

Date of Meeting 4th February 2025

Document classification: Part A Public Document

Exemption applied: None

Review date for release N/A

Changes arising from the new National Planning Policy Framework (NPPF)

Report summary

On the 12th December 2024 the government published the new National Planning Policy Framework (NPPF), following a consultation on changes that Members considered at their meetings on the 6th August and 11th September 2024. The key changes from a strategic planning perspective are:

- The housing need figure for East Devon under the new government standard method has increased to 1,188 homes per year. This is slightly higher than they previously consulted on earlier in the year.
- We have recalculated our 5-year housing land supply position based on the new requirement figure and the need for a 5% buffer and concluded that we have a 2.97 year housing land supply.
- The 4-year housing land requirement introduced by the previous government at the end of last year has gone and a 5-year housing land supply requirement is now in effect.
- The timescales for the proposed transitional arrangements that were set out within the consultation have changed and we now in effect have until the 12th March 2025 to publish our regulation 19 version of the plan for consultation.

Is the proposed decision in accordance with:

Budget Yes ☒ No ☐

Policy Framework Yes ☒ No ☐

Recommendation:

That Strategic Planning Committee:

1. Note the changes made in the new NPPF and the implications for the Council and production of the new Local Plan;
2. Note the updated 5-year housing land supply position and agree that the revised summary tables be published on the Council's website and used to inform decision making on planning applications.

Reason for recommendation:

To ensure that Members are aware of the changes arising from publication of the new NPPF and understand the current housing land supply position.

Officer: Ed Freeman – Assistant Director – Planning Strategy and Development Management

Portfolio(s) (check which apply):

- ☐ Climate Action and Emergency Response
- ☐ Coast, Country and Environment
- ☐ Council and Corporate Co-ordination
- ☐ Communications and Democracy
- ☐ Economy
- ☐ Finance and Assets
- ☒ Strategic Planning
- ☐ Sustainable Homes and Communities
- ☐ Culture, Leisure, Sport and Tourism

Equalities impact Low Impact

Climate change Low Impact

Risk: Low Risk;

Links to background information [National Planning Policy Framework \(publishing.service.gov.uk\)](#), [Government response to the proposed reforms to the National Planning Policy Framework and other changes to the planning system consultation - GOV.UK \(www.gov.uk\)](#).

Link to [Council Plan](#)

Priorities (check which apply)

- ☒ A supported and engaged community
- ☒ Carbon neutrality and ecological recovery
- ☒ Resilient economy that supports local business
- ☒ Financially secure and improving quality of services

Background

The government published the new [National Planning Policy Framework \(publishing.service.gov.uk\)](#) on the 12th December 2024 as well as a response to the consultation that they had undertaken in the preceding summer available at: [Government response to the proposed reforms to the National Planning Policy Framework and other changes to the planning system consultation - GOV.UK \(www.gov.uk\)](#).

This report seeks to summarise the key changes for strategic planning and their implications.

Housing Numbers and Transitional Arrangements

The NPPF consultation from earlier this year proposed transitional arrangements for plan making that would have given us 1 month from the publication of the NPPF to publish a regulation 19 version of the plan that met a housing need that was no more than 200 homes less than the figure derived from the newly proposed standard method figure (1,146 homes per year). This meant that

we could proceed under the transitional arrangements since we were already planning for 946 homes per year (i.e. 1,146 – 200).

The new NPPF as published gives us a slightly higher housing need figure of (1,188 homes per year). They have also changed the threshold for compliance with the transitional arrangements to 80% of the standard method figure which is 950 homes per year. On the face of it this means we would fall outside of the transitional arrangements by 4 homes per year or 96 homes across the plan period. However, since we built in a 10% buffer we believe that we can simply make up the shortfall from the buffer and present the plan as having met the 950 homes per year requirement figure but with a slightly reduced buffer.

In order to take advantage of these transitional arrangements we need to publish the Reg 19 version of the plan for consultation on or before the 12 March 2025 and submit for examination within 18 months of the 12th December 2024. This has given us more time than envisaged when the draft Regulation 19 version of the plan was agreed by Members at their meeting of the 11th December and as a result we have not progressed to consultation under that resolution. The changes mean that there is time to bring a final version of the plan for consultation to the committee and this is presented elsewhere on this agenda.

