

UPDATED NATIONAL PLANNING POLICY FRAMEWORK (NPPF)

Report of the Assistant Director Place Making and Planning / Chief Planning Officer.

1. Introduction and Purpose of report

- 1.1 The Ministry for Housing, Communities and Local Government (MHCLG) published a revised National Planning Policy Framework (NPPF) on 12th December 2024. The revised NPPF can be found at <https://www.gov.uk/government/publications/national-planning-policy-framework--2>.
- 1.2 Alongside the revised NPPF, additional documents have also been published and can be found at <https://www.gov.uk/government/consultations/proposed-reforms-to-the-national-planning-policy-framework-and-other-changes-to-the-planning-system>. These include:
 - Government response to the proposed reforms to the National Planning Policy Framework and other changes to the planning system consultation
 - Indicative local housing need (December 2024 – new standard method)
 - Updated Planning Practice Guidance (PPG)
- 1.3 This briefing provides a summary of the main changes to the revised NPPF from the version consulted on earlier this year.
- 1.4 Officers have reviewed the updated NPPF and can advise that, whilst there are some very significant changes as highlighted below, many of the changes are relatively minor in nature, meaning only minor alterations will need to be made to most sections of the emerging draft Stockport Local Plan. Such changes will include, for instance, a need to update references to specific NPPF paragraph numbers.
- 1.5 Some of the other changes will require more significant alterations to be made – in particular, to those sections dealing with the balance between meeting development needs and the Green Belt.
- 1.6 The passage of time, emerging new evidence and best-practice / lessons-learned from elsewhere might also result in amendments being made to the previously drafted Local Plan.
- 1.7 Officers are working through the previously drafted Local Plan document to update it as appropriate. The updated policies, where they have been subject to significant changes, will be brought back to a future meeting of the Development Plan Working Party.

1.8 The previous version of the NPPF from December 2023 has been archived at <https://webarchive.nationalarchives.gov.uk/ukgwa/20241129193058/https://www.gov.uk/government/publications/national-planning-policy-framework--2>.

2. Key reforms to the planning system and National Planning Policy Framework (NPPF)

2.1 Members are advised that this report is best read alongside the updated and archived versions of the NPPF. Unless otherwise stated, paragraph references are to the new, updated NPPF.

2.2 *Reintroduction of mandatory housing targets*

The Government has made the changes set out in the consultation, reversing the changes made in December 2023 to what was previously paragraph 61 regarding the word 'advisory' and removing the reference to the exceptional circumstances in which the use of alternative approaches to assess housing need may be appropriate. Revised planning practice guidance on assessing housing needs and additional guidance on setting a housing requirement have been published.

2.3 This means that local planning authorities must now follow the standard method set out in the NPPF. The updated paragraph 61 requires the council to aim to meet the target identified through this approach.

2.4 *Restoration of Five-Year Housing Land Supply Rules*

The government confirmed that local planning authorities are again required to demonstrate a five-year housing land supply. There are many authorities, including Stockport, whose new local housing need figures are substantially larger than their adopted or emerging local plan housing requirement figures. To help close the gap the government is introducing a new requirement that authorities with plans adopted under the old standard method must provide an extra year's worth of homes in their 5-year housing pipeline.

2.5 *A new Standard Method*

The government are taking forward the proposals to introduce a new standard method that uses housing stock to set a baseline figure. The method will use 0.8% of existing stock as the baseline. As noted in the consultation, over the last 10 years housing stock has grown nationally by around 0.89%. Setting a baseline of 0.8% provides a consistent base for growth, which is then increased to reflect housing affordability pressures, setting expectations across the country while directing housing to where the government believes it is most needed. The outcome of which is that the annual housing requirement for Stockport is 1,815 dwellings per annum.

2.6 *Affordability requirements in the Standard Method*

Government have increased the threshold from which the adjustment applies from where affordability is 4 (so where median house prices are 4 times median earnings) to 5. Changing the threshold from which the affordability adjustment applies from 4 to 5 means some of the most affordable local authorities will no longer be subject to the affordability adjustment, and that the overall impact of the adjustment is reduced meaning overall numbers would

fall. To ensure housing need remains at the level the government considers appropriate, the second change the government are making is to increase the scale of the affordability adjustment – instead of a multiplier of 0.6, it will set this at 0.95.

2.7 The average affordability ratio from the last five years is applied to the formula to provide an 'adjustment factor. In Stockport the five-year average affordability ratio is 8.75, resulting in an adjustment factor of 1.7125

2.8 The reason for the affordability adjustment is set out in associated planning guidance:

An affordability adjustment is applied as housing stock on its own is insufficient as an indicator of future housing need because:

- *housing stock represents existing patterns of housing and means that all areas contribute to meeting housing needs. The affordability adjustment directs more homes to where they are most needed.*
- *people may want to live in an area in which they do not reside currently, for example to be near to work, but be unable to find appropriate accommodation that they can afford.*

2.9 **Guidance on the approach to Green Belt including grey belt**

The grey belt policy has been introduced but with a revised definition from what was consulted upon, based on consultation feedback that it was necessary to improve clarity. Further guidance for how local authorities should interpret and implement this is expected in January 2025 to ensure a consistent approach to Green Belt land. The definition of grey belt land (in NPPF Annex 2: Glossary) is:

"For the purposes of plan-making and decision-making, 'grey belt' is defined as land in the Green Belt comprising previously developed land and/or any other land that, in either case, does not strongly contribute to any of purposes (a), (b), or (d) in paragraph 143¹. 'Grey belt' excludes land where the application of the policies relating to the areas or assets in footnote 7 (other than Green Belt) would provide a strong reason for refusing or restricting development."

