

Impact of NPPF Changes on the East Midlands

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Introduction

- DPMs Letter to Leaders & CXs 30th July 2024
- Summary of key proposed policy and legislative changes
- Proposed standard method: What does it mean for the East Midlands?
- Key themes from EMC Consultation Response

DPM's Letter to Leaders & CXs



[Letter from the Deputy Prime Minister to local authorities Leaders in England: Playing your part in building the homes we need \(publishing.service.gov.uk\)](#)



NPPF & Associated Proposed Changes

- Labour's election manifesto was predicated on delivering higher levels of economic growth and reforming the planning system to deliver an additional 1.5 million new homes over 5 years (Tories promised 1.6m and Lib-Dems 1.9m).
- Since the Election the new Government has:
 - Removed the effective ban on on-shore wind turbines
 - Published wider proposed changes to the NPPF
 - Published a proposed new housing need 'Standard Method'
 - Published proposals for a 'Planning & Infrastructure Bill' and 'English Devolution Bill'

NPPF Changes

- These changes reverse those made by the previous Government in 2023 in response to backbench concerns about housing development, but also includes new measures designed to promote growth.
- Closing Date for comments on the proposals is 24th September
- Details at: [Proposed reforms to the National Planning Policy Framework and other changes to the planning system - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/consultations/proposed-reforms-to-the-national-planning-policy-framework-and-other-changes-to-the-planning-system)



Ministry of Housing,
Communities &
Local Government

National Planning Policy Framework

Key Changes (1)

- Requiring all LPAs to use the same (revised) standard method to calculate Local Housing Need – which LPAs should plan to deliver unless clear constraints can be demonstrated (e.g. National Park designation, protected habitats or extensive flood risk areas).
- Requiring LPAs to undertake Greenbelt reviews where local housing need cannot be accommodated elsewhere and introducing the concept of ‘greybelt’ as a development option.
- Reinstating the requirement for a five-year land supply (plus a ‘buffer’) and strengthening the ‘presumption in favour of sustainable development’

Key Changes (2)

- Focussing ‘design codes’ on areas of greatest change rather than requiring a LPA wide approach and removing references to ‘beauty’ as a policy criteria.
- Removing the requirement for at least 10% of ‘affordable’ housing for home ownership products and placing a greater emphasis on delivering social housing.
- Strengthening the weight given to delivering net-zero through renewable energy and also to modern commercial development such as giga-factories and data centres.
- Strengthening support for cross boundary strategic planning using existing mechanisms, including by highlighting groups of LPAs that would benefit from working together and using powers of direction if necessary.

Planning & Infrastructure Bill

- Streamlining the delivery process for critical infrastructure including accelerating upgrades to the national grid and boosting renewable energy
- Further reforming compulsory purchase compensation rules to ensure that compensation paid to landowners is fair but not excessive
- Improving local planning decision making by modernising planning committees (National Scheme of Delegation)
- Increasing local planning authorities' capacity to deliver (Fees)
- Using development to fund nature recovery where currently both are stalled

English Devolution Bill

- Putting a more ambitious standardised devolution framework into legislation to give local leaders greater powers over the levers of local growth. **This will include enhanced powers over strategic planning**, local transport networks, skills, and employment support, enabling them to create jobs and improve living standards. We will also introduce new powers and duties for local leaders to produce Local Growth Plans

New Towns Task Force



- **Membership:** [New Towns Taskforce set to deliver major housebuilding push - GOV.UK \(www.gov.uk\)](#)
- **Terms of Reference**
[New Towns Taskforce: Terms of Reference - GOV.UK \(www.gov.uk\)](#)

Proposed Method: Algorithm

$$LHN_t = Dwelling\ stock_{t-1} \times 0.8\% \times (1 + Adjustment\ Factor)$$

$$Adjustment\ Factor = \frac{(Three\ year\ average\ affordability\ ratio) - 4}{4} \times 0.6$$

Region	Recent Delivery	Current Method	Proposed Method	0.8% Dwelling Stock Base	Affordability Uplift	% Affordability Uplift
East Midlands	22,890	20,793	27,382	17,631	9,751	55

