Part I

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All Wards

WELWYN HATFIELD BOROUGH COUNCIL CABINET PLANNING AND PARKING PANEL – 17 SEPTEMBER 2024 REPORT OF THE ASSISTANT DIRECTOR (PLANNING)

PROPOSED RESPONSE TO NATIONAL PLANNING FRAMEWORK

1 **Executive Summary**

1.1 The Government has proposed a range of changes to the planning system, including to the National Planning Policy Framework. These are currently made available for consultation. This report highlights key elements of the proposals and provides a proposed response to the consultation (see Appendix). The consultation closes on 24th September 2024.

2 Recommendation(s)

- 2.1 That Cabinet Planning and Parking Panel note the draft consultation response;
- 2.2 Make any comments which it considers appropriate on the proposed draft response; and
- 2.3 Delegate authority to the Assistant Director Planning, in consultation with the Executive Member for Planning, to approve the council's final response to the consultation and to answer the relevant questions in the consultation document.

3 **Explanation**

- 3.1 The Government has announced a range of proposals in relation to planning, including revisions to the National Planning Policy Framework (NPPF) which forms a statement of national planning policy for England. The proposed changes are intended to facilitate and boost housing delivery (with a focus on affordability and prioritising social rented tenures) and sustained economic growth. Other issues which are addressed include potential reforms to planning fees, revisions to strategic planning and cooperation between authorities. The consultation closes on 24th September 2024.
- 3.2 There are several changes proposed in the NPPF, and 106 questions posed by the government in the accompanying consultation. Some of the key proposals are summarised below and suggested responses to the consultation for the most pertinent question for Welwyn Hatfield is included in appendix A.

Standard Methodology

3.3 The Standard Methodology is a formula-based approach to measuring housing need in a particular local authority area. The Standard Methodology would become the mandatory approach to assessing need in local plan making; text referring to this as an 'advisory starting point' would be deleted. Currently alternative approaches can be used where justified.

- 3.4 A new approach to the Standard Methodology is also proposed, using housing stock, rather than population, inputs which remain relatively stable in contrast with household and population projections which can fluctuate and are based on past trends; and keeping targets proportionate to existing communities.
- 3.5 A stock based approach also focuses development in urban areas where existing infrastructure can be maximised. A stronger 'affordability multiplier' is also proposed to increase this baseline figure in relation to cost pressures. However, the 'cap' which is currently applied to need figures would be removed. The revised Standard Methodology is intended to support increased house building across the country.
- 3.6 Both the current and proposed NPPF make clear that the Standard Methodology is not the same as the housing requirement (or target) in the Local Plan, which, as now, is to be set on the basis of the presumption in favour of sustainable development and tested and determined through the Local Plan process. Councils will still be able to seek to justify a lower housing requirement (target) figure on the basis of local constraints on land and delivery such as National Parks, flood risk etc. However, the consultation makes clear that:
 - All local planning authorities will need to demonstrate they have taken all possible steps, including optimising density, sharing need with neighbouring authorities, ... before a lower housing requirement will be considered.'
- 3.7 The adopted Welwyn Hatfield Local Plan was assessed against an objectively assessed need figure of 760 dwellings per annum. The proposed changes to the Standard Methodology figure for Welwyn Hatfield would result in a figure of 834 (reduced from a current figure of 910).
- 3.8 If the proposed changes are implemented, the Welwyn Hatfield Local Plan Review will need to test capacity and constraints against the proposed new Standard Methodology figure. As the current Welwyn Hatfield Local Plan is not more than 5 years old, housing land supply and delivery will continue to be measured against the requirement in the Local Plan not the Standard Method, and therefore this will not have an immediate effect once the proposed new approach is adopted.

Prioritising Brownfield Land

3.9 Both the Proposed NPPF changes and Written Ministerial Statement reinforce the expectation that development proposals for homes and other identified needs on suitable brownfield land within settlements are viewed positively. The additional wording - to new paragraph 122 - states that proposals for brownfield land within settlements "should be regarded as acceptable in principle." This, the consultation document says, makes clear that the default answer to brownfield development should be yes. The proposed NPPF will also strengthen expectations for plans to provide uplifts in density on brownfield sites.

