

THURSDAY, 26 APRIL 2018

**REPORT OF THE PORTFOLIO HOLDER FOR REGENERATION****PROPOSED CHANGES TO NPPF AND REFORMING DEVELOPER CONTRIBUTIONS****EXEMPT INFORMATION**

None

**PURPOSE**

To seek approval to submit responses to the two Ministry of Housing, Communities and Local Government (MHCLG) recently published consultations on 1. Draft Revised National Planning Policy Framework (NPPF) and 2. Supporting Housing Delivery Through Developer Contributions, on behalf of Tamworth Borough Council.

**RECOMMENDATIONS**

1. That Cabinet approves the attached consultation response form to proposed revisions to the National Planning Policy Framework which closes 11:45am 10<sup>th</sup> May 2018.
2. That Cabinet approves the attached consultation response form to the Supporting Housing Delivery Through Developer Contributions consultation which closes 11:45am 10<sup>th</sup> May 2018.
3. That the Head of Managed Growth, Regeneration and Development in liaison with the Portfolio Holder for Regeneration be authorised to make changes to the consultation response forms following comments received at Planning Committee training scheduled for 18<sup>th</sup> April 2018.

**EXECUTIVE SUMMARY**

MHCLG published consultation early March 2018 on reforms to the planning system; the revised NPPF and reform of developer contributions. These follow the proposals in the housing white paper February 2017, Planning for the Right Homes in the Right Places consultation September 2017 and November 2017 Budget announcements.

The revised Framework comprises:

- a. A new National Planning Policy Framework
- b. National planning policy guidance update
- c. Reform of developer contributions
- d. Government's response to recent planning and housing consultations

The revised Framework is divided into clear chapters, includes previously consulted policy proposals as well as additional proposals that are being consulted on.

The current system of developer contributions is deemed to be too complex and acts as a barrier to new entrants. It is seen to allow developers to negotiate down affordable housing and infrastructure contributions. MHCLG has put forward proposals for consultation aimed at reforming the system.

## **Summary of proposals affecting Tamworth Borough**

The policy proposals have been assessed and their effect on plan-making and decision-making in Tamworth have been drawn out. These implications are addressed in the consultation responses and are summarised below:

- Objectively assessed needs are to be accommodated unless there are clear reasons not to, including unmet need from neighbouring authorities.
- Amendments to the tests for a 'sound' plan
- Requirement to review plan policies every five years
- Preparation of a statement of common ground
- Changes to the approach and need for viability assessments and making assessments publically available.
- A new standardised method for calculating local housing need
- At least 20% of site allocations for housing in plans are half a hectare or less. Almost 50% of the allocations in Tamworth are half a hectare or less.
- A new housing delivery test and measures to penalise under delivery against the number of homes required. The test would apply from November 2018 and results of the test will be published annually for each local planning authority.
- Maximising brownfield land - development of under-utilised land and buildings such as above shops, car parks; extending upwards; retail conversion and employment land reverting to housing.
- Minimum density standards for town and city centres and around transport hubs
- Planning conditions that require developments to come forward within two years rather than three.
- Wider definition of affordable housing that promotes subsidised home ownership.

In addition to the above, further changes are proposed affecting development management including:

- Affordable housing contributions not required on sites of 10 units or less. Tamworth has adopted this approach already.
- Promoting exception sites to assist provision of entry-level homes suitable for first time buyers or those looking to rent their first home where a local need is identified.
- Allowing change of use in declining town centres.
- Clarification of a 'sequential approach' to out of centre development proposals.
- Maximum parking standards set only where clearly justified for managing the local road network.
- Policy to assess the transport impact of proposals including highway safety and capacity.
- Refusal of planning permission on the basis of poor design where supplementary planning documents or design policies are in place and are not met.

## **Developer Contributions**

- The removal of pooling restrictions where no more than five section 106 contributions can be collected towards the provision of a single infrastructure item. This would assist on large sites where development is brought forward in separate phases and later phases may exceed the restriction and would not contribute to infrastructure.
- MHCLG has raised the possibility of developer contributions being set

nationally and being non-negotiable.

