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Institute of
Housing

What you need to know about National Planning Policy Framework

August 2024



Introduction

On 30 July 2024, deputy prime minister and secretary of state for the Ministry of Housing, Communities and Local Government, Angela Rayner MP, announced a programme of reforms for housing, planning, and infrastructure. You can find our member briefing for that speech, [here](#). Central to these reforms are changes to the National Planning Policy Framework (NPPF), which contains the national planning policy for England and covers housing, infrastructure, the green belt and wider planning reforms. These proposals are driven by the new government's approach to delivering growth, investment and stability through the delivery of 1.5 million homes over the next five years. In part, these amendments reverse recent changes made to the NPPF in December 2023; you can read CIH's response to that [here](#).

The government has released a [consultation document](#), with the deadline for responses due by 24 September 2024. They aim to respond to the consultation and publish NPPF revisions before the end of the year.

A useful PDF copy of the legislation with proposed tracked changes can be found [here](#).

Key points in the NPPF update

1. Reversal of previous NPPF changes, including:
 - a. Making the standard method for assessing housing needs mandatory for all local authorities
 - b. Removing 'urban uplift'
 - c. Reintroducing 'duty to cooperate' and cross-boundary strategic planning
 - d. Restoring the five-year housing land supply requirement and the five per cent buffer for housing delivery in local plans
 - e. Removing the requirement for First Homes
 - f. Replacing 'beauty' standards with 'well-designed development'
2. Setting out expectations for clear, ambitious local plans by every local authority
3. Implementing a new sequential method for development to meet housing needs, starting with brownfield, then 'grey belt' land released from the green belt. This includes strengthening expectations for brownfield planning approvals and defining the use of 'grey belt' and green belt land with 'golden rules' (such as a 50 per cent requirement for affordable homes)
4. The consultation also asks questions on sustainability and climate change, infrastructure, and promoting healthy communities.

Further details

Mandatory housing targets and local plans

One of the biggest changes in the proposals is the introduction of the mandatory standard method for assessing housing need. This new approach aims to achieve a more balanced distribution of homes across the country, as well as establishing a clearer and more consistent approach to assessing housing needs. Broadly, this formula uses a baseline percentage of existing housing stock levels with a stronger affordability multiplier, which then determines a local area's new housing target.

This is accompanied by the removal of the 'urban uplift', which previously increased housing targets in 20 of the largest towns and cities. In CIH's [response](#) to these proposals, we outlined that urban uplift was not viable in practice for delivering more affordable housing, and we welcome member views on whether we should continue to support this policy removal in the updated consultation.

These changes come under a wider focus by the new government to incentivise local authorities to build more homes and establish updated local plans:

"Our objective is to drive local plans to adoption as quickly as possible, to progress towards our ambition of achieving universal plan coverage and ensure plans contribute positively to our ambition of delivering 1.5 million homes."

This acceleration of updating local plans means that local authorities will need to review their existing plans in line with their new housing targets (as assessed by the standard method above). There are allowances in the proposals for authorities at more advanced stages of preparing a new local plan, with transitional arrangements and potential targeted support. Local authorities who do not already have an up-to-date plan are encouraged not to wait for the new proposals in development, and continue as normal. The government aims to implement this new plan-making system from summer or autumn 2025, with new local plans (not subject to transitional arrangements) to be submitted by December 2026.

Additionally, the proposals reintroduce the five-year housing land supply and five per cent buffer for local plans, which ensures a minimum five-year supply of housing, to increase deliverable sites and planning future supply.

Finally, there will be increased powers for local plan intervention by government, as the secretary of state is able to intervene to ensure local plans are progressed and in place.

Brownfield, 'grey belt', and the 'golden rules'

To enable local authorities to meet their housing targets, the consultation introduces a 'sequential test to guide release', which begins with brownfield land, then introduces land released from the green belt, known as 'grey belt'. It is important to note that the 'duty to cooperate' (detailed below), will also be assessed in how an area is meeting its housing need through land use.

