

**RESPONSE TO (MHCLG) CONSULTATION ON PROPOSED REVISIONS TO THE NATIONAL PLANNING POLICY FRAMEWORK AND SUPPORTING HOUSING DELIVERY THROUGH DEVELOPER CONTRIBUTIONS**

# Cabinet

## Dorset County Council



Date of Meeting	2 May 2018
<u>Cabinet Member(s)</u> All <u>Local Member(s)</u> All <u>Lead Director(s)</u> Mike Harries – Director for Environment and Economy	
Subject of Report	<b>RESPONSE TO (MHCLG) CONSULTATION ON PROPOSED REVISIONS TO THE NATIONAL PLANNING POLICY FRAMEWORK AND SUPPORTING HOUSING DELIVERY THROUGH DEVELOPER CONTRIBUTIONS</b>
Executive Summary	This report summarises the draft revised National Planning Policy Framework published by The Ministry of Housing, Communities and Local Government (MHCLG) on 5 March 2018, and notes the main provisions. Whilst the consultation document incorporates additional proposals, a number of the revisions confirm or clarify previous announcements or legislative amendments.
Impact Assessment:  <i>Please refer to the <a href="#">protocol</a> for writing reports.</i>	Equalities Impact Assessment:  The documents are the responsibility of Government and have been the subject of impact assessments.
	Use of Evidence:  This response has incorporated comments and evidence provided by other officers within the County Council
	Budget: This report includes proposed responses to Government consultations. It does not present any financial implications.

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	<p>Risk Assessment:</p> <p>Having considered the risks associated with this decision using the County Council's approved risk management methodology, the level of risk has been identified as:  Current Risk: LOW  Residual Risk LOW</p>
	<p>Other Implications:</p> <p>None</p>
Recommendation	<p>It is recommended that Cabinet:</p> <p>(1) Approves the attached consultation response form (consultation on the draft revised text of the National Planning Policy Framework closes on 10 May 2018);  (2) Approves the attached developer contributions consultation response form (consultation on Supporting Housing Delivery Through Developer Contributions closes on 10 May 2018)</p>
Reason for Recommendation	<p>To enable a response to Government on the NPPF consultations to be made before the deadlines of 10th May 2018</p>
Appendices	<p>Appendix A: Response to (MHCLG) consultation on proposed revisions to the National Planning Policy Framework  Appendix B: Developer Contributions Consultation response</p> <p>(Note: Provide <u>public</u> web links where possible.)</p>
Background Papers	<p><a href="https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/685288/NPPF_Consultation.pdf">https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/685288/NPPF_Consultation.pdf</a>  <a href="https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/685289/Draft_revised_National_Planning_Policy_Framework.pdf">https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/685289/Draft_revised_National_Planning_Policy_Framework.pdf</a>  <a href="https://www.gov.uk/government/consultations/supporting-housing-delivery-through-developer-contributions">https://www.gov.uk/government/consultations/supporting-housing-delivery-through-developer-contributions</a></p>
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**1. Background**

- 1.1 In 2012 the Government released the first National Planning Policy Framework (NPPF), which essentially consolidated 1,000 page of National Planning Policy into a single document
- 1.2 This consultation seeks views on revisions to the NPPF, which seek to implement Policy changes promoted through the Housing White Paper (fixing our broken housing market) 2017, Planning and Affordable Housing for build for rent (2017); and Planning for the Right Homes in the Right Places consultation 2017.

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- 1.3 The revised Framework signals the latest step in the government's strategy of reaching 300,000 net additional homes a year by planning for the right homes in the right places, building homes faster, and diversifying the market. In practice this means:
- (a) A new National Planning Policy Framework (NPPF) 'the Framework'
  - (b) Updates to national planning guidance
  - (c) Proposals for reforming developer contributions (through regulations)
  - (d) Government's response to recent consultations on housing and planning
- 1.4 The revised Framework:
- (i) makes a number of structural changes, in particular dividing the document into clear chapters;
  - (ii) incorporates policy proposals on which the Government has previously consulted; and
  - (iii) incorporates additional proposals on which this document is consulting.
- 1.5 The following is a brief summary of the key areas contained in the revised NPPF consultation. It is being promoted as "new fairer effective planning rules to unlock land for housing delivery". Very clearly the emphasis of the revisions is providing greater focus towards housing delivery compared to the previous emphasis on promoting economic growth.

