

December 2015

Briefing:

National Planning Policy Framework

DCLG consultation on proposed changes

This briefing note:

- Outlines the policy changes proposed to the NPPF
- Details the proposed transitional arrangements
- Seeks feedback from members on our outline response

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1. Introduction

The Department for Communities and Local Government (DCLG) has published a consultation on the proposed changes to the National Planning Policy Framework (NPPF). These changes follow announcements in the Housing and Planning Bill, and the Comprehensive Spending Review, and they seek to:

- change the current definition of affordable housing
- increase residential density around commuter hubs
- support new settlements
- strengthen policy around the use of brownfield land and small sites
- ensure housing is delivered on land allocated in local plans
- allow the effective implementation of the Government's Starter Homes initiative.

This briefing outlines the changes, along with an overview of the Federation's proposed response.

The original consultation deadline has been extended by DCLG to 22nd February 2016. We would welcome members' views on the Government's plans and feedback on our response outline by Friday 29th January 2016.

2. Proposed changes

2.1 Definition of affordable housing

Paragraphs 6 – 12 set out the changes proposed to the definition of affordable housing within the annex of the NPPF. It is proposed to amend the definition so that it encompasses a ‘fuller range of products that can support people to access home ownership’.

The definition will continue to include a range of affordable products for rent and ownership for households whose needs are not met by the market, but also include products that are ‘analogous to low cost market housing or intermediate rent, such as discount market sales, or innovative rent to buy housing’. This confirms that Starter Homes will be regarded as affordable housing. It is also clear that some of these products may not be subject to in perpetuity restrictions, or require the subsidy to be recycled.

The government justifies the alterations stating that broadening the range of housing types that are taken into account by local authorities in addressing local housing needs will increase affordable home ownership opportunities. This includes the requirement to include Starter Homes, and government is proposing a separate consultation on the level at which the requirement should be set.

2.2 Increased residential density around commuter hubs

A change is proposed that would mandate local planning authorities (LPAs) to require higher density development around commuter hubs where feasible.

A commuter hub is defined as a public transport interchange (rail, tube or tram) where people can board or alight to continue their journey by other public transport (including buses), walking or cycling; and a place that has, or could have in the future, a frequent service to that stop. It has been calculated that there are around 680 potential transport hubs in England and in 2013/14, 34,000 homes were built within 0.5 miles of a transport hub at an average density of 34 dwellings per hectare. If the average density was increased to 40 dwellings per hectare, this could deliver an additional 6,000 homes within the same land area.

Given the potential benefits that this initiative could bring, government is also interested in any further suggestions for proposals to support higher density development around commuter hubs through the planning system. There are no plans to introduce a minimum density requirement in national policy, as it is important that these are decided locally.

2.3 Supporting new settlements

The Government would like to strengthen national policy to provide a more supportive approach to new settlements within local plans. They propose that LPA’s take a proactive approach to

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planning for new settlements where they can meet the sustainable development objectives of national policy, including taking into account the need to provide an adequate supply of new homes.

2.4 Supporting housing development on brownfield land and small sites

Substantial weight is to be given to the benefits of using brownfield land for housing, creating in effect a presumption in favour of brownfield land (similar to the existing presumption in favour of sustainable development). It will be made clear that development proposals for housing on brownfield sites should be supported, unless there are overriding conflicts with the Local Plan or NPPF which cannot be mitigated.

The Government place great importance on the potential of small sites to meet housing need, having calculated that in the year to June 2015, planning permission was granted for 39,000 dwellings on small sites which accounts for 16% of all dwellings granted permission. As such, it is proposed to apply the new brownfield land approach to small sites, provided they are within existing settlement boundaries and well designed. Sites immediately next to settlement boundaries should also be carefully considered and supported if sustainable.

Government are seeking views on how the proposed policy change to support small sites could impact on calculation of LPA's five year land supply.

The consultation also seeks views on whether national policy should make clear that LPA's should develop clear and positive local plan policies against which to assess windfall applications for small sites. They believe that a plan-led approach would increase transparency and create greater certainty for developers.

2.5 Ensuring housing is delivered on land allocated in plans

Although government recognises that there may be many reasons why homes cannot be built out at the anticipated rate of delivery, they believe it is important that there are sufficient incentives and tools in place to support the timely building out of consented development.

They believe that LPA's can help to ensure that homes delivered match local requirements in a number of ways, including:

- allocating a good mix of sites in local plans,
- efficient discharge of planning conditions,
- shortening the timescale by which development must begin, and
- ensuring a sufficient pipeline of deliverable planning permissions.

A new approach to monitoring housing delivery announced in the Autumn Statement was the introduction of a new housing delivery test. It is envisaged that this would work by comparing the number of homes that local planning authorities set to deliver in their Local Plan against the net additions in housing supply in a local planning authority area. DCLG are welcoming views on the baseline against which local housing delivery should be assessed. One approach suggested is to express significant under-delivery as a percentage below expected delivery.

