

## THE REVISED NATIONAL PLANNING POLICY FRAMEWORK

**Head of Service/Contact:** Ruth Ormella, Head of Planning

**Urgent Decision?(yes/no)** No

**If yes, reason urgent decision required:**

**Annexes/Appendices (attached):** None

**Other available papers (not attached):** [The Revised National Planning Policy Framework 24 July 2018](#)  
[L&PPC Report Consultation on Draft National Planning Policy Framework May 2018](#)

### Report summary

The government has published the revised National Planning Policy Framework. The Borough Council submitted a response to the public consultation on this document during May 2018.

This report provides the Committee with an overview of the changes introduced by the Revised National Planning Policy Framework and their potential implications.

### Recommendation (s)

- 1) The Committee receives the revised National Planning Policy Framework and the possible implications for the Borough Council in terms of the emerging Local Plan and the determination of development proposals considered through the Development Management process; and
- 2) That the Committee agrees that future decisions accord with the revised National Planning Policy Framework.

# Licensing and Planning Policy Committee

## 27 September 2018

### **1 Implications for the Council's Key Priorities, Service Plans and Sustainable Community Strategy**

- 1.1 The revised National Planning Policy Framework (NPPF) has implications for the Council's key priorities, particularly in terms of meeting its housing needs, how it delivers affordable housing, how it works with its neighbours on strategic matters, providing essential community infrastructure to support growth. It especially has implications in terms of the likely impact of higher level of development on the Borough's visual character and appearance. The revised NPPF will also have an impact on many of the Council's other key priorities including economic vitality, quality of life, visual appearance and sustainability.
- 1.2 The Epsom & Ewell Borough Local Plan assists in the spatial delivery of the objectives of the Sustainable Community Strategy and the Council's Key Priorities. The effectiveness of these policies, and by extension the effective delivery of the Local Plan, will be impacted by the Revised NPPF.

### **2 Background**

- 2.1 During Spring 2018 the government published its proposals to revise the NPPF.
- 2.2 Following the decision of the Licensing & Planning Policy Committee, the Borough Council submitted its response to the proposed changes to the NPPF on 9 May 2018. The public consultation closed on 10 May 2018. Shortly after the government announced that it would publish the Revised NPPF during July 2018. The government published the Revised NPPF on 24 July 2018. The revision to national planning policy take immediate effect.

### **3 The Changes and the Implications for the Local Planning Authority**

- 3.1 The key objective behind the government's changes to the NPPF is to improve the supply and delivery of new homes – as a response to the national housing crisis. Critically their proposals seek to ensure that more land is brought forward for development, the use of the land is optimised (primarily for housing<sup>1</sup>) and that planning permissions are turned into homes as quickly as possible (see also Paragraph 3.3 f) below, which addresses the new Housing Delivery Test).
- 3.2 Two key messages emerge from the changes introduced by the revised NPPF. These are

---

<sup>1</sup> Although the revised NPPF places a greater emphasis upon optimising land for housing this approach applies to all uses – including the provision of new employment, retail, community, education and healthcare uses. The Borough Council already follows this approach – Core Strategy Policy CS5 makes this a requirement for all new development. It was adopted by the Borough Council in July 2007.

# Licensing and Planning Policy Committee

## 27 September 2018

- a) The importance of robust and up-to-date evidence to support and inform local plan policies and decision making

The Borough Council is already fully committed to producing a suite of robust and up-to-date evidence to support and inform the production and preparation of the new Local Plan. There will now need to be a commitment to maintain an up-to-date evidence base.

- b) The necessity of working with other local planning authorities to respond positively to strategic issues. The key thrust here is to ensure that any unmet housing need is met in full but this could equally relate to meeting strategic community infrastructure needs (such as transport, education or healthcare).

Whilst the revised NPPF places an even greater emphasis upon meeting the Duty to Co-operate it does not introduce any measures to make that process easier. The Duty remains a process that is vulnerable to disagreement and division. Negotiating agreements (with our neighbours) on meeting unmet housing need in full will be challenging.

The implications for future partnership working are set out under Section 7.