Brownfield land should be reviewed first in all development projects, with 'previously developed land' prioritised. The consultation discusses brownfield 'passports', whereby the default answer to brownfield development should be 'yes' and acceptable in principle. The consultation has a 'presumption in favour of sustainable development' which encourages planning permission for land not previously allocated within local plans, in order to speed up delivery as it 'tilts the balance' towards approval. Yet, it does note that this cannot be allowed to lead to poor quality housing, and outlines safeguards against this. There is also an understanding that urban intensification can be appropriate, such as widening the emphasis on the development of mansard roofs and upwards extensions.

However, the government acknowledges that brownfield alone will not meet the housing supply crisis, and have proposed a 'targeted release of grey belt land'. 'Grey belt' has been defined in the consultation as: "land in the green belt comprising previously developed land and any other parcels and/or areas of green belt land that make a limited contribution to the five green belt purposes". The green belt purposes largely aim to keep 'urban sprawl' in check, by safeguarding the countryside from encroachment and preserving neighbourhood communities. A 'limited contribution' to these

purposes is defined in a variety of ways, including land that contains substantial built development, is dominated by urban land uses, and does little to preserve the character of historic towns or preventing neighbouring towns from merging. In these scenarios, the consultation defines this land as 'grey belt', released from the green belt, and can be considered for development when a local authority is unable to meet targets or the five year housing land supply requirement.

Where major development is proposed on land released from the green belt ('grey belt'), it is proposed that there are **'golden rules'** to ensure benefits for both communities and nature:

- a) 50 per cent of homes in development schemes involving housing should be affordable housing, including an 'appropriate proportion' at social rent. This is subject to viability concerns.
- b) Improvements are made to local or national infrastructure.
- c) Improvements are made to existing green space, or the provision of new green spaces that are accessible to the public. For housing developments, these green spaces should be accessible within a 'short walk' of a resident's home.

Affordable, high-quality housing and health inequalities

The consultation outlines the need to improve developer contributions to affordable housing, which is currently delivered through Section 106 schemes. This was due to be replaced by the Infrastructure Levy, which the new government has decided not to implement. CIH has previously [argued](#) that the Infrastructure Levy would potentially lead to a reduction of truly affordable homes, and we agree with the decision not to implement it. It is important that we instead look to making the current Section 106 system work, as it is a crucial mechanism to deliver affordable homes to tackle the housing crisis.

Mixed-tenure development is promoted in the proposals, as is creating diverse communities and supporting site viability. This includes

home ownership, rental, older persons' housing and student housing, as well as strengthening support for community-led development. However, the requirement of 25 per cent of affordable housing being reserved for First Homes has also been removed. CIH has repeatedly [voiced concerns](#) over the First Homes policy because of its limitations in providing more affordable and locally required tenures, and we support the movement away from the scheme in favour of other home ownership models.

Whilst the consultation removes the use of 'beauty' as a subjective and inconsistent term for development, it emphasises the need for 'well designed' buildings and places, reflecting the existing wording of the National Design Guide and National Model Design Code. CIH have repeatedly [called](#) for the importance of decent, quality homes and places, as well as increases in supply quantity. As outlined, the 'presumption in favour of sustainable development' aims to safeguard against poor quality housing, which we hope will ensure everyone has a decent, safe, accessible and affordable place to call home.

In addition to high-quality housing, the government has committed to reducing health inequalities and improving public health. Whilst recognising that local planning authorities can and do plan for health, it is keen that the opportunities to plan for healthy communities is maximised through local plans, particularly through encouraging active travel, and tackling childhood obesity. It is seeking views on whether and how national planning can provide greater direction and clarity for this at the local level.

Strategic planning and infrastructure

The consultation stresses the importance of cross-boundary strategic planning, which CIH has called for in our ['Homes at the heart' strategy](#), as it supports greater cooperation and sets out a coordinated approach for growth through devolved decision-making across the country. There is a strengthening of the existing Duty to Cooperate requirements, crucial in the delivery of local plans, and a universal coverage of strategic planning, which will be later formalised in legislation. This will enable elected mayors to develop Spatial Development Strategies (SDSs) for their areas,

as well as supporting the development of SDSs outside of mayoral areas. The importance of partnership working and 'maintaining effective cooperation' will be applied alongside the Duty to Cooperate, to share unmet housing need and other strategic planning issues.

