

Briefing note

Planning Prospectus

January 2023

Introduction

The Department for Levelling Up, Housing and Communities (DLUHC) is consulting on a proposed approach to updating the planning system and the National Planning Policy Framework (NPPF). The consultation started on 22nd December 2022 and runs to 3rd March 2023. The Government will feedback on the response to consultation later in Spring.

A suggested response to the contents of the consultation from Cornwall Council will be circulated separately for comments.

The proposals include a [Prospectus](#) for wider changes to the planning system linked to the Levelling Up and Regeneration Bill that sets out amongst other matters:

- Future changes to plan-making (detail to be published later in 2023),
- The likely scope of New National Development Management Policies (detailed proposals to be set out separately in a future consultation),
- Policy areas that will form the basis of future changes to the National Planning Policy Framework (beyond those currently being consulted as part of an [interim update to the NPPF](#) (these are covered in a separate briefing note and not set out in this note).

The changes follow on from debate around the content Levelling Up and Regeneration Bill (LURB). These are particularly focused on making sure the planning system capitalises on opportunities to support the natural environment, respond to climate change and deliver on levelling up of economic opportunity. The broad proposals signals areas that are likely to be considered in the context of a wider review of the National Planning Policy Framework following Royal Assent of the Bill.

Summary of key proposals:

The specific proposals which are set out in the prospectus consultation (and are considered applicable to Cornwall) are summarised below:

Policy Objectives

The consultation sets out that the proposals for change are built around the following objectives for change:

- **Building beautiful and refusing ugliness** – good design and placemaking promoted through a statutory requirement for each authority to have a design code for its area.
- **Securing the infrastructure needed to support development** – the introduction of an Infrastructure Levy and a requirement for each authority to create an Infrastructure Delivery Strategy (to be consulted on separately).
- **More democratic engagement with communities on local plans and decision making** – Local Plans will have a two-year timetable for production and increased community engagement requirements. National planning policies will increase the speed of plan-making. Expectations will be set out for increased engagement in the planning decisions.
- **Better environmental outcomes** - including changes to address climate change mitigation and adaptation, nature recovery and deliver the Environment Act through planning.
- **Empowering communities to shape their neighbourhoods** through increased weight to Neighbourhood Plans and introducing Neighbourhood Priorities Statements and Street Votes
- **Deliver more homes in the right places supported by infrastructure** – considering how national policy can be support smaller developers, self- and custom-build developers and other innovators to enter the market, building a competitive house building market with high standards, strong rules and clear accountability.

Further consultations are promised on the new Infrastructure Levy and changes to the plan preparation process, plan-making principles and the importance of effective community engagement.

Proposed changes

The proposed changes are summarised below where they are relevant to Cornwall. Many are subject to consultation questions and following consideration of the likely implications for Cornwall from the proposals, further analysis and a recommended response will be prepared and circulated.

Providing certainty through local and neighbourhood plans

From Spring 2023 changes will be made to the five-year housing land supply rules in areas with up-to-date plans and where communities have made neighbourhood plans. This means that in those areas authorities will no longer be expected to demonstrate a five

year supply of housing land. Areas with plans over 5 years old will continue to be expected to demonstrate a supply of land, but buffers for previous under-delivery will be removed and historic over-supply against target will be taken into account in calculating the five year supply.

Protections for Neighbourhood Plans will be increased in line with Local Plans, so that demonstration of a housing land supply will not be required before the plan is five years old even if the local authority no longer has a five year land supply.

Planning for housing

Whilst the standard method formula for calculating housing figures will be retained, the data will be reviewed in line with the 2021 census to form the basis of an update to the method formula by 2024. Further to changes proposed to the NPPF for Councils currently developing a local Plan under the current system (which Cornwall is not), guidance will be produced that sets out the ability to reduce the housing requirement where certain local constraints can be evidenced.

The Housing Delivery Test will be reformed to reduce the impact on housing supply for authorities where developers are developing slowly. This would prevent areas with sufficient deliverable housing permissions to meet the test and avoid having their plan deemed out of date and the presumption in favour of sustainable development being triggered. A test will be introduced through changes to determine whether there is a sufficient deliverable housing supply (thought to be around 115% of the total required by the test). At this time Cornwall would appear to continue to meet that test.

A planning system for communities

Proposals are made to rebalance the focus from delivering numbers of homes to meeting the needs for different types of homes identified by communities and increasing diversity of types, including affordable housing and housing for older people.

Changes through revisions to the NPPF will increase focus on delivering social rented housing alongside affordable home ownership by giving it greater weight in decision making.

To address supply issues with older persons housing an additional specific expectation will be added to the NPPF ensuring that the needs of older people are met, and that particular regard is given to retirement housing, housing-with-care and care homes to support our ageing population

It is proposed that the NPPF could be strengthened from a current expectation that plans should provide at least 10% of development on small sites to encourage greater use of

small sites, particularly in urban areas, to speed up the delivery of housing (including affordable housing), give greater confidence and certainty to SME builders and diversify the house building market.