2.10 **Golden Rules for Green Belt development –**

i. **Affordable Housing**

The government believes local planning authorities are best placed to set tenure mix but note the concerns that setting a national minimum 50% affordable homes target could lack flexibility and fail to account properly for regional variation. For this reason, the

¹ NPPF paragraph 143 sets out that Green Belt serves five purposes: a) to check the unrestricted sprawl of large built-up areas; b) to prevent neighbouring towns merging into one another; c) to assist in safeguarding the countryside from encroachment; d) to preserve the setting and special character of historic towns; and e) to assist in urban regeneration, by encouraging the recycling of derelict and other urban land.

government will allow local planning authorities to set their own Golden Rules in relation to affordable housing through their new local plans. In order to balance the need for an ambitious affordable housing target with the viability challenges that may occur, particularly in low value areas, the government is adopting a 'policy plus' approach, in which Green Belt development should deliver an amount of affordable housing that is 15 percentage points above the relevant local affordable housing target that would otherwise apply, subject to a cap of 50%.

Both our existing policies in the Core Strategy and our emerging Local Plan policies place a 50% affordable housing requirement on any sites that come forward within the Green Belt (except for previously developed sites). The new approach in the NPPF is likely to have the effect of making it harder for developers to argue against robust application of those policies, and would extend the requirement on any previously developed sites in the Green Belt to 15% above the usual policy requirement for whatever area of the borough it is in (up to a maximum of 50% overall for any given development site).

ii. ***Necessary local and national infrastructure improvements***

It is anticipated that the proposed guidance will provide further detail as to what will be expected from developments in this regard. However, if any land is allocated through the local plan then it is reasonable to assume that the necessary infrastructure improvements will be identified in the submission version of the plan and that accompanying policies will require their provision.

If sites come forward via the planning application process in advance of the local plan's adoption, the council will need to identify those necessary improvements on a case-by-case basis.

An infrastructure delivery plan (IDP) is being developed alongside the Local Plan. This will evidence the types and extent of infrastructure that is necessary to support and enable the development that the Local Plan proposes and set out delivery mechanisms where appropriate. The IDP will be a critical consideration in determining what infrastructure must be provided for development of Green Belt land.

iii. ***New and improved accessible green spaces***

New residents should be able to access good quality green spaces within a short walk of their home, whether through onsite provision or through access to offsite spaces. As with infrastructure requirements, any relevant local plan allocations and policies should address this and planning applications in advance of the plan will be dealt with accordingly.

2.11 ***Build out***

The government noted that there was a strong concern over rates of build out

on housing sites, and associated concerns about developer land banking. The government says its aim is to bring greater transparency and accountability and take the steps necessary to implement build out reporting. This includes implementing the following provisions in the Levelling-up and Regeneration Act 2023, following technical consultation:

- Government will bring forward a measure to provide local planning authorities with the power to decline future planning applications made by developers who fail to build out earlier planning permissions granted on land in the authority's area at a reasonable rate.
- Housing developers will be required to formally notify local planning authorities before they commence development (via development commencement notices) and then report annually to them on their actual housing delivery (via development progress reports). This will ensure that local planning authorities can clearly identify where delays occur, enabling them to work more effectively with developers to tackle the issue. This will also allow LPAs to monitor the delivery of housing in a more efficient way than is currently possible.

2.12 Localisation of planning fees

The government have announced their intention to take forward measures in the proposed Planning and Infrastructure Bill to introduce a power for local planning authorities to be able to set their own fees. As part of these proposals, it will conduct a comprehensive review of all national fees in order to establish a robust baseline for full cost recovery of fees and to inform a national default fee. The government intends to pursue a model that would enable local variation from a national default fee. In varying or setting their own fees, local authorities will not be able to be set fees above costs. This is in addition to confirmation that the fee for householder planning applications as well as other applications will change nationally this year.

2.13 Transitional Arrangements

The Government has amended the proposals originally consulted on relating to transitional arrangements. This confirms that planning authorities like Stockport, with an emerging plan yet to complete the regulation 18 stage, are expected to submit their plan for examination under the existing system (set out in the Planning and Compulsory Purchase Act 2004) no later than December 2026. This requirement is reflected in the updated Local Development Scheme recently approved and published by the council (see <https://www.stockport.gov.uk/stockport-local-development-scheme>)

2.14 Funding to support local authorities

The Government has announced funding to support local plan delivery. This includes, relevant to Stockport, funding for local authorities that need to undertake a Green Belt review to accommodate an increase in their development needs as a result of changes in the revised NPPF. Officers have submitted an Expression of Interest (EoI) to receive a share of the available funding for this. If successful this will help with the costs of the updated Green Belt assessment work already being procured and may also have scope to

fund further work, for instance to provide up-to-date evidence on which sites in the Green Belt are most sustainably located.

3. More detailed briefing information

- 3.1 The information provided above has been informed by a briefing note prepared by the Local Government Association. That note goes on to provide a chapter-by-chapter breakdown of the amendments made to the NPPF. Rather than replicate that information in full in this report members are advised that it can be read at <https://www.local.gov.uk/parliament/briefings-and-responses/revisions-national-planning-policy-framework-nppf-and-other>.

4. Recommendations

- 4.1 Members are asked to note the information set out above and that the Local Plan will have to be progressed in conformity with the updated National Planning Policy Framework.

BACKGROUND PAPERS

None

Anyone wishing to inspect the above background papers or requiring further information should contact Steve Johnson, Local Plan Policy Lead, on steven.johnson@stockport.gov.uk