More broadly, there is a clear link between infrastructure and housing made in the proposals, which CIH supports. In order to achieve the development required to tackle the housing crisis, there must be an increased level of infrastructure to ensure communities are well established and supported. The government outlines plans for Nationally Significant Infrastructure Projects (NSIP), which will be further detailed in the upcoming Planning and Infrastructure Bill, as well as implementing a 'vision-led' approach to transport planning to create new sustainable communities.

Planning fees

Currently planning fees do not generate enough income to cover the full cost of some planning applications, with an estimated funding shortfall of £262 million, despite increases in December 2023. Therefore, the consultation suggests increasing planning fees, including for individual household applications, as well as requesting evidence for wider changes to planning fees.

This has been outlined in two models regarding the localisation of planning fees. Allowing local authorities to set their own planning fees ensures fees cover actual costs, as well as increasing transparency and accountability. However, the consultation notes that this could lead to greater variance and inconsistency, and place further burden on local authorities to publish and review fee schedules. There are two models proposed in the consultation on this basis.

Climate change and green energy

The consultation also proposes revisions to the NPPF to increase support for renewable energy development. The government has a [stated ambition](#) to double onshore wind, triple solar power, and quadruple offshore wind by 2030 as part of a broader vision to deliver clean power by 2030. The proposed revisions to the NPPF aim to support these goals, especially by accelerating the deployment of onshore wind and solar.

To support onshore wind, the government are proposing to bring large onshore wind projects back into the NSIP regime, which provides a route to consent for the largest renewable energy projects in the country. The proposals will also raise the threshold at which onshore wind projects are deemed to be 'nationally significant' to 100 megawatts (MW), from the current threshold of 50MW. These proposals follow the government's [earlier action](#) to alter the NPPF to make it easier to bring forward onshore wind developments.

To support solar, the government is proposing to raise the threshold at which solar projects are deemed 'nationally significant' from 50MW to 150MW. The justification for this is that advances in solar technology since the Planning Act 2008 (which set out the initial threshold) have led to cheaper and smaller-scale projects being captured by the 50MW threshold. The consultation suggests this has led to solar projects under-sizing their capacity at just below 50MW to avoid the increased costs and timelines associated with the NSIP regime.

More broadly, the government has proposed changes to the text of the NPPF to direct decision makers to give significant weight to the benefits associated with renewable and low-carbon energy generation. Under the proposed changes, authorities will also be expected to proactively identify sites for development, and the consultation asks whether there should be additional protections for land that provides carbon sequestration, such as peatland. Lastly, the consultation includes a call for input on how the planning system can help address climate change, especially through mitigation and adaptation.



CIH's initial reaction

The government's publication of the revised National Planning Policy Framework is welcome, alongside other recent announcements on planning reform. In particular, it is encouraging to see CIH's previous asks regarding the removal of the Infrastructure Levy and First Homes reflected in the proposals. Further, the target of 50 per cent affordable homes for major developments on 'grey belt' land is encouraging, although more clarity is needed on what is defined as major and a more definite commitment for an 'appropriate proportion' of social rent homes is needed. CIH have called for an increased proportion of social rent homes in order to be truly affordable for those who most need them, as detailed in the [UK Housing Review 2024](#). This needs to be reflected in government proposals to increase housing supply to tackle the housing crisis.

The quality of new homes and developments is also an important factor, so it is encouraging to see the government's inclusion of planning for healthy communities as part of the reform. CIH supports the TCPA's [principles for healthy homes](#) as a basic standard for new homes, and calls for progress on the commitment to increase the accessibility and adaptability standards of new homes.

How to feedback

The closing date for the consultation is 24 September 2024.

CIH welcomes member feedback on the proposals to inform our consultation response.

You can do this by **emailing us** at policyandpractice@cih.org.

We are also holding a wider discussion session on the consultation proposals with the **Social Housing Round Table** on **27 August**. You can find out more and register [here](#).