- 3.3 The text of the revised NPPF remains largely unchanged from the consultation draft. Where changes have been made their role is to provide clarity. Using the key headlines identified in the original Report to the Committee (May 2018) the following identifies additional changes that have been introduced since the close of the consultation:

- a) A new document structure of 17 topic based chapters reflecting the government's priorities – with a focus upon resolving the housing crisis;

The government has made this change through the Revised NPPF, which is now comprised of 17 chapters in place of the 13 in the original document. The three entirely new chapters<sup>2</sup> address the issues of delivering a sufficient supply of homes; promoting healthy and safe communities; and making the effective use of land. There are significant implications associated with this particular change.

- b) Clarification on the presumption in favour of Sustainable Development and amendments to the tests of soundness for local plans;
- c) A new standard methodology for the calculation of local housing need;

---

<sup>2</sup> As opposed to the handful that have been re-branded under new titles.

## Licensing and Planning Policy Committee

### 27 September 2018

The government remains committed to delivering more new homes faster. The revised NPPF introduces a new standard methodology. The published changes to the NPPF suggest that the standard methodology may evolve to take account of lower population projections anticipated in the near future. This may result in a reduction in the scale of the Borough's objectively assessed housing need, which would be welcomed. However, this development should be taken with caution. The disparity between local housing need and housing land supply is unlikely to change. Consequently any future adjustments to the standard methodology are still likely to produce a challenging objectively assessed housing needs figure. Additionally, the possible implications of the Housing Delivery Test will also need to be taken into account.

- d) New definition of affordable housing and a focus on affordable home ownership products;

The revised NPPF has expanded the definition of affordable housing products to include reference to "social rent", which it states is an "affordable housing for rent" product. The Borough Council has previously objected to this type of dilution of the affordable housing definition – as these types of product are not genuinely affordable.

Furthermore there is now no reference to the maximum annual household income of eligible buyers for starter homes (this was previously £80,000 or £90,000 in London). This is now to be a matter for secondary legislation. The Borough Council has previously objected to the inclusion of starter homes within the affordable housing definition – on the basis that such products are not affordable and do not meet the needs of the Borough.

- e) Promotion of the role of small sites and their exclusion from affordable housing contributions;

Changes have been made that reinforce the government's belief that small sites have an essential role in delivering new housing. Significantly, the revised NPPF now states that at least 10% of all site allocations (identified in a Local Plan) must be 1 ha or smaller. This change is welcomed as it is a lesser requirement than that set out in the consultation draft. In that respect, it is anticipated that this requirement will be met by our emerging Local Plan.

## Licensing and Planning Policy Committee

### 27 September 2018

In contrast, the changes introduced in relation to affordable housing contributions from small sites are not welcomed. The Revised NPPF now makes it impossible for the Borough Council to seek affordable housing contributions from development proposals of ten dwellings or less. This could have a significant impact upon our ability to respond to our affordable housing need in the short-medium term. In response, the Borough Council may wish to consider applying its recently introduced approach to higher density and taller residential buildings within this context. Principally by encouraging development proposals to deliver more housing where it is possible and appropriate. Proposals that fail to do this have the potential to be refused on the grounds that they are failing to positively respond to our objectively assessed housing need and are not optimising the development potential of the site in question.

f) Introduction of the Housing Delivery Test;

The Housing Delivery Test has been introduced. Those local planning authorities that cannot demonstrate a five-year housing land supply (against their standard methodology figure) will fall under the presumption in favour of sustainable development. Should housing delivery fall below 95% (of the standard methodology figure) then that authority will be required to prepare an Action Plan in response. The Delivery Test introduces additional “buffers” (on top of the standard methodology figure) to boost housing delivery – through supply and demand principles. On the basis of our current housing land supply trajectory we will be subject to this new regime from November 2018.

The first action that the Borough Council will need to take is to acknowledge the challenge of under delivery/ supply and then prepare and publish an Action Plan that sets out the measures it will take to meet its objectively assessed housing need in full. It is anticipated that the emerging Local Plan; in terms of its housing strategy, policies and site allocations; will play a significant role in addressing this position. When identifying sites for housing, the Borough Council will need to be confident on their availability, deliverability and developability. Particularly in terms of when the sites will come forward and how many units they will deliver. When making decisions (on development proposals) the Borough Council will need to take in account these factors.