5 Year Housing Land Supply

As stated in the consultation the government have removed the requirement for only a 4-year housing land supply to be demonstrated in certain circumstances as introduced by the previous government in the December 2023 version of the NPPF. As a result, the requirement for a 5-year housing land supply is restored for East Devon for decision making purposes and also at the point of adoption of the Local Plan.

We also need to be mindful that as well as needing to demonstrate a 5-year housing land supply at the point of adoption for the local plan to be found sound the new NPPF also requires that from 1st July 2026 we will need to demonstrate a 6-year housing land supply for decision making purposes because our adopted plan is out of date. This requirement will also apply once the new Local Plan is adopted as it will have progressed under the transitional arrangements.

The changes also have more immediate consequences for our 5-year housing land supply position as this needs to be recalculated with the new standard method figure of 1,188 homes per year used as the requirement figure and a 5% buffer included as well. This means that the summary tables included in the annual Housing Monitoring Report presented to Members on the 29th November 2024 need to be updated and agreed by Members for publication. These tables which are presented on the following page show that the Council now has a 2.97 years housing land supply against a requirement of 5 years. This is clearly a significant shortfall that means that the so called 'tilted balance' has to be applied such that significant weight has to be given to the housing land supply position when considering housing developments.

Table A – Five year requirement calculations

Revised East Devon housing requirement for 01 April 2024 to 31 March 2029			
	Calculation	Description	Number of dwellings
A		Basic annual requirement using the revised district Local Housing Need figure (LHN) as of 1/4/2024	1,188
B	A x 5	Five-year requirement target (i.e. 5 years x LHN)	5,940
C	B x 1.05	Five-year target with buffer added (i.e. 5 year LHN + 5% buffer)	6,237
D	C ÷ 5	Annualised five-year target with buffer	1,247.40

Table B – Five year supply calculations

Supply sources as of 31 March 2024 with realistic prospects of delivering dwellings 01 April 2024 to 31 March 2029			
	Calculation	Supply source	Number of dwellings
E		Extant permissions	2,720
F		Cranbrook Plan DPD expansion zones *	600
G		Future windfalls	386
H	E+F+G	Total five year deliverable supply	3,706
I	C-H	<u>Five year</u> supply (surplus / shortfall)	2,531 <u>SHORTFALL</u>
Revised <u>five year</u> housing land supply position as of 2024 Monitoring Point			
J	H ÷ D	Years of land supply	2.97 years

* Consents issued since the end of the monitoring period but previously included due to resolutions to grant

These tables have already been verbally presented to Planning Committee as an update to the annual monitoring report which was presented to them on the 17th December.

Local Character and Design Coding

The government have made some changes to the policies on local character and design including deleting reference to local character being taken into account when Councils consider their ability to meet their housing needs.

All references to 'beauty' and 'beautiful' in relation to well-designed development have been removed. It was acknowledged in the consultation that this term is too subjective.

Affordable Housing

The government has removed the requirement for at least 10% of the total number of homes on major sites to be delivered as affordable home ownership products and that 25% be delivered as First Homes. Although the option to deliver First Homes remains this is not a popular product in the construction industry. These changes also give greater local flexibility and should enable the delivery of types of affordable housing that better meet locally identified needs including social rent housing.

Planning Application Fees

The fee for most householder developments is to be increased from £258 to £528 with exceptions including small scale operations such as gates and fences etc. The government intends to bring forward regulations to make this change at the earliest opportunity and it is likely to materially increase fee income to the authority which will enable a greater level of cost recovery for this area of the service.

The government have also announced an intention to bring forward measures in the Planning and Infrastructure Bill to enable local fee setting for planning applications on a cost recovery basis for those that wish to pursue this. There would also be a base line new set of national fees based on a new assessment of costs which would be the default where local fee setting has not been implemented. More guidance will follow but the intention is the local fees are fully consulted upon and that they would only be able to recover the costs of the development management part of the service and not the costs of wider service delivery such as plan making.

Financial implications:

There are no direct financial implications identified in the report.

Legal implications:

The legal implications are set out within the report (002533/4 February 2025/DH).