In order to strengthen delivery on consented sites, it is proposed to amend planning policy to make clear that where significant under-delivery is identified over a sustained period, action needs to be taken to address this. Views are being sought on what steps should be taken in these circumstances.

2.6 Supporting delivery of Starter Homes

Unviable and underused commercial and employment land

Government wants to ensure that unviable or underused commercial and employment land is released for Starter Homes. It is proposed to amend paragraph 22 of the NPPF to make it clear that unviable or underused employment land should be released unless there is compelling evidence to justify why land such be retained for such uses. It is also made clear that appropriate consideration should also be given to trends in land values for commercial and employment uses, against land values for other uses including residential.

It is also proposed to widen the scope of the current exception policy for Starter Homes to incorporate other forms of unviable or underused brownfield land, such as land which was previously in use for retail, leisure and non-residential uses. This will provide clarity about the scope of the exception site policy for applicants and local planning authorities, and release more land for Starter Homes.

The existing policy in favour of Starter Homes on exception sites states that a planning application should be approved unless there are overriding conflicts with the NPPF that cannot be mitigated. DCLG claim that this has created uncertainty for applicants and in order to create more certainty, they plan to set out clear grounds on which development might be refused. Specifically, it is proposed to amend the site exception policy to make it clearer that planning applications can only be rejected if there are overriding design, infrastructure and local environmental considerations that cannot be mitigated.

Encouraging Starter Homes within mixed commercial developments

Government is keen to ascertain whether there is potential to encourage a greater proportion of housing in general and Starter Homes in particular within mixed use commercial developments, for example new town centre developments or existing town centre

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regeneration schemes. In cases where existing commercial units are unlet, government considers that they could be converted to Starter Homes where there is clear evidence that the unit has remained unlet for a reasonable period.

Encouraging Starter Homes in rural areas

DCLG proposes that Starter Homes on rural exception sites should be subject to the same minimum time limits on resale as other Starter Homes. However, they suggest that LPA's would, exceptionally, have the flexibility to require a local connection test. This would reflect the particular needs of some rural areas where local connections are important and access to the housing market for working people can be difficult.

Enabling communities to identify opportunities for Starter Homes

When preparing neighbourhood plans, government is keen for communities to consider opportunities for Starter Homes in their areas as they develop plans. DCLG propose to amend national planning policy so that neighbourhood plans can allocate appropriate small-scale sites in the Green Belt specifically for Starter Homes, with neighbourhood areas having the discretion to determine the scope of a small-scale site.

Brownfield land in the Green Belt

We know that the government is firmly committed to making sure the best possible use is made of all brownfield land. It is now proposed that this could potentially include some brownfield land that sits within the Green Belt that already has buildings or structures and has previously been developed. Overall, strong safeguards would continue to be set on Green Belt land, but with 0.1% of land in the Green Belt being previously developed, it is considered that building on these sites would not have a significant impact on the openness of the Green Belt.

It is therefore proposed to amend the policy test at paragraph 89 of the NPPF that prevents development of brownfield land where there would be an impact on the openness of the Green Belt. A new test would give more flexibility and enable suitable, sensitively designed redevelopment to come forward.

2.7 Transitional arrangements

Government is proposing to introduce a transitional period for the amended affordable housing definition so that local planning authorities can consider making amendments to their local policies. They are welcoming views on the appropriate length of the transitional period to allow reviews to be undertaken, and consider that six to twelve months should be sufficient.

They are not proposing to introduce any other transitional periods for the other policy changes, as they believe that they will have little impact on plans, both those that have been adopted and those that are in preparation. They do not believe that these policy proposals should slow down the preparation of existing Local Plans, nor do they consider it necessary for Local Plans currently undergoing examination to be revisited.

4. Conclusion

The changes proposed in the consultation document represent a key shift in planning policy, and the main changes reflect the Government's aspiration to include Starter Homes as a new affordable product. The emphasis that is given to them throughout the amended policies is concerning, as it is difficult to see how they will be additional to other traditional forms of affordable housing. We will reinforce the point that Starter Homes should not be treated as the only answer to solving the housing crisis. Whilst they have a role to play in certain markets, they should not be delivered at the expense of affordable and social rented homes.

The lack of infrastructure and other contributions that would result from the delivery of Starter Homes is concerning, and the focus on releasing sites specifically for Starter Homes would result in new communities that would not be adequately served by social or transport infrastructure.

Whilst many of the changes will be positive in allowing more land to come forward that is suitable for development, the key point that we would like to get across is that new development must meet an identified need, and that need should be identified through the local plan, and its associated evidence.

The consultation closes on Monday 22nd February 2016, and if you have any comments that you would like to be included within the response, please send them to Peter French (Peter.French@housing.org.uk), by Friday 29th 2016.