- A requirement for Local Authorities to publish Infrastructure Funding Statements in order to state how forecasted contributions will be spent over the next five years as well as continuing to monitor funds received and how they are spent.

Planning Committee will consider the implications of the Draft Revised National Planning Policy Framework and Supporting Housing Delivery Through Developer Obligations at a training event scheduled for 18<sup>th</sup> April 2018. The comments of Planning Committee will be an important component of the Tamworth response. It is requested that the Head of Managed Growth, Regeneration and Development in consultation with the Portfolio Holder for Regeneration be authorised to compile the comments received from Planning Committee and incorporate them into the consultation responses prior to submission.

### **OPTIONS CONSIDERED**

The Council is not obliged to respond to the two consultations. The Council could decide not to submit a response but this would mean that the views of the Council would not be considered and the opportunity to influence the proposed changes to the NPPF and Developer Contributions would be lost.

### **RESOURCE IMPLICATIONS**

The Draft Revised NPPF states that plan policies should be reviewed to assess whether an update is necessary at least every 5 years. The Tamworth Local Plan would need to be reviewed by 2021 and a policy change request has been approved to set funds aside to facilitate a plan review – budgets of £40k in 2018/19 with a further £40k in 2019/20, when an examination will be held.

Proposals relating to developer contributions will have little impact in Tamworth as it is intended to implement the Community Infrastructure Levy and the pooling restrictions will not apply to CIL.

### **LEGAL/RISK IMPLICATIONS BACKGROUND**

The adopted status of the Tamworth Local Plan will ensure that the revised NPPF will not impact significantly at this time. The current adopted plan will however need to be reviewed in line with the revised NPPF in order for the plan to be designated as sound. The Local Plan evidence base will start to be refreshed this year in preparation for a potential review of the plan and this will take on board any revisions to the NPPF.

The NPPF revisions include the Housing Delivery Test which proposes that the 'presumption in favour of sustainable development' will apply if delivery falls below 75% of the identified requirement. The implication of this being that additional sites could come forward for development that the Local Authority would not be able to control. This would undermine the Local Plan and remedial action will be needed to improve delivery rates.

Proposals relating to developer contributions will have little impact in Tamworth as it is intended to implement the Community Infrastructure Levy and the pooling restrictions will not apply to CIL. Nationally set rates for developer contributions is an option that is being considered by MHCLG.

### **SUSTAINABILITY IMPLICATIONS**

The Housing Delivery Test and the application of the presumption in favour of

sustainable development would be an undesirable outcome should housing delivery fall below prescribed standards. The presumption would allow greater freedom for other sites to come forward for development that may not be as sustainable as allocated or permitted sites

## **BACKGROUND INFORMATION**

The Ministry of Housing, Communities and Local Government issued consultations on the draft revised National Planning Policy Framework on 5<sup>th</sup> March 2018, updated 9<sup>th</sup> March 2018 and Supporting Housing Delivery Through Developer Obligations also 5<sup>th</sup> March 2018. Both consultations run to 10<sup>th</sup> May 2018.

The draft revised NPPF text contains new policy proposals but in the main confirms or clarifies previous announcements or legislative amendments within the proposed new Framework that are intended to revise the 2012 NPPF. This revision forms part of the planning reforms set out in the February 2017 housing white paper and September 2017 Planning for the Right Homes in the Right Places consultation as well as announcements in the November budget.

The NPPF when published will set the Government's planning policies that will guide the preparation of local plans and the objectives for development. The revised NPPF will be central to the government's drive to deliver 300,000 net additional homes per year.

## **REPORT AUTHORS**

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## **LIST OF BACKGROUND PAPERS**

Draft Revised National Planning Policy Framework –

<https://www.gov.uk/government/consultations/draft-revised-national-planning-policy-framework>

Supporting housing delivery through developer contributions –

<https://www.gov.uk/government/consultations/supporting-housing-delivery-through-developer-contributions>

## **APPENDICES**

Appendix A – Consultation response form Draft revised National Planning Policy Framework

Appendix B – Consultation response form Supporting Housing Delivery Through Developer Contributions