment, climate and ecology, due to the environmental constraints of Dorset. Introducing the new targets so quickly will result in much development taking place as a result of the 'presumption in favour of sustainable development' rather than through the more strategic plan-led approach.

1. Report

1.1 Key points from the NPPF consultation are:

- Mandatory, and higher, housing targets, using a new Standard Method with a stronger affordability ratio.

- Requirement to review green belts when insufficient land for homes is available, with 'grey belt' land coming first, and any green/grey belt sites having to include 50% affordable housing. 'Grey belt' is a new concept, defined as land in the Green Belt comprising previously-developed land or otherwise making a limited contribution to the Green Belt purposes.
- Reversal of the December 2023 NPPF changes – including those changes made to the five-year housing land supply requirement. Councils will have to be able to demonstrate a five-year land supply even if their plan has been recently adopted.
- All authorities to have an up-to-date Local Plan in place – with a commitment to the Government stepping in where authorities fail to deliver.
- Amending the wording of the 'presumption in favour of sustainable development' to make clear that the 'relevant policies' are those for the supply of land, as the primary role of the presumption is in addressing inadequate land supply – but also to make clear that the Framework's policies for the location and design of development are to be taken into account in decisions when the presumption applies.
- Strengthening of the existing 'duty to cooperate' in plan making – in advance of legislation on strategic planning which will be introduced later.
- Greater support for 'social rented' affordable housing, withdrawing the requirement for a proportion of 'affordable home ownership'.
- Support for renewable energy developments including onshore wind energy.
- Support for key industries including laboratories, gigafactories (battery cell manufacturing plants), digital infrastructure, freight and logistics.

1.2 Other potential changes to the wider planning system are:

- A new system of strategic planning to be introduced, requiring universal coverage of spatial planning across wider geographies. This will require new legislation.
- Increasing planning fees, and consultation on the potential to set planning application fees locally
- Greater flexibilities over affordable housing grants and use of right to buy receipts

- 1.3 The Written Ministerial Statement accompanying the changes is a material consideration in planning decisions immediately, emphasising the need for greater housing delivery, green belt reviews to meet housing needs, and support for renewable energy proposals. Many of the proposed changes will take effect as soon as the revised NPPF is published (intended to be by the end of the year). These include the new housing numbers (though there are transitional arrangements for plans at later stages of preparation), green belt policy and the reversal of changes introduced by the previous Government in December 2023. Other changes, including the arrangements for strategic planning across local authority boundaries, will take effect later, with additional legislation due to be introduced. Until then, under the new NPPF, the existing 'duty to cooperate' is to be strengthened.
- 1.4 The most significant implication for this Council is the change to the standard methodology for calculating housing targets. The standard methodology housing target for Dorset Council, under the proposed new methodology, will increase from 1,793 homes a year to 3,230, which is well beyond the scope of the options we consulted on in the 2021 local plan consultation. The target for Bournemouth, Christchurch and Poole (BCP) Council will increase from 2,766 a year to 2,962. While this is proportionately less of an increase, the previous BCP target was already very high, and their submitted local plan proposes only 1,600 a year.
- 1.5 To put the Dorset figures into further context, there are currently 10,128 homes with planning permission and not yet built, and a further 5,376 allocated in plans: a total supply of 19,186. Planning for new homes does not guarantee their provision, and it is not certain that the market would be able to deliver the level of increase proposed.
- 1.6 The consultation documents say that environmental constraints may prevent the targets being achievable in some areas, and this is likely to be the case in Dorset, with its two National Landscapes and variety of highly protected habitats sites. This will however require strong arguments, a full review of green belt opportunities, and examination of whether any unmet need could be met in neighbouring areas.
- 1.7 The changes mean that councils will still have to be able to demonstrate a five-year housing land supply at all times, even straight after a plan is adopted, and that there will need to be a 5% buffer on this supply. Councils will no longer be able to 'fix' the five-year housing land supply for a year as we are proposing to do this year. And as the existing local plans

in Dorset, other than the Purbeck plan, are out of date, the Purbeck plan was adopted without a five-year housing land supply, and the council became unitary more than five years ago, the five-year housing land supply will be calculated on the basis of the new standard methodology figure (once the NPPF revisions are adopted) which means that Dorset Council will be without a five-year land supply for some time. This will lead to further development having to be allowed under the 'presumption in favour of sustainable development' rather than properly led through a local plan.

- 1.8 The consultation documents make clear that the 'presumption in favour of sustainable development' should not be used to justify poor quality development, and this is welcome. But the immediate transition to the new standard methodology numbers is likely to result in a great deal of development across the country taking place as a result of the presumption rather than being properly plan-led.
- 1.9 The proposed transitional arrangements mean that the neighbouring BCP plan, recently submitted, will continue to be considered under the previous NPPF. The Dorset Council plan, however, having not reached that stage, will need to use the revised standard methodology for its housing target. The transition to the new local plan preparation process set out in the Levelling Up and Regeneration Act will now be later, and so the Dorset Council Local Plan is likely to need to continue under the existing processes, as the consultation emphasises that councils should not stop work on plans in order to progress under the new system. A revised Local Development Scheme may be brought to Cabinet as a result.
- 1.10 The introduction of universal coverage of strategic 'Spatial Development Strategies' will require new legislation as these can currently only be prepared by mayoral or combined authorities. There will be a need for decisions about appropriate geography and groupings of councils, but these strategies should be a more effective means of resolving the distribution of housing numbers than the current 'duty to cooperate'.
- 1.11 The consultation documents include 106 questions, and proposed responses to these are set out in Appendix 1. These responses include support for many of the proposals, such as the references to location and design policies being taken into account in decisions where the presumption in favour of sustainable development applies, and the encouragement of Social Rented housing. But they also raise concerns