## **2. Summary of main proposals**

- Expectation that objectively assessed needs to be accommodated unless there are strong reasons not to, including any unmet need from neighbouring areas;
- Plan-making (amendments to the tests for a 'sound' plan; new requirement to review plan policies every five years; amendments to the tests of a 'sound' plan; preparing a statement of common ground; a new approach to viability);
- Changes to the approach and need for viability assessments. Making assessments publicly available;
- Draft updates to Planning Practice Guidance: Viability (plans can set out when and how review mechanisms may be used to amend developer contributions to help account for significant changes in costs and values);
- A new standard method for the calculation of local housing need;
- At least 10% of homes on major sites should be available for affordable home ownership, with certain exemptions;
- A housing requirement figure for designated neighbourhood areas
- Ensure at least 20% of site allocations for housing in plans are of half a hectare or less;
- Policy consequences of the new Housing Delivery Test;
- Agreeing 5 year land supply position for a one year period;
- Effective use of land (maximising 'brownfield' land; development of under-utilised land and buildings e.g. above shops, car parks; upward extensions; converting retail and employment land to housing);
- Minimum density standards to be used in town and city centres and around transport hubs (to optimise use of land);
- Allow brownfield land in the Green Belt to be used for affordable housing, where there is no substantial harm to openness. Protection for ancient woodland and other irreplaceable habitats, and high level of protection for individual aged or veteran trees found outside these areas.
- Glossary: Revised definition of affordable housing (incorporating affordable housing for rent; Starter homes; Discounted market sales housing; Other affordable routes to home ownership).

Other proposed changes and revised chapters which should be noted, particularly for development management purposes are:

- Presumption in favour of sustainable development and clarity (reasons for Refusing development proposals);
- Determining applications (puts into policy the approach to 'prematurity' and weight to policies in emerging plans);
- Affordable housing contributions not sought on sites of 10-units or less;
- Allowing the development of exception sites to provide entry-level homes Suitable for first-time buyers (or those looking to rent their first home), where a local need is identified;
- Supporting changes of use in declining town centres;

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- Out of centre sites and the 'sequential approach' to planning applications
- 2.1 The document refers continually to a presumption in favour of sustainable development. However this focus solely towards housing delivery could conflict with providing sustainable communities and place making. This consultation document contains some good elements, but also some areas concern. A response to the document is contained in Appendix A.

## **3 Developer contributions**

- 3.1 The MHCLG is concerned that the current system of developer contributions is too complex and uncertain; acting as a barrier to new entrants and allowing developers to negotiate down the affordable housing and infrastructure they agreed to provide. As a consequence the MHCLG is also seeking views on a series of reforms to the existing system of developer contributions in the short term.
- 3.2 In particular the Government recognises that there may be circumstances where the current pooling restriction can hold back development (i.e. preventing local planning authorities from using more than five section 106 obligations to fund a single infrastructure project). Large, strategic sites are often brought forward under separate planning applications or by different landowners. Current restrictions might prevent all parts of the site contributing to the infrastructure required to mitigate the impacts of the development. MHCLG proposes to lift this restriction for exceptional cases where significant development is planned on several large strategic sites.
- 3.3. MHCLG signals a longer term need to engage and consult more widely on a new developer contribution system and provide appropriate transitions. One option could be for developer contributions to be set nationally and made non negotiable. Cabinet will be kept informed of any future reform proposals.
- 3.4 There is a new requirement to publish Infrastructure Funding Statements that explain how the spending of any forecasted income from planning obligations over the next five years will be prioritised and to monitor funds received and their use
- 3.5 A response to this consultation is contained at Appendix B

## **4 Consultation response**

- 4.1 Cabinet is asked to approve the consultation responses attached (Appendices A & B ).

Specifically, support is given for:

- (a) Providing for objectively assessed needs based on a standardised step by step method of calculating housing need in local areas (Question 2)
- (b) Making viability assessments publicly available (Question 7)
- (c) Employing minimum density standards where this achieves sustainable communities and makes optimal use of brownfield land (Question 26)
- (d) Refusing development resulting in the loss of ancient woodland (Question 34)

The Council is not supportive of:

- (a) At least 20% of site allocations for housing in plans to be of half a hectare or less Question 11)
- (b) Prescribing that at least 10% of homes on major sites should be available for 'affordable home ownership' as part of the overall affordable housing contribution from the site (Question 14)

In its response to the proposed reforms to developer contributions the Council supports proposals to lift restrictions the pooling of section 106 contributions. See Appendix B

**Mike Harries**  
**Director for Environment and Economy**  
May 2018