Housing Delivery in the East Midlands 2002-2022



Leicester & Leicestershire HMA

Local Authority	Recent Delivery	Current Method	Proposed Method	0.8% Dwelling Stock Base	Affordability Uplift	% Affordability Uplift
Leicester	1,014	2,435	1,690	1,097	593	54
Blaby	290	329	559	354	205	58
Charnwood	763	1,115	1,012	626	386	62
Harborough	981	510	706	351	355	101
Hinckley & Bosworth	535	432	689	419	270	64
Melton	340	192	370	195	175	90
NW Leicestershire	789	357	621	387	234	61
Oadby and Wigston	232	198	389	192	197	102
HMA	4,944	5,568	6,035	3,621	2,414	67

Derby HMA

Local Authority	Recent Delivery	Current Method	Proposed Method	0.8% Dwelling Stock Base	Affordability Uplift	% Affordability Uplift
Derby	628	1,244	1,062	906	156	17
Amber Valley	470	351	682	478	204	43
South Derbyshire	1,018	507	606	397	209	53
HMA	2,116	2,101	2,351	1,781	570	32

Nottingham HMA

Local Authority	Recent Delivery	Current Method	Proposed Method	0.8% Dwelling Stock Base	Affordability Uplift	% Affordability Uplift
Nottingham	1,442	1,845	1,451	1,105	346	31
Ashfield*	340	446	604	460	144	31
Broxtowe	292	384	658	410	248	60
Erewash	229	376	569	424	145	34
Gedling	450	460	665	436	229	53
Rushcliffe	917	609	831	433	398	92
HMA	3,670	4,121	4,779	3,268	1,511	46

Central Lincolnshire HMA (Joint Plan)

Local Authority	Recent Delivery	Current Method	Proposed Method	0.8% Dwelling Stock Base	Affordability Uplift	% Affordability Uplift
Lincoln	167		459	363	96	26
North Kesteven	581		690	432	258	60
West Lindsey	618		527	368	159	43
HMA	1,366	1,054	1,676	1,163	513	44

Northamptonshire HMAs

Local Authority	Recent Delivery	Current Method	Proposed Method	0.8% Dwelling Stock Base	Affordability Uplift	% Affordability Uplift
N Northamptonshire	1,784	1,856	2,064	1269	795	63
W Northamptonshire	2,115	2,124	2,584	1473	1,111	75
Northamptonshire	3,899	3,980	4,648	2742	1,906	70

Peterborough (Partial) HMA

Local Authority	Recent Delivery	Current Method	Proposed Method	0.8% Dwelling Stock Base	Affordability Uplift	% Affordability Uplift
Rutland	95	123	264	143	121	85
South Holland	659	427	573	351	222	63
South Kesteven	551	687	912	535	377	70
HMA	1,304	1,237	1,749	1,029	720	70

Northern (S Yorks) HMA

Local Authority	Recent Delivery	Current Method	Proposed Method	0.8% Dwelling Stock Base	Affordability % Uplift	Affordability Uplift
Bolsover	498	195	404	306	98	32
Chesterfield	313	211	558	405	153	38
NE Derbyshire	611	224	622	389	233	60
Bassetlaw	887	260	665	449	216	48
HMA	2,309	891	2,250	1,549	701	45

Peak, Dales & Park HMA

Local Authority	Recent Delivery	Current Method	Proposed Method	0.8% Dwelling Stock Base	Affordability Uplift	% Affordability Uplift
High Peak	352	243	585	352	233	66
Derbyshire Dales	293	216	571	288	283	98
HMA	645	459	1,156	640	516	81

Nottingham Outer HMA

Local Authority	Recent Delivery	Current Method	Proposed Method	0.8% Dwelling Stock Base	Affordability % Uplift	Affordability % Uplift
Ashfield*	340	446	604	460	144	31
Mansfield	424	259	540	410	130	32
Newark & Sherwood	731	437	730	460	270	59
HMA	1,495	1,142	1,874	1,330	544	41

Coastal Lincolnshire HMA

Local Authority	Recent Delivery	Current Method	Proposed Method	0.8% Dwelling Stock Base	Affordability% Uplift	Affordability% Uplift
Boston	324	250	379	252	127	50
East Lindsey	1,159	437	1,091	716	375	52
HMA	1,483	686	1,470	968	502	52

Emerging EMC response

- Support for emphasis on ‘plan-led’ planning, social housing delivery and strategic planning - and not proceeding with the former ‘Infrastructure Levy’
- Notes that levels of public investment in infrastructure have not kept pace with population and household growth in the Region
- Questions ‘greybelt’ as a new policy designation and suggests strategic greenbelt reviews would be more effective mechanism
- Questions the assumptions behind the new standard method and to what extent increasing supply in rural and suburban areas will make housing more ‘affordable’ – either by increasing wages or by decreasing house prices.

