

North Tyneside Council

Report to Cabinet Member

Date: 20 September 2024

Title: North Tyneside Council’s response to proposed reforms to National Planning Policy Framework and other changes to the Planning System

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| Portfolio: | Deputy Mayor | Cabinet Member: | Councillor Carl Johnson |
| Report from Service Area: | Regeneration and Economic Development | | |
| Responsible Officer: | John Sparkes, Director of Regeneration and Economic Development | (Tel: (0191) 643 6090) | |
| Wards affected: | None | | |

PART 1

1.1 Executive Summary:

The report seeks the Deputy Mayor’s approval to submit the Authority’s formal response to the Ministry of Housing Communities and Local Government’s (MHCLG) current consultation, for proposed reforms to national planning policy and the planning system. The changes proposed by MHCLG are wide ranging with particular implications for issues such as housing requirements, protection of the green belt and strategic planning.

The response presented in this report does not propose any objections to the principal objectives and key points within MHCLG’s consultation. However, comments and observations on the proposed changes have been included in relation to challenges that may arise and potential improvements that MHCLG may wish to consider before finalising the reforms to the National Planning Policy Framework (NPPF).

1.2 Recommendations:

It is recommended that the Deputy Mayor:

- (1) Approves the consultation response to the Ministry for Housing, Communities and Local Government (MHCLG) set out in the Appendix of this report as the Authority's formal response to the consultation on proposed reforms to the National Planning Policy Framework and other changes to the planning system; and
- (2) Authorises the Director of Regeneration and Economic Development to take the necessary steps to finalise the Authority's formal response and ensure its submission to the MHCLG ahead of the consultation deadline on 24 September 2024.

1.3 Forward Plan:

Twenty eight days notice of this report has been given and it first appeared on the Forward Plan that was published on 22 August 2024.

1.4 Council Plan and Policy Framework

This report relates to the following priorities in the 2021-25 Our North Tyneside Plan:

- A thriving North Tyneside – regarding growth, regeneration and economic investment.
- A secure North Tyneside – particularly the delivery of 5,000 affordable homes.
- A family friendly North Tyneside – regarding provision of facilities and infrastructure.
- A green North Tyneside – in relation to achieving net zero carbon emissions and walking and cycling infrastructure.

1.5 Information:

1.5.1 Background

- 1.5.2 The Ministry for Housing Communities and Local Government (MHCLG) published its consultation on proposed changes to the National Planning Policy Framework (NPPF) on 30 July 2024 and set out a deadline for responses to be

submitted no later than 11:45pm on 24 September. The consultation was published within a month of the 2024 General Election results and is considered to be an important component in the new Government's strategy to significantly boost economic growth and housing delivery. The primary aims of the consultation are to accelerate the planning process to secure:

- sustained economic growth
- delivery of 1.5 million homes nationwide by 2029, and
- increased delivery of affordable, well-designed homes.

1.5.3 The consultation addresses four key elements of planning:

- changes to National Planning Policy Framework
- nationally Significant Infrastructure Projects
- changes to the Plan Making System, and
- increased fees for Planning Applications.

1.5.4 The following sections in the Report (1.5.5 to 1.6.14) summarise some of the key elements of the consultation and the underlying basis upon which the draft responses set out in the Appendix of this report have been informed by:

1.5.5 **Local housing need**

1.5.6 The proposed changes introduce a mandatory housing requirement and new Standard Method for calculating Local Housing Need (LHN), a key figure establishing the amount of new homes that are to be delivered in an area. The revised methodology moves away from projections of housing growth and is instead based on a minimum uplift of 0.8% of existing housing stock in an area per year housing stock and an additional affordability uplift.

1.5.7 For North Tyneside the published annual figure based on this new methodology is 1,075 dwellings per annum (dpa). This is higher than both the existing standard methodology figure of around 745dpa and average rates of housing delivery over the last three years, that currently is around 550dpa.

1.5.8 The Authority's proposed response agrees in general terms to the new methodology and seeks to focus on how the growth required can be achieved. This notes the challenges that exist in securing an achievable uplift in housing delivery and the importance of ensuring the correct support and policy is in place to enable infrastructure delivery that can make such growth appropriate and sustainable.

1.5.9 Green Belt

1.5.10 The proposals include a number of changes to existing green belt policy. These include establishing clearly in national policy that where necessary to meet LHN, existing areas of green belt should be reviewed to identify suitable sites.

1.5.11 The proposals further set out that release of land from the green belt should prioritise parcels of land to be considered grey belt; including in sequential order, sites that are brownfield (previously developed land), areas of grey belt that do not contribute to the existing purpose of the green belt, and finally other sustainable sites in the green belt.

1.5.12 The consultation goes on to set out specific “golden rules” to ensure major development on green belt release land benefits communities and nature. These “golden rules” include provision of new green spaces in accordance with local standards, provision of the infrastructure necessary to support sustainable development, and a target for 50% of the homes to be affordable (subject to viability).

1.5.13 The Authority’s proposed response to the consultation, agrees that the green belt should be reviewed if there are no other sufficient sites elsewhere to meet needs. The response further emphasises that ensuring sustainable development forms an important consideration in identifying sites that may be released from the green belt. In relation to delivery of sites in the green belt, the “golden rules” are welcomed but there are concerns regarding viability in areas like North Tyneside. Additional proposals included in the consultation regarding use of Compulsory Purchase Powers and guidance around the value of land subject to development are recognised as potentially helpful in this regard.