The presumption in favour of sustainable development

3.10 The consultation document states that the primary function of the 'presumption' is to provide a 'fallback' to encourage planning permission to be granted where plan policies are not up-to-date, including where there is an insufficient supply of land. The document recognises that this is likely to apply to more local authorities in the short-term. It 'tilts the balance' towards approval by making

- clear permission should be granted unless doing so has adverse impacts on safeguarded areas.
- 3.11 Changes are proposed to clarify what policies are 'most important' in the assessment of housing schemes. The changes proposed to paragraph 11 of the draft NPPF state that these are policies "for the supply of land". A new footnote explains further that these are policies "which set an overall requirement and/or make allocations and allowances for windfall sites for the area and type of development concerned." In addition, the proposals seek to add a reference to the need to consider policies "for the location and design of development" and "for securing affordable homes", when the presumption is engaged.
- 3.12 This is apparently intended to ensure a greater supply of land for housing and that quality developments are delivered; however, it is possible that when the presumption is applied and used (e.g. appeal scenarios) the potential provision of affordable homes will, in the views of the appellant, give greater weight to proposals contrary to the strategy of the development plan. The changes may make it easier for speculative development to be achieved, particularly when taken together with changes to the five year land supply.

Affordable Housing

- 3.13 The Government is keen to ensure that delivery of affordable homes is not only increased but that homes are genuinely affordable; as such there is a particular emphasis on provision of social rented homes as defined in the NPPF. Greater flexibility will be allowed to local planning authorities (LPAs) in developing planning policy for affordable homes particularly in regard to the mix of affordable housing sought. LPAs will need to specify expectations regarding the delivery of social rent as part of wider affordable housing policies. Wording in the current NPPF which requires at least 10% of affordable homes to be for affordable home ownership will be deleted (which will allow authorities greater flexibility as to how affordable homes tenures are prioritised). Authorities are also expected to take a positive approach to mixed tenure sites in policies and decision making.
- 3.14 The current Welwyn Hatfield Local Plan already specifically refers to the significant need for social rented homes and makes clear these are a priority for delivery. In developing a New Local Plan an updated relevant and robust evidence base is to be prepared for housing and other topics. In terms of social rented homes, this is expected to continue to show a high need. It should be noted that viability of provision of affordable tenures remains a factor in developing the affordable housing mix for any particular site.
- 3.15 The consultation documents indicate that Homes England have been asked by the Government to maximise social rented homes in allocating any remaining funds in the 2021-26 programme; Right to Buy discounts will also be reviewed, as will eligibility criteria and protections for new homes. A further consultation on this matter will be held in Autumn. Further funding will be made available via the third round of the Local Authority Housing Fund.

Five year land supply

3.16 The changes made to the five-year housing land supply (5YHLS) in December 2023 are proposed to be reversed. From December 2023, where a local planning authority has an up-to-date plan which meets certain criteria, it is exempt from having to continually demonstrate a 5-year housing land supply while that plan

remains up-to-date. This is currently the case for Welwyn Hatfield. However, this change is proposed to be deleted and therefore the Council would again be required to continually demonstrate 5 years of specific, deliverable sites for housing.

3.17 The changes also propose restoring the 5% buffer which was previously added to all housing land supply calculations to account for fluctuations and ensure choice and competition in the market. The 20% buffer, which currently applies to authorities which have underdelivered against their requirement as measured by the Housing Delivery Test, would also remain and apply to Welwyn Hatfield.

Cross-boundary and strategic planning

- 3.18 The Government proposes to introduce new mechanisms for cross-boundary strategic planning to address key spatial issues including meeting housing needs and delivering strategic infrastructure; the role of Local Nature Recovery Strategies is also noted. The WMS refers to creating 'universal coverage of strategic planning in the lifetime of this parliament' via Spatial Development Strategies (SDS) and notes the need to consider appropriate geographies and democratic mechanisms.
- 3.19 The Government expects to work with local leaders to develop and test these proposals before legislation is introduced. In tandem the NPPF is proposed to be strengthened to ensure cooperation between authorities particularly on the sharing of unmet housing needs and other strategic issues and identifying priority groupings where strategic planning (particularly regarding unmet housing needs) would be particularly beneficial. The WMS also refers to using powers in intervention where necessary.
- 3.20 The five authorities of Welwyn Hatfield, East Hertfordshire, North Hertfordshire, Stevenage, and Broxbourne, along with the Hertfordshire County Council are already working together to create a shared vision that sets the path toward shaping our future. In addition, the North-East Central Hertfordshire Authorities, have jointly commissioned a cross boundary Growth Study for the NEC Hertfordshire area. The Vision and Growth Study will inform future joint strategic planning with this part of the County.
- 3.21 The proposed SDS approach may provide opportunities for an alternative/ wider geographical focus, but it is made clear that the government expects issues to be resolved and may intervene where it considers matters (including housing shortfalls) are not being adequately addressed. The proposed liaison with local leaders provides an opportunity to influence decisions on appropriate geographies, allowing factors such as housing market areas, travel to work areas, and functional economic areas to be taken into account.