House Price/Earnings Growth in the East Midlands (Indexed to 100 in 2012)



Source: [UK House Price Index - Office for National Statistics \(ons.gov.uk\)](https://ons.gov.uk)

Source: [EARN05: Gross weekly earnings of full-time employees by region - Office for National Statistics \(ons.gov.uk\)](https://ons.gov.uk)

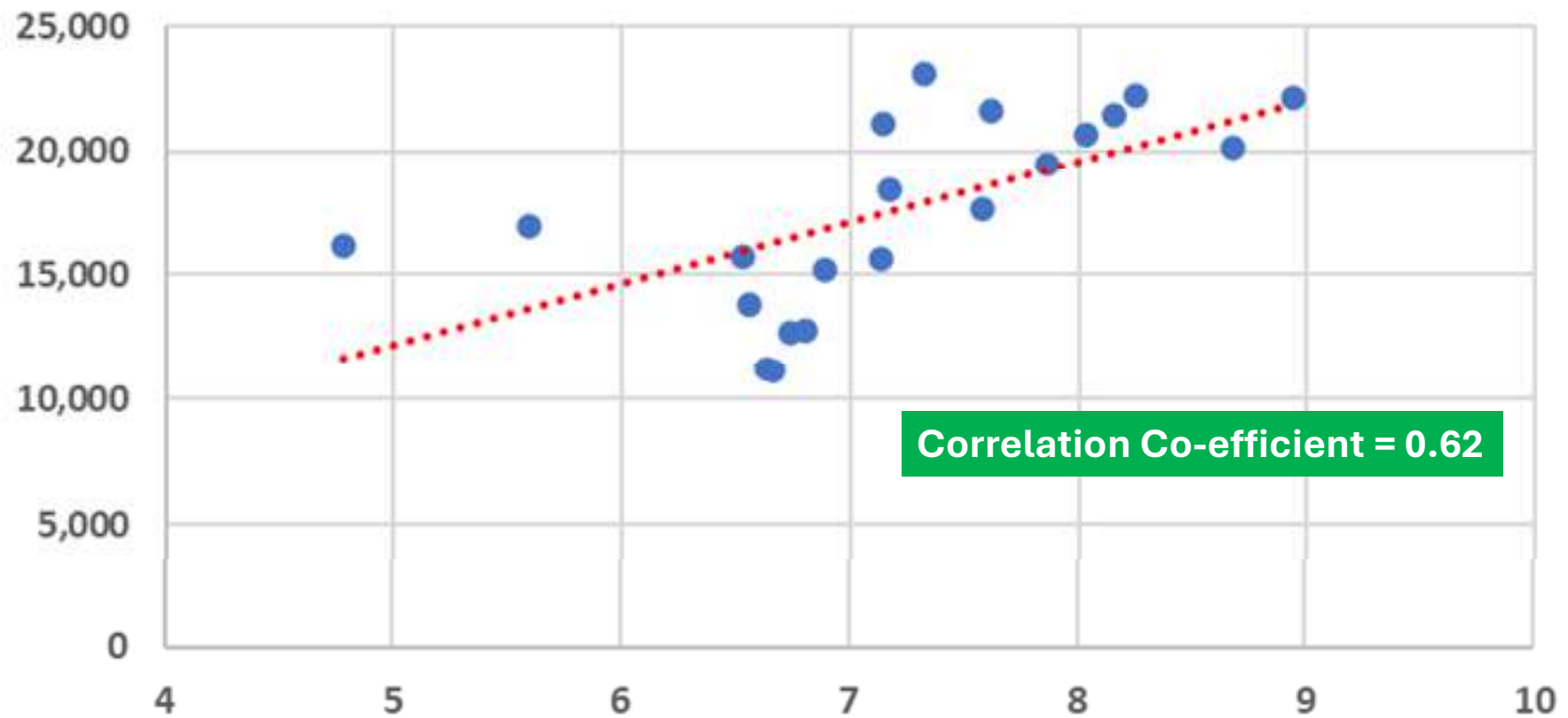
FTSE250/Earnings Growth (indexed to 100 in 2012)



Source: [FTSE 250 FTSE overview | London Stock Exchange](#)

Source: [EARN05: Gross weekly earnings of full-time employees by region - Office for National Statistics \(ons.gov.uk\)](#)

Housing Delivery/Affordability Ratio East Midlands 2002-22



Planning Reforms

Joanne Harding



HOUSING DELIVERY TARGETS



Housing Crisis

- We are in the middle of the most acute housing crisis in living memory. Home ownership is out of reach for too many; the shortage of houses drives high rents; and too many are left without access to a safe and secure home.