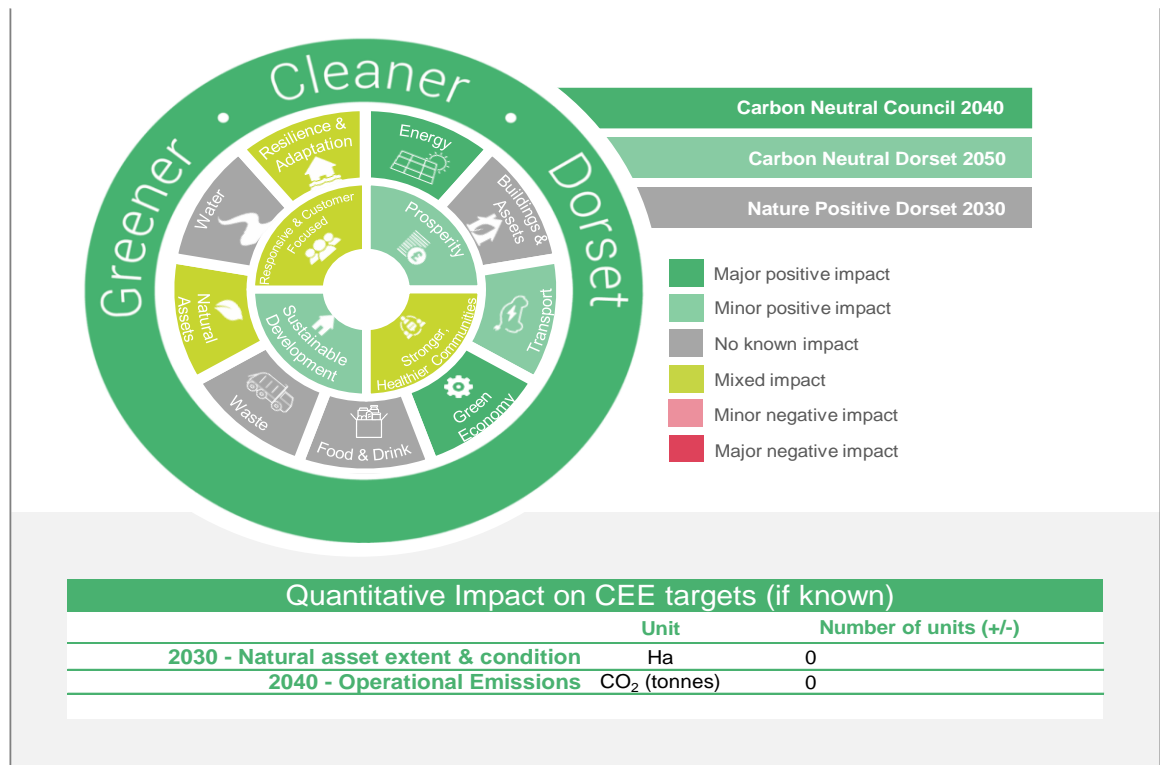
about the effect of the greatly increased housing targets for Dorset, with its wide range of environmental constraints.

2. Financial Implications

There are no direct financial implications of responding to the consultation. Local plan preparation is funded from existing budgets and from reserves set aside for the purpose. The potential increase in housing numbers is likely to require additional work and consultation which will add to the total costs. The suggested increase in planning application fees will provide additional financial support for the planning service.

3. Natural Environment, Climate & Ecology Implications

The increased housing numbers proposed in the consultation may not be able to be met within the environmental constraints of the Dorset Council area, and this will need to be tested through the local plan preparation process. The increased support for renewable energy development is beneficial for climate aims, and the consultation also asks questions about whether planning policy can do more to address climate change, which we are responding to positively.



The climate wheel assessment did not identify any recommendations. Responding to the consultation in itself does not have direct impacts, though the effects of the policy changes through planning decisions are likely to have impacts, which will be assessed comprehensively during the local plan preparation process.

4. **Well-being and Health Implications**

Provision of housing, affordable housing and related infrastructure are all important for people's health and wellbeing, and health and wellbeing will continue to be important aims of the local plan.

5. **Other Implications**

None identified

6. **Risk Assessment**

6.1 **HAVING CONSIDERED:** the risks associated with this decision; the level of risk has been identified as:

Current Risk: Medium

Residual Risk: Medium

7. **Equalities Impact Assessment**

Equalities impact assessments are carried out as part of local plan preparation. There are not considered to be any impacts arising from this report or the response to the consultation.

8. **Appendices**

Appendix 1: proposed responses to consultation questions

9. **Background Papers**

Written Ministerial Statement 30 July [Written statements - Written questions, answers and statements - UK Parliament](#)

Letter to local planning authorities 30 July [Letter from the Deputy Prime Minister to local authorities Leaders in England: Playing your part in building the homes we need \(publishing.service.gov.uk\)](#)

Consultation document [Proposed reforms to the National Planning Policy Framework and other changes to the planning system - GOV.UK \(www.gov.uk\)](#)

Draft revised National Planning Policy Framework (NPPF) [National Planning Policy Framework: draft text for consultation \(publishing.service.gov.uk\)](#)

Outcomes of the new standard methodology for housing numbers across all the planning authorities in England: [outcome-of-the-proposed-revised-method.ods \(live.com\)](#)

10. **Report Sign Off**

- 11.1 This report has been through the internal report clearance process and has been signed off by the Director for Legal and Democratic (Monitoring Officer), the Executive Director for Corporate Development (Section 151 Officer) and the appropriate Portfolio Holder(s)