

Briefing 18/34

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## The Revised National Planning Policy Framework

To: All English contacts

For info: Contacts from Wales, Scotland and Northern Ireland.

### Key Issue

The Government has committed to building 300,000 new homes a year and to facilitate this aim, has undertaken to review existing planning policy.

Following the publication of the Housing White Paper, the Government has undertaken various consultations which has resulted in the publication on 24 July 2018 of the Revised National Planning Policy Framework and an associated suite of documents.

### 1. Introduction

On 5 March 2018, the Government published a proposed first full revision of the National Planning Policy Framework (the Framework), alongside a consultation document which set out 80 proposals that sought to get more homes build in communities that people want to live in.

The consultation paper highlighted the proposed changes to the Framework and sought views on the draft text which are now have been incorporated in the revised Framework, these include: -

- (i.) Structural changes, in particular dividing the document into clear chapters
- (ii.) Incorporation of policy proposals on which the government had previously consulted
- (iii.) Updates and changes to other aspects of planning policy, such as planning for town centres

The new Framework came into force on 24 July 2018, and it included over 80 of the proposals that featured in the Housing White Paper. This briefing provides a summary of the main changes that the Government has made to the revised Framework.

Details of the changes, the consultation responses and the revised National Planning Policy Framework can be viewed via the following link: -

[Revised National Planning Policy Framework](#)

### 2. Background

The Government has undertaken major reforms to the planning system in a bid to give councils and developers the tools to build more homes in the right places, whilst protecting the environment and providing the facilities and opportunities that the community need.

In February 2017, the Government set out its strategy in the housing White Paper, 'Fixing our broken housing market' and this was followed by a consultation on 'Planning for the right homes in the right places,' which was published in September 2017.

In addition to publishing a revised Framework, the Government has committed to a range of other initiatives which includes raising the Housing Revenue Account borrowing cap by £1 billion for local authorities to build more council housing in areas where it is needed most and are also seeking views on the Social Housing Green Paper – A new deal for social housing.

## **The National Planning Policy Framework**

The revised Framework has been restructured and now takes the form of 17 topic themed chapters. These chapters are ordered to reflect the priority attributed to the policies and the Government's aim to build 300,000 new homes per year.

In the introduction to the document the Government clearly states that the revised Framework should be read as a whole (including footnotes and annexes). This detail has been included to provide clarity on the weight that should be applied to the footnotes and is in response to the comments received in response to the consultation.

## **Promoting high quality design of homes and places**

There is a clear refocus in policy with the document setting out the need for quality and design of development proposals that need to accord with what local communities want, and the government state that the aim of the revisions is to ensure that councils have the confidence and tools to refuse permission for development that does not prioritise design quality and compliment the local surroundings.

To support this aim the revised Framework places an emphasis on community engagement, in particular allowing residents to see proposed developments prior to them being built and the revised Framework strengthens this duty by encouraging councils to make use of innovative new visual tools to promote better design and quality. It is envisaged by Government that this will assist in creating homes that will fit in with their surroundings.

Plan-led development has been a strong theme in the Government's Housing Strategy and the revised Framework sets out the expectation that adopted neighbourhood plans will demonstrate clear local leadership in design quality, with the Framework allowing groups seeking such plans to reflect the expectations of the community, including how the development will visually contribute to the area.

The Government states in its response to the consultation that councils are well-placed to know their areas unique character and setting. To support this the Framework sets out the strategic direction for driving up new build quality. However, it remains up to councils to determine how they apply the policies locally.

One of the barriers to development has often been cited as land availability and in a bid to mitigate this the Government is clear that the use of land should be maximised. The new Framework promotes more effective use of land available with the aim of giving councils more confidence to refuse applications that do not provide enough homes.

## **Stronger protection for the environment**

There have been calls for planning policy to provide stronger protection for the environment. Question 34 of the consultation sought views regarding conserving and enhancing the natural environment. In response to the consultation responses, the Framework has been updated to align the planning system more closely with Defra's 25 Year Environmental Plan which aims to leave the environment in a better state for future generations.