Angela Raynor Building the Homes we Need WMS

- 17.5 million people are denied a safe, stable home. This is the housing emergency. It's the broken housing system. Successive governments have failed to provide the good quality, stable social housing people need, leaving millions shut out and struggling to find a secure home. Home is a fundamental human need and a basic moral right. Without that foundation, it's impossible for people and communities to thrive.

Shelter



Housing Crisis

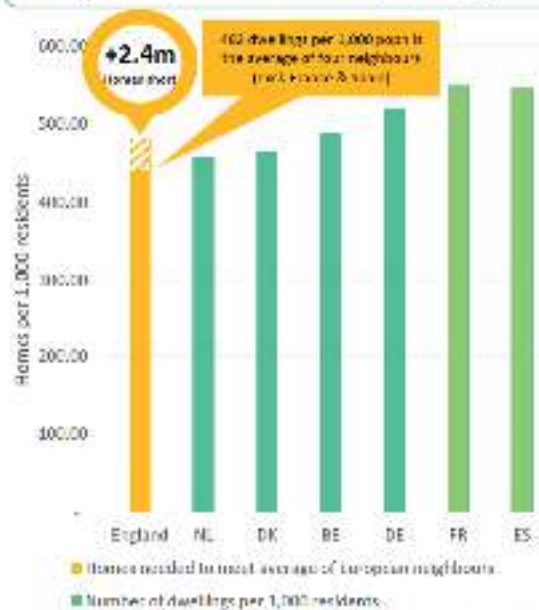
We have a backlog of 2.1m to accommodate those who currently need a home



Source: Census 2021, Digital Housing Survey / UKH&A analysis. Figures may not sum due to rounding. 2021 Base Data. Target vacancy level of 0% based on lower range of average from OECD.

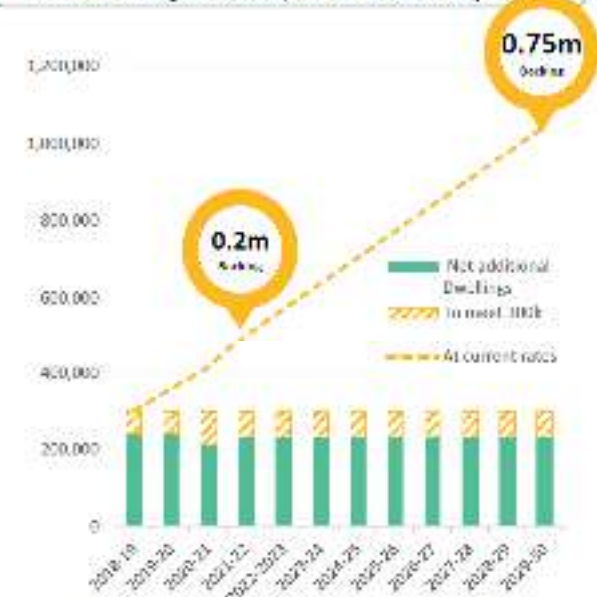


2.4m extra homes would match the homes per capita average in comparable northern European neighbours



Source: OECD / Census 2021 / UKH&A analysis. 2021 Base Data. Benchmark based on Netherlands, Denmark, Belgium and Germany.