The government, through the introduction of the Housing Delivery Test, has placed the responsibility for delivering new housing upon local planning authorities. This conceivably translates into a corporate responsibility, as the mechanisms for housing delivery extend beyond the Borough Council’s planning functions. However, it is arguable that the development industry has an equal responsibility to shoulder much of this burden and their role must not be underplayed. This is also cover under Paragraph 7.3 below.

# Licensing and Planning Policy Committee

## 27 September 2018

- g) Greater emphasis on effective and optimal use of land, particularly brownfield land. Promotion of minimum density policies, upward extensions, conversions and reallocation of sites to deliver housing;

The revised NPPF now includes an entire chapter (NPPF Chapter 11) on this matter. The increased emphasis upon making the optimal use of land is welcomed; as it is broadly in accordance with the Borough Council's existing policy approach. The Borough Council recent decision to amend its approach towards higher density and taller residential buildings is an example of how the Borough Council is already aligning itself with national planning policy. An outcome of this is that proposals that fail to make the optimal use of development opportunities will potentially be refused.

The new NPPF also states that local planning authorities should make use of the full range of powers available to them to intervene in bringing land forward. Specifically, it suggests that local planning authorities facilitate land assembly, supported where necessary by the use of compulsory purchase orders. This change in national planning policy may well be welcomed by local planning authorities; especially those that are exploring the opportunities for securing affordable housing through proactive intervention in the development process.

- h) Requirement to set out a clear local design vision and expectations;

The revised NPPF recognises that good design is a key aspect of sustainable development, creates better places in which to live and work and helps make development acceptable to communities. The changes to the NPPF are welcomed as they reflect the Borough Council's objectives for new development. It is anticipated that these changes could sit comfortably with the emerging Local Plan, the Transformation Masterplan and future Borough-wide design guides/codes.

- i) Continued strong protection for the Green Belt and clarification of the exceptional circumstances in which release may occur;

There are no significant changes to this aspect of national planning policy. The changes that have been introduced seek to provide clarity, particularly in relation the exceptional circumstances under which Green Belt boundaries can be amended. As anticipated, the Revised NPPF requires that local planning authorities fully examine all reasonable options for meeting objectively assessed housing needs in full before releasing Green Belt. The Borough Council continues to pursue this course of action. In terms of decision-taking, the general presumption against inappropriate development in the Green Belt remains unchanged.

# Licensing and Planning Policy Committee

## 27 September 2018

- j) Strengthened protection for ancient woodland and other irreplaceable habitats; and

The new NPPF introduces the strengthened protection for ancient woodland and other habitats as proposed in the consultation draft. These changes are welcomed and help the Borough Council protect and enhance biodiversity and habitat assets across the Borough from inappropriate development.

- k) New plan-led approach to viability, seeking standardisation and transparency.

The revised NPPF places great importance upon Local Plans being supported by robust and up-to-date evidence. This includes evidence on development viability prepared as part of the Local Plan process, informing new policies and site allocations. In particular this pertains to setting deliverable affordable housing targets and policies. The Revised NPPF is clear in stating that in circumstances where there is a local plan supported by up-to-date evidence relating to viability, all proposals will be considered viable and developers will be expected to make developer contributions (such as towards affordable housing) as appropriate. The only exception is where a developer can robustly demonstrate that economic circumstances have changed. In those cases a site specific development viability appraisal (such those that are currently considered through the planning application process) may be appropriate.

This approach is welcomed as it will provide all parties with greater certainty. The change in approach will require the Borough Council to undertake a strategic viability appraisal in order to inform the preparation of the emerging Local Plan. This additional work has already been factored into the Local Plan Programme and is likely to be commissioned during the first quarter of next year. Given the emphasis on maintaining this evidence, the Borough Council will need to ensure that its development viability evidence is kept up-to-date and reflective of market signals.