In addition to this revision a greater protection has been introduced for ancient woodlands and ancient and veteran trees across England has been strengthened, with the aim of ensuring that these assets can be retained for the benefit of future generations.

In conjunction with enhancing the protection for the environment, the Government has outlined more explicit protection for the Green Belt. Greater clarity is provided regarding the expectations and considerable evidence that is required in circumstances where alterations are made to any boundary. Councils are also being given greater flexibility to make the most of their existing brownfield land or land which is well served by public transport. The revised Framework is explicit that all reasonable options for development have to be exhausted prior to looking at altering a Green Belt boundary.

The revised Framework makes clear references to where planning systems can support net gains for biodiversity. The Government announced when publishing the revised Framework that they will be launching a consultation on the wider implementation of net gains.

## **Building the right number of homes in the right places**

It is widely reported that house prices in many areas of the country are unaffordable for many sectors of the population, and the revised Framework aims to tackle this by introducing a new way for councils to calculate the housing need of their local community (including different forms of housing, such as older people's retirement houses). The revised Framework refers to the standardised methodology for calculating local housing need and draws on the work undertaken by the Local Plans Expert Group in March 2016. The Government state that the new methodology aims to deliver more homes in the places they are most needed, based on factors including the affordability of existing homes for people on lower and medium incomes.

Many of the recent announcements from Government regarding housing demonstrate that the Government recognises that there needs to be a range of tenures for the homes being built which includes affordable housing. Reflecting this need the definition of affordable housing has been amended in the Framework Glossary to make it clear that 'social rent' and 'affordable rent' products fall within the scope of what is referred to as affordable housing for rent'. The definition of 'other affordable routes to home ownership has also been amended so it is clear that other low-cost home ownership products should be made available at a price equivalent to at least 20% below local market value.

## **Community Infrastructure Levy and Section 106 Contributions.**

Further to the announcement in the Autumn Budget 2017, the Government opened a consultation that sought views regarding their proposals to simplify the CIL and S106 process with the aim of increasing the rate that developments are completed. The consultation document 'supporting housing delivery through developer contributions' set out a range of proposals which included the following: -

- (i.) A review of the CIL charging schedules
- (ii.) Lifting S106 pooling restrictions
- (iii.) Allowing CIL charging schedules to be set based on the existing use of land
- (iv.) Setting developer contributions nationally

The consultation concluded on the 10 May 2018, and the Government are reviewing the responses. Therefore, these details are not reflected in the revised Framework.

## **Great responsibility and accountability for housing delivery from councils and developers.**

From November 2018 the Government has stated that councils will have a Housing Delivery Test in place which focuses on driving up the number of homes actually delivered in their area, rather than how many are planned for. A rule book outlining how the Housing Delivery Test will be measured has been published alongside the revised National Planning Policy Framework. Full details can be viewed via the following link: -

[Housing Delivery Test Rule Book](#)

## **Planning Policy Guidance (the Guidance)**

To support the policies set out in the Framework, the Government will be updating the National Planning Policy Guidance. The changes proposed are as follows: -

- (i.) The Guidance will be further amended to provide additional detail on how some aspects of the plan-making chapter will put into practice, including: the statement of common ground, evidence base requirements and plan reviews.
- (ii.) Illustrative examples of what may be considered commercially sensitive information in relation to viability assessments.
- (iii.) Details of how viability can be reviewed during the lifetime of a project will be included in the Guidance.
- (iv.) In response to the tension expressed in the opposing views expressed in relation to the viability assessments and how land should be valued, Existing Use Value Plus (EUV+) has been retained in the Guidance. However, further Guidance has been introduced on the use of Alternative Use Values (AUV). The Guidance will also be refined to make it clearer how a landowner premium should be determined as part of Existing Use Value Plus. The will details set out how data, including market data, should be used and that adjustments should be made to reflect the cost of policy compliance. These revisions will be kept under continuous

review, supported by a more transparent reporting regime for viability assessments and developer contributions.