Brownfield, grey belt and Green Belt

- 3.22 The Government will require Green Belt reviews to be undertaken to meet needs for housing, commercial and other development when local plans are prepared or updated. This is in contrast to the current NPPF, which makes no such requirement.
- 3.23 The Government is introducing the term 'grey belt', which is land within the Green Belt that is proposed for 'targeted release'. 'Grey belt' is defined in the draft NPPF as "land in the green belt comprising Previously Developed Land and

any other parcels and/or areas of Green Belt land that make a limited contribution to the five Green Belt purposes". (The five purposes relate to 'sprawl', merging, 'encroachment', historic towns and urban regeneration; the draft NPPF would not amend these purposes.) The consultation also refers to 'grey belt' as being land of "poor quality". In a parliamentary statement accompanying the consultation, the Secretary of State described 'grey belt' as "land on the edge of existing settlements or roads, and with little aesthetic or environmental value".

- 3.24 A 'sequential' approach is proposed for the release of Green Belt land, with previously developed land (PDL) first, then "other grey belt sites" and, thirdly, "higher performing Green Belt sites". Examples given of appropriate PDL for release are former "petrol stations or carparks".
- 3.25 'Golden rules' would apply to land that is released from the Green Belt for 'major' development, through either local plans or development management decisions: at least 50% 'affordable' housing would be required, including an 'appropriate' proportion of 'Social Rent' ("subject to viability"); "necessary improvements to local or national infrastructure" would also be required; and there should be "the provision of new, or improvements to existing, local green spaces that are accessible to the public".
- 3.26 Associated with the 'golden rules', the Government is inviting views on various options to ensure public benefit from the release of Green Belt land. This involves issues relating to viability assessments, 'benchmark' land values, 'hope' value, 'fair' prices for landowners, compulsory purchase powers and potential proactive roles in the assembly of land for LPAs, combined authorities and Homes England.
- 3.27 The potential consequences for development management decisions are that, in future development would be 'not inappropriate' in the Green Belt if: the LPA cannot demonstrate a '5-year housing land supply' or is 'delivering' less than 75% against the 'Housing Delivery Test' (which relates to completions over the previous three years), or if "there is a demonstrable need for land to be released for development of local, regional or national importance" and if, in addition, the proposal is on 'sustainable' 'grey belt', land where the 'golden rules' (referred to above) are satisfied, and where development "would not fundamentally undermine the function of the Green Belt across the area of the plan as a whole".
- 3.28 The test as to whether the redevelopment of PDL is 'not inappropriate' would be limited to whether it would "cause substantial harm to the openness of the Green Belt" (no longer involving a comparison with the existing development).

Infrastructure

- 3.29 Amendments are proposed to specifically support infrastructure in the form of gigafactories, data centres, electricity grid connections, logistics and freight. The Government is also considering whether these types of projects should fall within the Nationally Significant Infrastructure Projects (NSIP) regime.
- 3.30 The Government proposes adding wording (paragraph 98) to clarify that that "significant weight" should be given to the importance of facilitating new, expanded or upgraded public service infrastructure when considering proposals for development.

- 3.31 The Government will not be implementing the Infrastructure Levy (IL) as proposed by the previous administration in the Levelling Up and Regeneration Act. The Community Infrastructure Levy (CIL) is to remain. The Welwyn Hatfield CIL Draft Charging Schedule is at an advanced stage of preparation with an examination expect to take place this Autumn.
- 3.32 At present, LPAs are required to consider identifying suitable areas for renewable and low carbon energy generation. The proposed changes would make this a requirement in local plan preparation. In decision making LPAs would be expected to support proposals for all forms of renewable and low carbon energy generation, and to give significant weight to the proposals contribution to achieving net zero.
- 3.33 It is unlikely that Welwyn Hatfield has sufficient land for large scale solar or wind projects that would fall under the NSIP regime, however smaller projects could come forward.. The New Local Plan would provide the opportunity to consider the requirement and as appropriate identify suitable sites.

Achieving Well Designed Places

- 3.34 Recent amendments to the NPPF (paragraph 130) which state that local character can be taken into account when considering the ability to meet housing needs are proposed to be deleted.
- 3.35 The Government proposes to remove the recent requirement for area-wide design codes, and instead proposes these are focussed on areas of 'most change and most potential' including regeneration sites and areas of intensification. Wording is proposed (paragraph 135) to reiterate that the National Model Design Code is the primary basis for the preparation of local codes.
- 3.36 The deletion of the area-wide requirement is welcomed, removing a potentially high-resource requirement and allowing focus on areas of particular priority this might include for example for strategic sites or town centres.