- 3.4 In conclusion, the revised NPPF holds few surprises; the government having made few changes from the consultation draft published earlier in the year. Nevertheless, the Borough Council must recognise that the revised NPPF has significantly changed the national policy landscape – particularly in terms of the scale of housing that the government expects local planning authorities to deliver.
- 3.5 **The penalties of failing to deliver new housing must also be recognised. Should we fail to deliver at least a five year housing land supply we will be expected to deliver more housing – in accordance with the government’s supply and demand philosophy towards resolving the national housing crisis.**

# Licensing and Planning Policy Committee

## 27 September 2018

### 4 Financial and Manpower Implications

- 4.1 There are a range of financial impacts that come with the revised NPPF. These were fully addressed in the report to the May 2018 Licensing & Planning Policy Committee. In conclusion, the requirements for maintaining up-to-date local plans and their associated evidence; increased monitoring of policy performance; and the burden of the Housing Delivery test, will require that the Borough continue to invest in the Planning Service. Appropriate resourcing of the Planning policy Team will be critical to success.
- 4.2 Chief Finance Officer's comments: Additional funding from the 5 percent admin fee element of Community Infrastructure Levy receipts was agreed to fund up to £80,000 in total over two years to support the delivery of the Local Plan. Any request for the use of any additional funding will need to be agreed by the Strategy and Resources Committee.

### 5 Legal Implications (including implications for matters relating to equality)

- 5.1 The policies of the revised NPPF are material considerations to be taken into account in determining planning applications. There are a number of changes which have been introduced which local planning authorities and developers will need to be mindful of when dealing with plan making and submitting and determining planning applications.
- 5.2 ***Monitoring Officer's comments: there are no implications arising from the contents of this report.***

### 6 Sustainability Policy and Community Safety Implications

- 6.1 The scale of the future housing need being imposed on the Borough by the standard methodology and the associated Housing Delivery Test may undermine the Borough's ability to plan for and deliver sustainable development. Equally, the continued quantitative approach focused on home ownership threatens the delivery of the right homes in the right places, particularly in terms of affordable housing, to meet the qualitative housing needs of the community.
- 6.2 Nevertheless, the requirement that all Local Plan policies be subjected to sustainability appraisal remains. We anticipate publishing a Sustainability Appraisal Report as part of the Pre-submission consultation, which will take place during Autumn 2019.
- 6.3 There are no significant Community Safety implications.

### 7 Partnerships

- 7.1 The requirement for Statements of Common Ground on strategic matters including responding to unmet development needs, between neighbouring planning authorities has implications for partnership working.



# Licensing and Planning Policy Committee

## 27 September 2018

- 7.2 To date, the Borough Council has already begun relationships with its Housing Market Area partners (Elmbridge, Mole Valley and the Royal Borough of Kingston), not all are geographic neighbours. In the light of the Revised NPPF, the Borough Council may need to re-examine how it considers and responds to strategic cross boundary issues. This may be particularly relevant in respect of our Local Plan Housing Strategy. The mechanism for this will be the subject of a future report to this Committee.
- 7.3 In responding to the Housing Delivery Test (HDT) and the increased emphasis on delivery of new homes, the Borough Council will need to undertake more proactive engagement with the housebuilding industry. Contrary to the government's thoughts the Borough Council cannot by itself deliver new housing. The development industry has a responsibility to shoulder much of the burden introduced by the Revised NPPF and consequently their role must not be underplayed.

### **8 Risk Assessment**

- 8.1 The revised NPPF places a greater emphasis upon producing Local Plans that deliver new housing – with the Borough Council having greater responsibility for their delivery. Once the Housing Delivery Test has been taken into account it is likely that our housing target will be higher than what has ever been previously achieved in the Borough.
- 8.2 This could result in a more permissive development environment, where the Borough Council is encouraged to permit developments on the ground of housing land supply. Given the disparity between our historic rates of delivery (and housing land supply) and our objectively assessed housing need this could happen soon after the adoption of our emerging Local Plan.
- 8.3 Evidence suggests that it will be extremely challenging for the Borough Council to meet its objectively assessed housing needs figure in full. If we are unable to meet all of our need, we will have to demonstrate to an Inspector how we have responded positively to meet as much need as sustainably possible. We will also need to set out a strategy for how we, potentially alongside our neighbours, will respond to any unmet need.

### **9 Conclusion and Recommendations**

- 9.1 The Committee are asked to receive the revised National Planning Policy Framework and the possible implications for the Borough Council in terms of the emerging Local Plan and the determination of development proposals considered through the Development Management process.
- 9.2 The Committee are also asked to agree that the Borough Council's future decisions accord with the revised National Planning Policy Framework.

**Ward(s) affected:** (All Wards);