- (v.) Details will be amended in the Guidance to make it easier for plan-makers to understand how housing requirement figures can be determined for the neighbourhood level.
- (vi.) Chapter 8 of the Framework focuses on promoting healthy and safe communities, and in addition to the amendments that have been made in the revised Framework in response to the consultation, consideration is being given as to what additional or revised guidance is needed to support the policies in the chapter, including the role of planning in reducing crime and malicious threats.
- (vii.) The wording in Chapter 9 relating to promoting sustainable transport has been amended in the revised Framework to make it clear that the 'severe' test relates to road capacity rather than highway safety. Further advice on this test will be set out in revisions to the Guidance.
- (viii.) Guidance will be published to enable local authorities to maximise opportunities that arise from delivering increased densities in a bid to make effective use of land. In addition, details will be included to support local authorities in planning for higher densities, in particular about the importance of high quality design.
- (ix.) Many individuals responding to the consultation expressed concern regarding the changes to permitted development. In response, the Government is considering amending the Guidance to address the areas of concern and will determine whether further information needs to be included in relation to the application of the policies set out in Chapter 11 of the Framework.
- (x.) Support for local authorities to deliver high quality places will be emphasised in the new Guidance.
- (xi.) Consideration is being given regarding the need for guidance on securing compensatory improvements to remaining Green Belt if other areas are re-designated.
- (xii.) Respondents to the consultation sought clarity in relation to the policy approach to assess the impact of proposed development on significant heritage assets. The Government have commented that it is considering the issue and will determine in due course if a revision to the Guidance is required.
- (xiii.) In addition to the guidance, the National Planning Policy for Waste will need to be amended to ensure it is aligned with the revised Framework and the forthcoming Resources and Waste Strategy. These revisions will take place over a longer period; therefore, the National Planning Policy for Waste will remain separate to the Framework.

## **APSE Comment**

The Government's commitment to "a new generation of council and housing association homes" is a welcome start, however there needs to be significantly more investment in homes available for social rent as well as other affordable tenures. Existing government subsidy for private market housing could be better directed to supply-side measures and the reinvigoration of a range of social and

affordable housing products including social rent. APSE continues to call for the removal of borrowing restrictions on new build within all council housing revenue accounts, so long as clear plans to repay can be demonstrated.

Making the case for Garden City Principles, APSE will also continue to make the case for local authorities to be given a significant role in delivering the affordable homes and high-quality public spaces this country desperately needs. Government and policy-makers need to think again about the impact of continuous cuts and their interference in policy on place. It's time to start prioritising powers to local democratic institutions to plan place in a sustainable way, ending reliance on developers who maximise profits at the expense of the community and hinder councils from their core role - that of stewardship of local place.

The government has announced major changes to viability testing which could address many of the concerns raised by councils and other stakeholders about the current process. The new system is right to focus on greater transparency of process with agreed approaches for calculating factors such as land price. APSE supports the government's view that developers should not be able to use the price paid for land to undermine the provision of public benefits and affordable homes.

Local authorities have consistently reported that the greatest need in their areas for housing is the availability of homes for 'social rent.' The re-instatement of this definition in planning policy is welcomed.

On a final point, councils are demonstrating strong leadership and innovation in delivering housing that meets the needs of their communities and examples are outlined in the case studies set out in the APSE / TCPA research [Delivering affordable homes in a changing world: Ensuring councils can meet local housing need](#). APSE calls on the Government to implement appropriate financial mechanisms and provide long term policy certainty to ensure the business plans supporting the delivery of local authority housing are not undermined. This will also enable councils to adequately resource the planning service, Local Authority Housing Companies and in-house construction teams for the longer term which in turn will enhance expertise and skills in the sector.

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