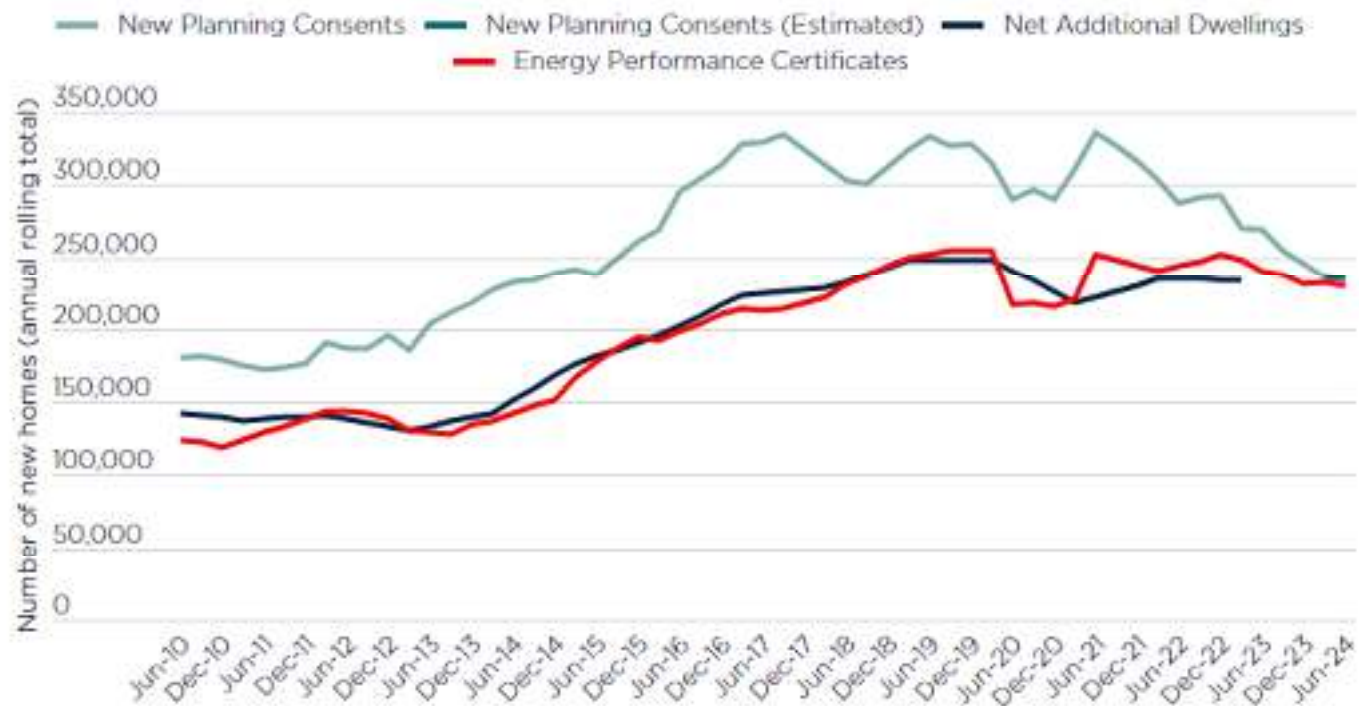
Since 300k became a national target in 2018, the backlog is already 200k and if current rates of housebuilding continued, would be 0.75m by 2030



Source: H&A / UKH&A analysis. Assuming growth of building assuming 200k additional dwellings from 2022.

LICHFIELDS





Source: MHCLG Live Tables 122, NBI, HBF, Glenigan (only 10+ units)

