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# National Planning Policy Framework 2018

7 September 2018



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## National Planning Policy Framework

Presented to Parliament  
by the Secretary of State for Ministry of Housing, Communities and  
Local Government  
by Command of Her Majesty

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Cm 9680



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# Introduction

- Published 24<sup>th</sup> July 2018
- Applies to plans from 25<sup>th</sup> January 2019
- Cosmetic changes
- Reflect/provides clarity following case law
- Not a radical change of direction
- Includes number of significant changes

# Presumption in favour of sustainable development

- Retained, but changes in emphasis
- Plan making
  - Provide for objectively assessed need as minimum
  - Unless protected areas or assets of particular importance provide strong reason
- Decision making
  - No relevant policies or policies out of date
  - Grant permission unless protected areas or assets of particular importance provide clear reason
  - Or adverse impacts significantly and demonstrably outweigh the benefits

## The presumption in favour of sustainable development

11. Plans and decisions should apply a presumption in favour of sustainable development.

For plan-making this means that:

- plans should positively seek opportunities to meet the development needs of their area, and be sufficiently flexible to adapt to rapid change;
- strategic policies should, as a minimum, provide for objectively assessed needs for housing and other uses, as well as any needs that cannot be met within neighbouring areas<sup>5</sup>, unless:
  - the application of policies in this Framework that protect areas or assets of particular importance provides a strong reason for restricting the overall scale, type or distribution of development in the plan area<sup>6</sup>; or
  - any adverse impacts of doing so would significantly and demonstrably outweigh the benefits, when assessed against the policies in this Framework taken as a whole.

For decision-taking this means:

- approving development proposals that accord with an up-to-date development plan without delay; or
- where there are no relevant development plan policies, or the policies which are most important for determining the application are out-of-date<sup>7</sup>, granting permission unless:
  - the application of policies in this Framework that protect areas or assets of particular importance provides a clear reason for refusing the development proposed<sup>8</sup>; or
  - any adverse impacts of doing so would significantly and demonstrably outweigh the benefits, when assessed against the policies in this Framework taken as a whole.

<sup>5</sup> As established through statements of common ground (see paragraph 27).

<sup>6</sup> The policies referred to are those in this Framework (rather than those in development plans) relating to: habitats sites (and those sites listed in paragraph 176) and/or designated as Sites of Special Scientific Interest; land designated as Green Belt, Local Green Space, an Area of Outstanding Natural Beauty, a National Park (or within the Broads Authority) or defined as Heritage Coast, irreplaceable habitats, designated heritage assets (and other heritage assets of archaeological interest referred to in footnote 63); and areas at risk of flooding or coastal change.

<sup>7</sup> This includes, for applications involving the provision of housing, situations where the local planning authority cannot demonstrate a five year supply of deliverable housing sites (with the appropriate buffer, as set out in paragraph 73); or where the Housing Delivery Test indicates that the delivery of housing was substantially below (less than 75% of the housing requirement over the previous three years. Transitional arrangements for the Housing Delivery Test are set out in Annex 1.

# Presumption in favour of sustainable development

## **Footnote 6 – protected areas or assets of particular importance:**

...habitats sites (and those sites listed in paragraph 176) and/or designated as Sites of Special Scientific Interest; land designated as Green Belt, Local Green Space, an Area of Outstanding Natural Beauty, a National Park (or within the Broads Authority) or defined as Heritage Coast; irreplaceable habitats; designated heritage assets (and other heritage assets of archaeological interest referred to in footnote 63); and areas at risk of flooding or coastal change.

## **Footnote 7 – confirms meaning of ‘out of date’ for housing:**

...situations where the local planning authority cannot demonstrate a five year supply of deliverable housing sites (with the appropriate buffer, as set out in paragraph 73); or where the Housing Delivery Test indicates that the delivery of housing was substantially below (less than 75% of) the housing requirement over the previous three years.

# Definition of Deliverable

To be considered deliverable, sites for housing should be available now, offer a suitable location for development now, and be achievable with a realistic prospect that housing will be delivered on the site within five years. Sites that are not major development, and sites with detailed planning permission, should be considered deliverable until permission expires, unless there is clear evidence that homes will not be delivered within five years (e.g. they are no longer viable, there is no longer a demand for the type of units or sites have long term phasing plans). Sites with outline planning permission, permission in principle, allocated in the development plan or identified on a brownfield register should only be considered deliverable where there is clear evidence that housing completions will begin on site within five years.

# Viability – NPPF 2018

**Para 34:** Plans should set out the contributions expected from development. This should include setting out the levels and types of affordable housing provision required, along with other infrastructure (such as that needed for education, health, transport, flood and water management, green and digital infrastructure). Such policies should not undermine the deliverability of the plan.

**Para 57:** Where up-to-date policies have set out the contributions expected from development, planning applications that comply with them should be assumed to be viable. It is up to the applicant to demonstrate whether particular circumstances justify the need for a viability assessment at the application stage. The weight to be given to a viability assessment is a matter for the decision maker, having regard to all the circumstances in the case, including whether the plan and the viability evidence underpinning it is up to date, and any change in site circumstances since the plan was brought into force. All viability assessments, including any undertaken at the plan-making stage, should reflect the recommended approach in national planning guidance, including standardised inputs, and should be made publicly available.