In terms of supporting community-led development the definition of “affordable housing for rent” could be amended to make it easier for community-led developers and almshouses to develop new affordable homes. Proposals are being considered to make it easier for community groups to bring forward exception sites for affordable housing in rural areas.

Housebuilders will be required to formally notify the Council when they commence development and existing powers to serve a completion notice will be streamlined. Data will be collected and published on failure to build out on certain sized sites. Delivery will be a material consideration and proposals with a slow delivery trajectory may be refused. Two possible options are set out to address developer accountability; the first being that irresponsible developer behaviour would be a material consideration in the determination of planning applications; or secondly Local Planning Authorities would be able to decline to determine applications from developers who have behaved irresponsibly in the past. This would require primary legislation in order to be implemented. Separate consultation will be held on financial penalties for slow build out of permissions.

Asking for beauty

An emphasis is placed on beauty, good design and place-making. Many of the changes proposed are through the proposed update to the NPPF, such as including reference to the role of beauty and place-making. Local authorities will be required to have at least one design code for their area. Existing permitted development rights with design or external appearance prior approvals will be amended to take into account local design codes.

Protecting the environment and tackling climate change

The Prospectus reiterates the Government’s commitment to improving the environment and tackling climate change through the planning system including through national and local policies and design coding. A full review of the NPPF will be undertaken once the LURB receives Royal Assent to ensure that national planning policies contribute to climate change mitigation and adaptation.

Nature Recovery will be supported through policy including the role of design coding in delivering improvements and identifying limits on artificial grass in non-sports settings. Further guidance will be provided on how Nature Recovery Strategies (Cornwall was one of five pilot areas to create a Strategy) will be taken into account in plan making and planning decisions.

A carbon impact assessment process will be investigated to ensure that a process can be created that is useful to decision making but proportionate. Proposals will be consulted on separately, but alongside Quantifiable Carbon Reductions guidance for Local Transport Plans. Changes to the NPPF in future will include those required to reflect the third National Adaptation Programme, Government's policy response to the latest assessment of UK climate risk and the third Climate Change Risk Assessment.

Future changes to the NPPF will seek to recognise the benefits of protecting and enhancing habitat and nature recovery and promoting layouts and locations that contribute to healthier lifestyles and energy and resource efficiency consumption in a holistic way, for example by reducing the need to travel, promoting active travel i.e. walking, wheeling and cycling as well as addressing climate change impacts such as overheating and water scarcity.

Preparing for the new system of plan-making

The Levelling-up and Regeneration Bill sets out reforms to local plan-making to simplify their content and make them quicker to produce.

From late 2024, authorities with a plan older than 5 years must either be working on a plan under the current system (for submission by 30 June 2025) or straight away begin plan-making under the proposed new system. For Cornwall this is likely to mean that a new Local Plan will need to be commenced in late 2024.

Neighbourhood plans submitted for examination after 30 June 2025 will be required to comply with the new legal framework. 'Made' neighbourhood plans prepared under the current system will continue to remain in force under the reformed system until they are replaced (in the case of Cornwall's plan, up to 2030).

In the reformed planning system, supplementary planning documents will be replaced by Supplementary Plans that are to be afforded the same weight as a local plan.

National Development Management Policies

The new system will include the introduction of National Development Management Policies, meaning that certain areas will no longer need to be covered by policies at local level. The policies could cover those planning considerations which are regularly applied in decision-making across England, such as, conserving heritage assets or preventing inappropriate development in high flood risk areas. The Government also proposes that the policies could cover current 'gaps' in policy such as carbon reduction in new development.

It is envisaged that the National Development Management Policies would be given the same weight in certain planning decisions as the local plan, neighbourhood plan and other

statutory plan policies. The aim is to save repetition at local level and increase consistency for developers.

The National Development Management Policies would adhere to a number of principles such as covering only matters that have a direct bearing on the determination of planning applications and limited to nationally important issues encountered across England. Thoughts and limited examples are provided around the scope and content of possible National Development Management Policies.

A list indicating the areas of current NPPF policy and possible amendments can be viewed at [Levelling-up and Regeneration Bill: reforms to national planning policy - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/consultations/levelling-up-and-regeneration-bill-reforms-to-national-planning-policy). The table is indicative, not exhaustive, and the Government is not consulting on specific changes at present.

The Government will undertake a full consultation on a revised NPPF and the proposed National Development Management Policy once the Levelling Up and Regeneration Bill has completed its passage through parliament.

Enabling Levelling Up

The prospectus seeks to understand how the planning framework can help to deliver the ambitions of the levelling up agenda. It notes that well designed and attractive places can contribute to social change including improvements to health and well-being, and to economic growth by improving transport and digital connectivity.

The future review of the NPPF, will be aligned with the economic vision in the Levelling Up White Paper, which will:

- ensure local plans support new business investment and support business growth and expansion
- support the sectors and businesses that drive up productivity
- spread financial capital and investment to places, projects and people that need it most

Creating a response to the proposed changes

The Planning Policy Team will be producing a draft formal response to the consultation, and this will be shared closer to the deadline for responses.

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