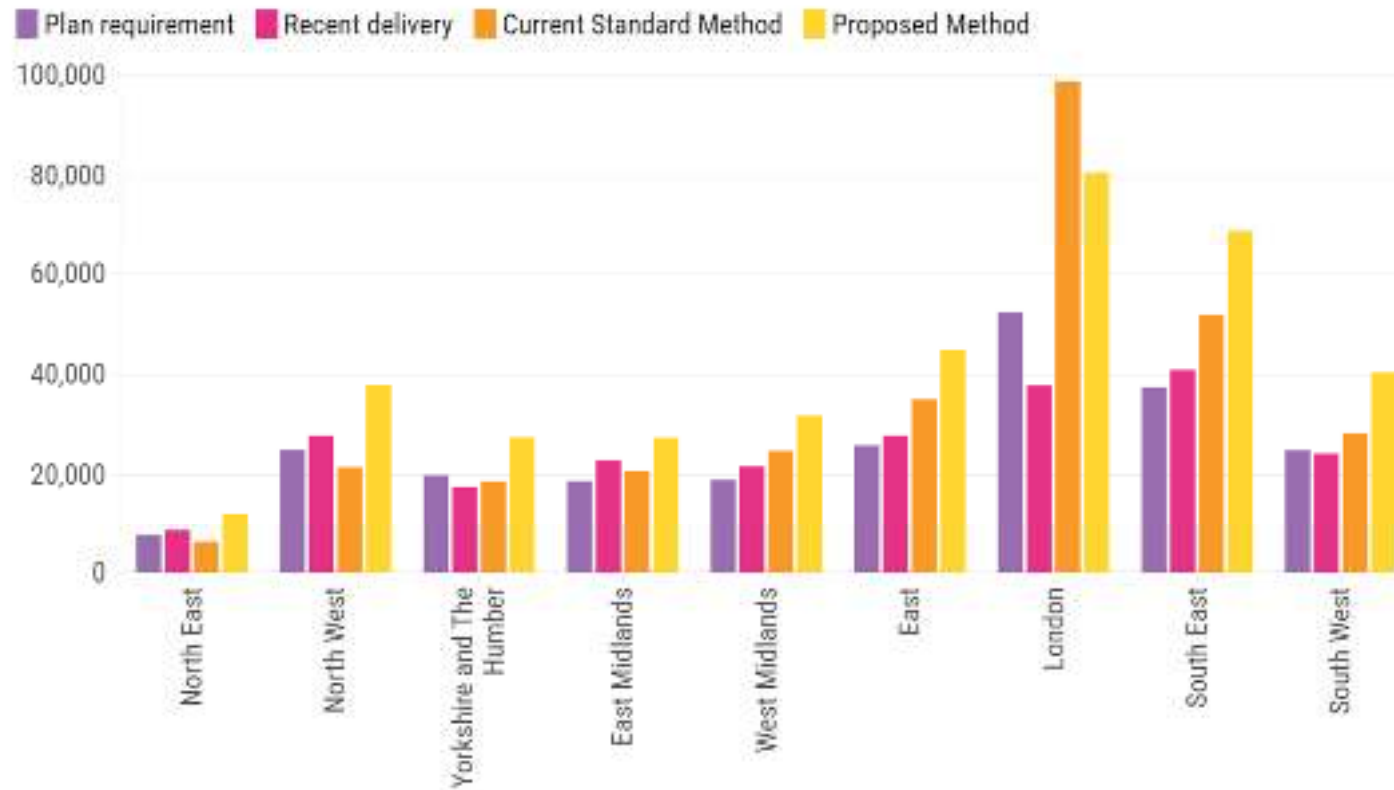


Housing Delivery Targets

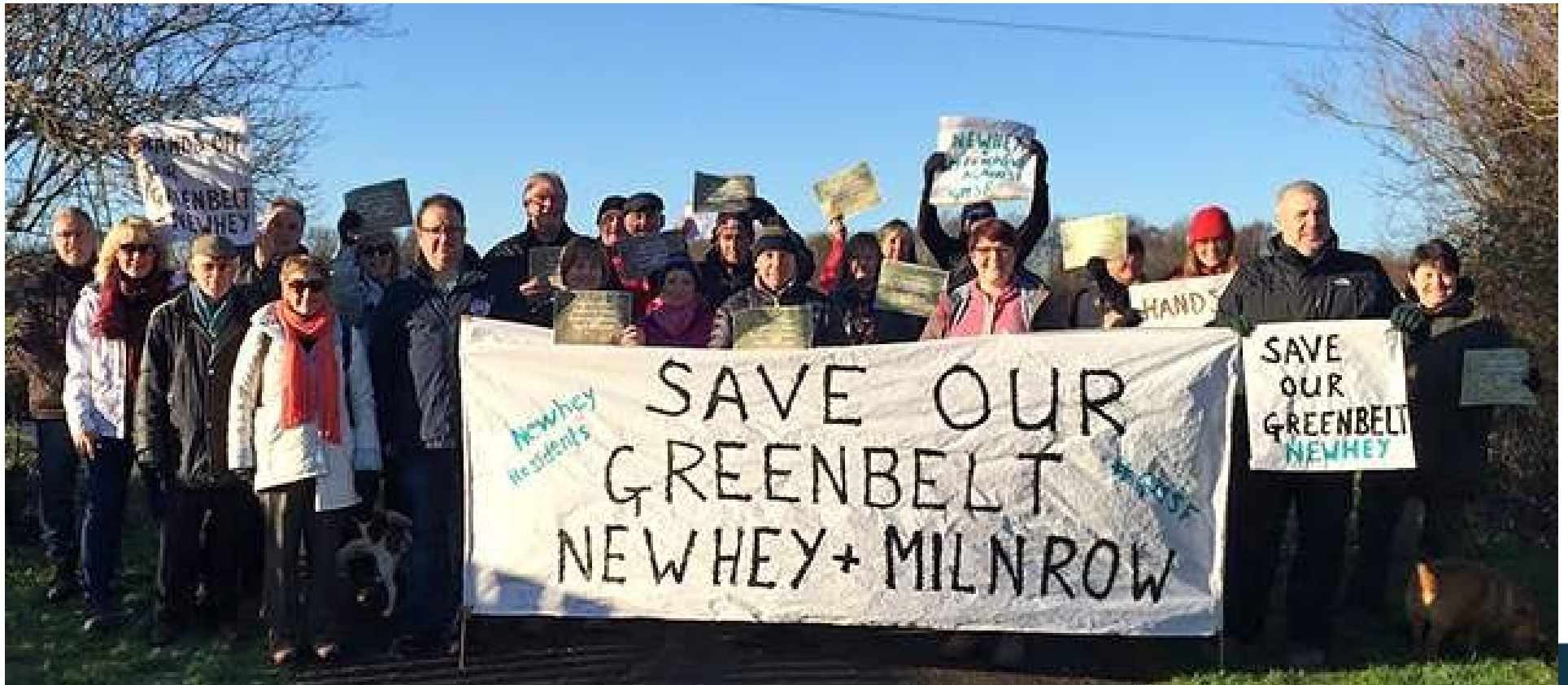
- Government have set ambitious target to build 1.5 million new homes in five years, through a combination of planning reform, new towns and the “biggest increase in social and affordable housebuilding in a generation”.
- New housing target of 370,000
- NPPF amended to make clear the importance of planning to meet housing needs.
- LPAs should use the standard method to assess housing needs.
- LPAs will need to demonstrate they have taken all possible steps, including optimising density, sharing needs with neighbouring authorities and reviewing Green Belt boundaries before a lower housing requirement will be considered.
- Standard Method now based on the existing housing stock plus an uplift in areas with low affordability.