1.5.14 Affordable housing and developer contributions

1.5.15 The proposals set out MHCLG’s intention to strengthen use of s106 and Community Infrastructure Levy and abandon the previous Government’s proposals to introduce a new Infrastructure Levy. The changes also seek to remove requirements for provision of affordable home ownership and first homes from national policy and explore options to increase delivery of social rented affordable homes, and delivery to meet locally defined housing needs.

1.5.16 The Authority welcomes each of these proposals. It is noted that an increased level of social rented affordable housing delivery is only likely to be achievable

alongside other measures to support grant funding of affordable homes or other steps to improve development viability.

1.5.17 Planning system reform and strategic planning

1.5.18 This element of the consultation deals with wider changes to the legislative framework that governs plan making, and an intention to ensure universal coverage for Spatial Development Strategies (SDS). Alongside confirming that the Government will progress the reforms included in the Levelling Up and Regeneration Act 2023, the consultation establishes that the timeframe for its implementation will be postponed from late 2024 to summer or autumn 2025.

1.5.19 The Authority welcomes the clarity provided regarding future planning reform but is awaiting further information about the transitional arrangements that may be in place and procedure for preparation of Local Plans to be prepared under the new planning system.

1.5.20 Planning fees

1.5.21 The consultation includes proposals to increase the national fees for householder planning applications from £258 to £528. This has been established as an appropriate increase to better reflect the actual costs of processing such applications. The consultation also seeks Local Authorities views on other elements of planning fees including whether: locally set planning fees would be welcomed, there are other types of planning applications that may justify an increased fee and if planning fees should be used to cover the wider costs of planning. This could include other services beyond the processing applications such as Plan Making, enforcement and the costs of seeking views from expert consultees such as biodiversity and heritage officers.

1.5.22 Overall, the Authority considers the increased fee for householder applications are justified but is keen to ensure planning fees continue to be set at a national level. Whilst there are recognisable benefits in being able to adjust fees to reflect local costs – variation in fees in different Local Authorities is not considered desirable. The Authority would welcome greater recognition of the wider costs linked to plan-making and as a minimum, considers this should at least cover the cost of maintaining the Authority's planning team.

1.6 Decision options:

The following decision options are available for consideration by the Deputy Mayor:

Option 1

Agree the recommendation set out at paragraph 1.2 of this report and enable submission of the proposed response included at the Appendix to this report.

Option 2

Seek an alternative response to that set out in the Appendix to this report and provide authority to the Director of Regeneration and Economic Development to submit that updated response.

Option 3

To not agree the draft consultation response and determine that the Authority should not respond to this consultation.

Option 1 is the recommended option.

1.7 Reasons for recommended option:

Option 1 is recommended for the following reasons:

The proposed response has been informed by engagement with members of Local Plan Steering Group, the Planning Team and colleagues in other services including Housing, Highways and Environmental Sustainability. It is considered important that the Authority puts forward its views on important changes to national planning policy that will have direct implications for planning and the future growth and development of North Tyneside.

1.8 Appendices:

Appendix:

North Tyneside Council's response to consultation on proposed reforms to the National Planning Policy Framework and other changes to the planning system, September 2024.

1.9 Contact officers:

Martin Craddock, Planning Policy Team Leader, tel. (0191) 643 6329

Jackie Palmer, Planning Manager, tel. (0191) 643 6336

Caroline Maxwell, Business Partner, Finance, tel. (0191) 643 7027

1.10 Background information:

The following background papers/information have been used in the compilation of this report and are available at the office of the author:

- (1) Proposed reforms to the National Planning Policy Framework and other changes to the planning system, 30 July 2024, MHCLG
<https://www.gov.uk/government/consultations/proposed-reforms-to-the-national-planning-policy-framework-and-other-changes-to-the-planning-system>

- (2) North Tyneside Local Plan, July 2017
<https://my.northtyneside.gov.uk/sites/default/files/web-page-related-files/North%20Tyneside%20Local%20Plan%202017-2032.pdf>

- (3) Levelling Up and Regeneration Act, 2023
<https://www.legislation.gov.uk/ukpga/2023/55>

PART 2 – COMPLIANCE WITH PRINCIPLES OF DECISION MAKING

2.1 Finance and other resources

There are no financial implications arising from this decision to submit a written response to consultation by the MHCLG.

2.2 Legal

There are no legal implications arising from this decision to submit a written response to consultation by the MHCLG.

2.3 Consultation/community engagement

2.3.1 Internal Consultation

In preparation of the draft response officers of the Planning Team have engaged within colleagues from a number of teams internally including within planning, highways, housing and environmental sustainability. There have also been discussions with the Cabinet Members for Environment and for Housing as well as the Deputy Mayor.

2.3.2 External Consultation/Engagement

No external consultations have been necessary as part of the preparation of this response but discussions have been ongoing with colleagues within other Local Authorities across the North East and the North East Combined Authority.

2.4 Human rights

There are no human rights implications arising from this decision to submit a written response to consultation by MHCLG.

2.5 Equalities and diversity

There are no risk management implications arising from this decision to submit a written response to consultation by MHCLG.

2.6 Risk management

There are no risk management implications arising from this decision to submit a written response to consultation by MHCLG.

2.7 Crime and disorder

There are no crime and disorder implications arising from this decision to submit a written response to consultation by MHCLG.

2.8 Environment and sustainability

There are no environment and sustainability implications arising from this decision to submit a written response to consultation by MHCLG.

PART 3 - SIGN OFF

- Chief Executive
- Head of Service
- Cabinet Member
- Chief Finance Officer

- Monitoring Officer

- Interim Director of
Corporate Strategy
and Customer Service