- Focus at plan making stage
- Assumed viable
- Applicant demonstrate justification for assessment
- Weight given to assessment for decision maker
- Standardised approach
- Assessments published

# Viability – Planning Practice Guidance

- Updated 24<sup>th</sup> July 2018
- Policies to set expected contributions
- Informed by evidence & proportionate assessment of viability
- Use of standardised inputs
- ‘The price paid for land is not a relevant justification for failing to accord with relevant policies of the plan’
- GDV - assumption of 15-20%



# Previous method of assessing housing need



LGA / PAS document  
OAN and 5 year land supply - Taking the devil out of the detail  
Alice Lester - 25 Sept 2014

# Standard Method of assessing housing need

White Paper Published February 2017

‘... But at the moment, some local authorities can duck potentially difficult decisions, because they are free to come up with their own methodology for calculating ‘objectively assessed need’. So, we are going to consult on a new standard methodology for calculating ‘objectively assessed need’, and encourage councils to plan on this basis.’



# Standard Method of assessing housing need

## Step 1 – setting the baseline

Using national household growth projections for the LPA area – ten consecutive years with the current year being year 1

Step 2 – adjustment for affordability using house price to earnings – for each 1% increase in the ratio of house prices to earnings, where ratio is above 4, ave household growth should be increased by 0.25% - no adjustment where the ratio is 4 or below

$$\text{Adjustment factor} = \left( \frac{\text{local affordability ratio} - 4}{4} \right) \times 0.25$$

# Standard Method of assessing housing need

## Step 3 – capping the level of increase

The level of the cap depends on the current status of relevant strategic policies for housing

- If adopted within the last five years or reviewed within five years and not required to be updated cap is 40% above average annual housing requirement figure
- If more than five years old the cap is 40% above the higher of:
  - a) projected household growth for 10 year period; or
  - b) average annual housing requirement set out in the most recent adopted strategic policies

# Standard Method of assessing housing need

## Implications for the South West LPAs

LPA	Current Local Assessment of Housing Need	Assessment based on Proposed Formula
Cornwall	2625	2889
East Devon	919-981	844
Exeter	589-639	627
Mendip	411-498	588
Mid Devon	359-381	366
North Devon	444	311
North Somerset	Data Unavailable	1,305
Plymouth	911	647
Sedgemoor	644	754
South Hams	196	354
South Somerset	547-607	734
Taunton Deane	474-512	627
Teignbridge	619-747	756
Torbay	1049	588
Torrige	393	444
West Devon	258	318
West Somerset	120	Data Unavailable

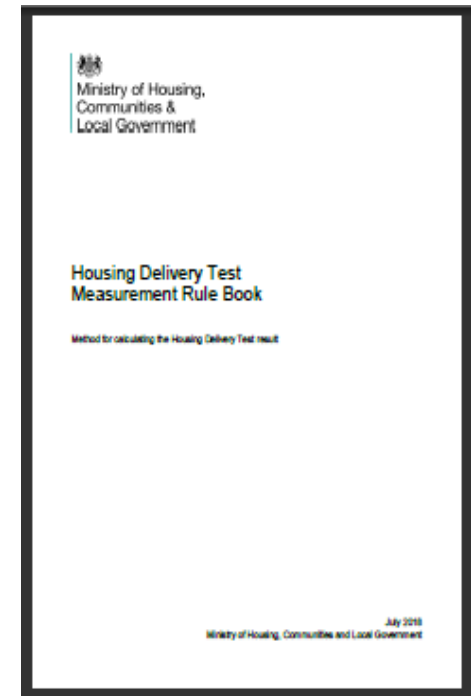
# Housing Delivery Test

Definition – ‘Measures net additional dwellings provided in a local authority area against the homes required, using national statistic and local authority data. The Secretary of State will publish Housing Delivery Test Result for each local authority in England every year.’

Draft rule book issued in March 2018

HDT (%) =  $\frac{\text{total net homes over the three year period}}{\text{total number of homes required over three year period}}$

Top figure from national statistics published each Nov  
Bottom figure provided by LPAs



# Housing Delivery Test

- Annex 1 - para 215 - HDT applies from the day following the publication of the publication of the Housing Delivery Test Results in November 2018
- Decision making – paras 215 and footnote 7 in para 11  
Meaning of ‘substantially below’:
  - November 2018 if delivery was <25% of housing required
  - November 2019 if delivery was <45% of housing required
  - November 2020 if delivery was <75% of housing requiredPara 11 – where LPA cannot demonstrate 5 year HLS or where delivery is substantially below the housing requirement over the previous three years, then tilted balance in para 11 applies
- Para 75 – where HDT is <75% LPA should prepare an action plan to address causes of under delivery and identify actions

# NPPF 2018 – and another thing.....

- Annex 2 - Definition of ‘deliverable’
- Annex 2 - Expanded definition of ‘Affordable Housing’
- Paras 13 & 14 – greater emphasis on neighbourhood plans
- Para 14 – incorporates Written Ministerial Statement on neighbourhood planning with added HDT element
- Para 21 – Definition of strategic policies
- Para 33 – Development Plans to be reviewed every five years
- Para 35 – Tests of Soundness e.g an appropriate strategy



# NPPF 2018 – and another thing.....

- Para 63 – reinforces AH should not be sought for <ten units (or five in rural areas)
- Para 64 – for major housing development at least 10% of AH should be for affordable home ownership
- Para 68 – LPAs should plan for at least 10% of housing requirement on sites no larger than 1ha
- Para 71 – LPAs are encouraged to support entry-level exception sites
- Para 76 – LPAs should consider imposing conditions requiring shorter time periods for commencement
- Chapter 11 – Making effective use of land
- Chapter 12 – Achieving well-designed places