Local Planning

- 3.37 There is no change to the importance of the local development plan; the Government clearly states that the local plan system is the appropriate way to plan for growth and environmental enhancement. The Government's goal is for universal courage of Local Plans as quickly as possible. The consultation document clearly states: "Local Planning authorities should continue to progress their plans to adoption under the existing system without delay". It goes on to state: "All plans at earlier stages of preparation (i.e. plans that have not yet reached Regulation 19 stage one month after the revised NPPF is published) should be prepared against the revised version of the NPPF and progressed as quickly as possible".
- 3.38 This will therefore apply to the New Local Plan.
- 3.39 The consultation makes clear that proposed reforms set out in the Levelling Up and Regeneration Act by the previous Government will be progressed; however, the date for submitting a Local Plan under the current system is proposed to be pushed back to December 2026 (previously June 2025). Annex 1 of the NPPF sets out proposed transitional arrangements; plans at an early stage of preparation should be prepared under the revised NPPF. As such, the New

Local Plan will need to be progressed at pace to meet this deadline and will require financial and staff resources to ensure an up-to-date and robust evidence base, appropriate consultation and timely governance.

3.40 The Written Ministerial Statement clearly states that the Secretary of State is prepared to use their powers of intervention to drive progress if required - which could include taking over plan-making directly. Decisions on intervention will have regard to local development needs; sub-regional, regional and national development needs; or plan progress.

Fees

3.41 The Government is considering using the Planning and Infrastructure Bill to allow LPAs to set their own fees. Should this happen, it will require work to consider options once the national requirements are in place; however, indicative responses have been provided to the consultation questions.

Proposal

3.42 It is proposed that the Council provide a response to the consultation for consideration by government. Appendix 1 sets out the proposed responses to the consultation questions.

Implications

4 Legal Implication(s)

There are no direct legal implications arising from this report. Once amendments to the NPPF are adopted, this will constitute the national planning policy for England. Planning decisions will have to be made in line with the NPPF unless material considerations indicate otherwise.

5 Financial Implication(s)

5.1 There are no financial implications arising from this report and its recommendation. The Council would welcome any uplift in planning application fees to assist in funding the cost of the Planning service. Further financial considerations are included in the attached responses to the consultation.

6 Risk Management Implications

6.1 There are no risk management implications arising from this report and its recommendation.

7 Security and Terrorism Implication(s)

7.1 There are no known security and terrorism implications in relation to the proposals set out in this report.

8 Procurement Implication(s)

8.1 There are no known procurement implications in relation to the proposals set out in this report.

9 Climate Change Implication(s)

9.1 There are no direct climate change impacts as a result of this work.

10 Policy Implications

11.1 Planning law requires that applications for planning permission must be determined in accordance with the development plan unless material considerations indicate otherwise. The National Planning Policy Framework also must be taken into account in preparing the development plan and is a material consideration in planning decisions.

11 Link to Corporate Priorities

11.1 The National Planning Policy Framework sets out the government's planning policies for England and how these should be applied, therefore the consultation on proposed changes to it will impact upon all of the Council's recently agreed Corporate Priorities.

12 Human Resources Implication(s)

12.1 There are no human resource implications in relation to the proposals set out in this report.

13 Equalities and Diversity Implication(s)

13.1 There are no Equality and Diversity Implications in relation to the proposals set out in this report.

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Appendix A – Proposed response to National Planning Framework Consultation

Background Papers:

Links: Written Ministerial Statement:

https://questions-statements.parliament.uk/written-statements/detail/2024-07-30/hcw s48

Proposed NPPF Changes - Draft text for Consultation:

https://assets.publishing.service.gov.uk/media/66acffddce1fd0da7b593274/NPPF_with_footnotes.pdf

Letter from the Deputy Prime Minister to Local Authorities:

https://www.gov.uk/government/publications/letter-from-the-deputy-prime-minister-to-local-authorities-playing-your-part-in-building-the-homes-we-need

Proposed Changes to Standard Methodology

https://view.officeapps.live.com/op/view.aspx?src=https%3A%2F%2Fassets.publishing.service.gov.uk%2Fmedia%2F66a8d6a20808eaf43b50d9a8%2Foutcome-of-the-proposed-revised-method.ods&wdOrigin=BROWSELINK