

Planning Policy Reforms, including new December 2024 NPPF

Planning Policy Committee Thursday, 16 January 2025

Report of: Deputy Chief Executive

Purpose: For information

Publication status: Open

Wards affected: All

Executive summary:

Over the course of December 2024, the Government published a raft of new planning policy and guidance, as well as details of further planning reform. This report summarises the key changes that will impact both on plan making and development management moving forward.

This report supports the Council's priority of:

Protecting and enhancing our environment. /Delivering affordable housing for local people./Financial prudence and sustainability./Putting residents at the heart of what we do./A safe, healthy and caring community supporting those most in need./A thriving economy.

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Recommendation to Committee:

- a) The report be noted.
 - b) Work begins on the preparation of a new Local Development Scheme (LDS) and a special planning policy committee be held to approve the LDS in February 2025.
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Reason for recommendation:

Given the scope of the enacted and proposed changes in Government policy for both the Council's new Local Plan and its development management functions, it is considered important that the Council is fully aware of the key changes.

MHCLG has issued a directive that a new LDS must be prepared and submitted to themselves by 12 March 2025.

Introduction and background

- 1 Following the UK general election on 4 July 2024, the newly formed Labour government began a consultation on a range of reforms to the planning system on 30 July 2024, to help achieve their campaign pledge of delivering 1.5 million homes in the next five years. The annual collective target for house building across the country was raised to 370,000. A public consultation on proposed changes to National Planning Policy Framework (NPPF) and wider planning reform subsequently ran between July and September 2024.
- 2 Over the course of December, the Government published many documents outlining reform, or potential reform, which will have implications for planning. The Ministry for Housing, Communities and Local Government (MHCLG) published a response to the consultation, a new NPPF, and new Planning Practice Guidance (PPG) on 12 December 2024. This was accompanied by a press release, ministerial statements and a letter to Leaders and Chief Executives of Local Planning Authorities (LPAs) highlighting the key changes.
- 3 In addition to these documents, the government also published their response to the summer 2024 consultation, which contains important information about upcoming updates to the planning systems, and likely areas for further consultation.
- 4 Three working papers/ white papers were also published by the government in December 2024, which have implications for plan making and development management. These relate to devolution, modernising planning committees and Compulsory Purchase Orders (CPOs).

Changes to the planning system

- 5 The enacted changes and proposed changes to the planning system are presented in full in appendix 1.
- 6 The main changes have been summarised below. NPPF changes impacting development management are effective from the date of publication of the NPPF, the 12 December 2024. Changes in relation to plan-making will come into force on 12 March 2025.

Housing

- 1 The new NPPF puts a strong emphasis on the need to deliver housing in sustainable locations.
- 2 The government has introduced mandatory minimum housing targets across the country. The formula to calculate Local Housing Need (LHN), the Standard Method, has been updated. The Standard Method now uses an LPA's housing stock as the basis for the calculation of an LHN, which is then subject to an affordability uplift. The Standard Method enacted differs from the Standard Method which was consulted on in the summer. Under the new, compulsory Standard Method, Tandridge's LHN has increased from 634 to 843.
- 3 The requirement for all councils to annually report a five-year housing land supply (5YHLS) has been reinstated. Buffers to the 5YHLS have been reintroduced.
- 4 The changes place a stronger emphasis on delivering socially rented homes. The mandatory requirement for First Homes has been revoked, although it remains an option for delivery where locally judged appropriate.

Planning for Travellers

- 5 The planning definition of a Gypsy or Traveller has been expanded and changes have been made as to how traveller sites in the Green Belt should be considered. Where an authority does not have a 5-YHLS for traveller sites, the presumption of favour of sustainable development now applies for permanent and temporary permissions.

Green Belt

- 6 A new category of Green Belt has been introduced, called 'Grey Belt'. Development on Grey Belt will not be considered inappropriate development for the purposes of decision-making if new, Golden Rules are applied. The Golden Rules require new developments on Grey Belt to make contributions to affordable housing, infrastructure and green spaces.
- 7 Green Belt reviews are now mandatory for any authorities which cannot meet its LHN and other development needs on non-Green Belt land. Meeting housing need has been explicitly defined as an exceptional circumstance to justify release of Green Belt.
- 8 A new sequential test for the release of Green Belt has been introduced, with priority given to previously developed land, Grey Belt and then other Green Belt locations. A category does not need to be exhausted

before higher performing locations are brought forward. The sustainability of any proposed location in the Green Belt for release is key.

Infrastructure

- 9 The previous 'predict and provide' approach to transport planning has been replaced with a 'vision-led' approach.
- 10 Revisions have been made to the sequential test for flooding and the requirements for Sustainable Drainage Systems (SuDS) have been widened.