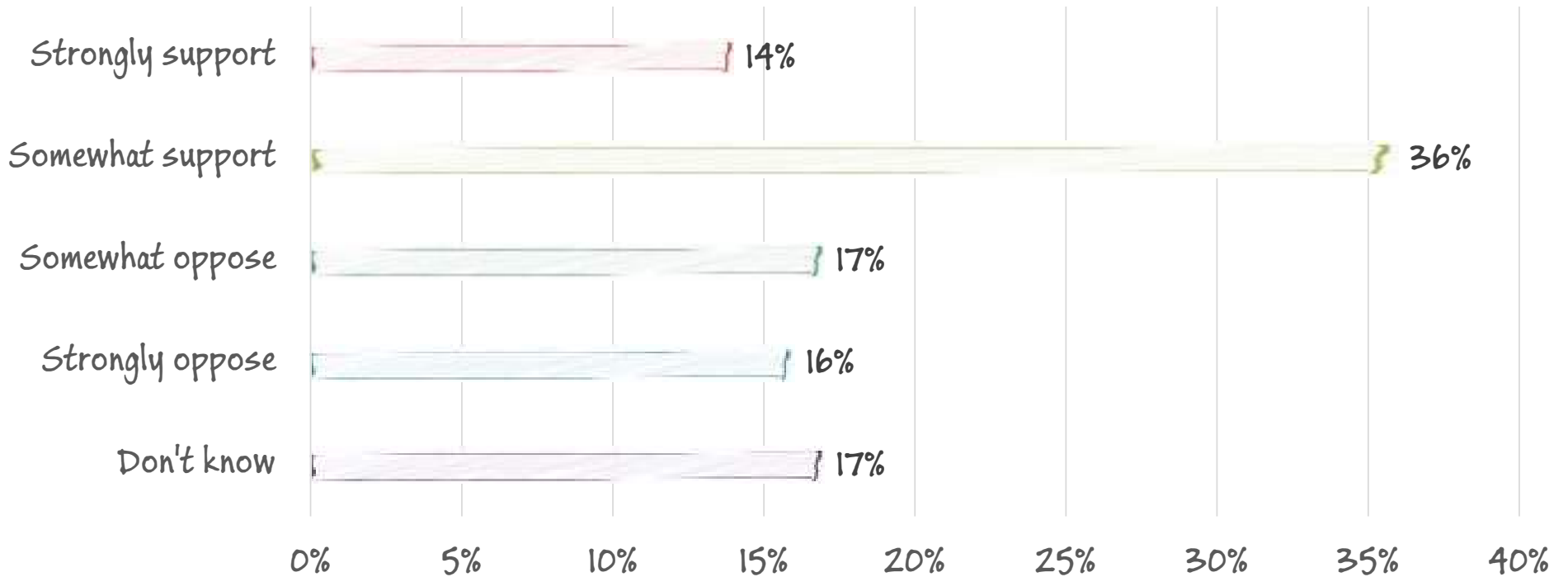
Housing Numbers (MHCLG / Lichfields)