Plan-making

- 11 The government has also set out transitional arrangements for Local Plans, which are to be submitted for Independent Examination under the current plan-making system by December 2026. Local Plans submitted after that date should be prepared under the new plan-making regime, which is expected to be introduced in summer 2025.
- 12 New intervention powers for the Secretary of State have been introduced in relation to the production of Local Plans.
- 13 All local planning authorities are required to prepare and issue an updated Local Development Scheme to MHCLG within 12 weeks of the publication of the NPPF 2024.

Upcoming reform

- 14 The Government has announced that it intends to review / publish / consult on further policy and guidance in 2025:
 - a. publish Green Belt planning practice guidance in January 2025;
 - b. publish new guidance on the role of local nature recovery strategies in January 2025;
 - c. consult on a set of national policies for decision making in Spring 2025;
 - d. review the Planning Policy for Traveller Sites in 2025;
 - e. review the viability planning practice guidance as a priority in 2025;
 - f. review the Flood risk and coastal change PPG;
 - g. publish guidance to support councils and developers in reducing carbon emissions;
 - h. publish new guidance on LPAs setting their own planning fees;
 - i. publish further planning practice guidance on the role of Local Nature Recovery Strategies;
 - j. keep planning design standards under review; and
 - k. take further steps to increase build out rates on housing sites.

- 15 Householder planning fees will be set at cost-recovery level, as estimated by MHCLG. The upcoming Planning and Infrastructure Bill will enable LPAs to vary or set fees to cost recovery levels, as appropriate for their area. Changes will also be introduced to allow cost recovery for Nationally Significant Infrastructure Projects.
- 16 The Government is proposing reforms to planning committees, which will be introduced via the Planning and Infrastructure Bill. A formal consultation will be launched in 2025.
- 17 The Government is intending to move to a model of universal strategic planning within the next five years. This is combined with proposed reform of the local government system. Local Plan making would become the responsibility of newly formed unitary authorities, while strategic plans (Spatial Development Strategies) would be produced by Strategic authorities. The latter will be created by grouping County Councils where they do not already exist.
- 18 A consultation on reformed Compulsory Purchase Orders (CPOs) has been launched. The aim is to simplify the process and widen the circumstances under which such directions may be obtained.

Key implications

Comments of the Chief Finance Officer

Whilst the Council will need to work through the full implications of the Government changes as more details emerge, in the immediate future the Council will increase its Development Fees resulting from these Planning reform changes.

The Council will apply the draft statutory instrument (New Draft Fees Order) once it is made, and will increase planning application fees in England from 1 April 2025 as appropriate. The fee changes are highlighted in section 8 of the appendix to this report, and these fee changes will contribute to the recovery the costs of development management services for the Council.

As the New National Planning Policy Framework (NPPF) was published in mid December 2024, these increased fees are yet to be modelled into next year's budget alongside assumptions on volumes of applications in each category. Consultation with stakeholders will be undertaken if the Localisation of Planning fees is agreed in the Planning Infrastructure Bill.

As referred to in the recommendations of this report, the Local Development Scheme (LDS) document provides a project plan identifying which local development documents will be produced, in what order and when. It outlines the details and timetable for the production of all documents that make up the

Local Plan. The Council's LDS will be delivered using internal officers, and the associated staff expenditure will be funded from Local Plan resources.

The Government has announced additional funding to carry out Green Belt Reviews in light of the extensive changes introduced. An EOI will be submitted.

Comments of the Head of Legal Services

The Ministry for Housing, Communities and Local Government (MHCLG) published its revised [National Planning Policy Framework](#) on 12 December 2024. The legal implications of the proposed changes are largely set out in the main body of this report.

The Committee will be aware that it represents the most significant set of national planning policy changes since the original Framework was published in 2012.

The changes have wide ranging implications for Local Plan preparation; the calculation of housing need; promoting housing and commercial schemes; and how we approach development in the Green Belt. They also cover a range of other sectors such as sustainability, renewable energy, take-away/fast food units and the approach to flood risk.

The impact of the NPPF will be site, scheme, settlement and authority area specific. The Council will therefore need to work through its policies/guidance and practices to identify where changes are required to ensure ongoing compliance.

The Committee is asked to note the holistic changes proposed by the Government as set out in this report and in greater detail at Appendix 1 pursuant to their terms of reference as set out in Part E of the Council Constitution.

Equality

There are no equalities implications as a result of this report. Separate equality impact assessments will be undertaken as the implications, as set out in Appendix 1 of the NPPF filter into the Council guidance/policies/procedures.

Climate change

There are no significant environmental / sustainability implications associated with this report.

Appendices

Appendix 1 December 2024 Planning Reforms Summary Document

Background papers

None.

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