Green Belt Release



Would you support or allow low quality green belt such as scrubland and car parks to be released for housing development?



YouGov

What the world thinks

yougov.co.uk



Housing Delivery Targets

- Grey Belt Impact
 - do we have enough planning lawyers?
- Golden Rules
 - Green spaces – policy requirement or more?
- Impact of 50% affordable housing requirements
 - will it be viable?
 - will landowners sell?
 - will Councils have the resources to CPO?
- Impact of nationally set BMLV
 - will it work?
 - will landowners sell?
 - would it work better than the current system?

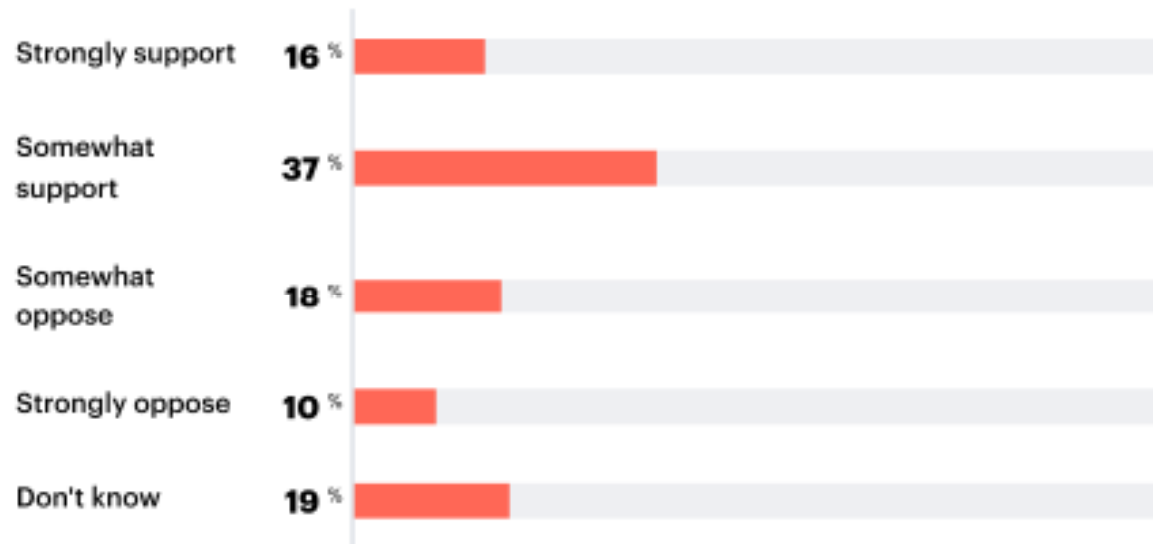


NEW TOWNS



Would you support or oppose building new town sized settlements in the UK in areas with significant unmet housing need?

All adults (2267 GB adults - 10 October 2023)



YouGov | What the world thinks

yougov.co.uk



New Towns

- The New Towns Taskforce launched on 31st July 2024.
- The commission is to be led by Sir Michael Lyons, with Dame Kate Barker as Deputy Chair.
- The New Towns programme is focused on largescale communities of at least 10,000 new homes each, will include large-scale freestanding new communities, urban extensions and regeneration schemes. Which will be governed by a 'New Towns Code' focused on ensuring they are well-connected, well-designed, sustainable and attractive places with all the infrastructure and public services necessary and targeting rates of 40% affordable housing with a focus on genuinely affordable social rented homes.
- New towns will be over and above the planning changes to mee the 370,000 housing target.



New Towns

- Where will they be located?
- Will they be imposed?
- What incentives are there?
- What role will LPAs and City Regions play?
- How long will the legislation take?
- How long will planning take?
- Will Councils have the resources for CPO?
- How will infrastructure be delivered and how long will it take?

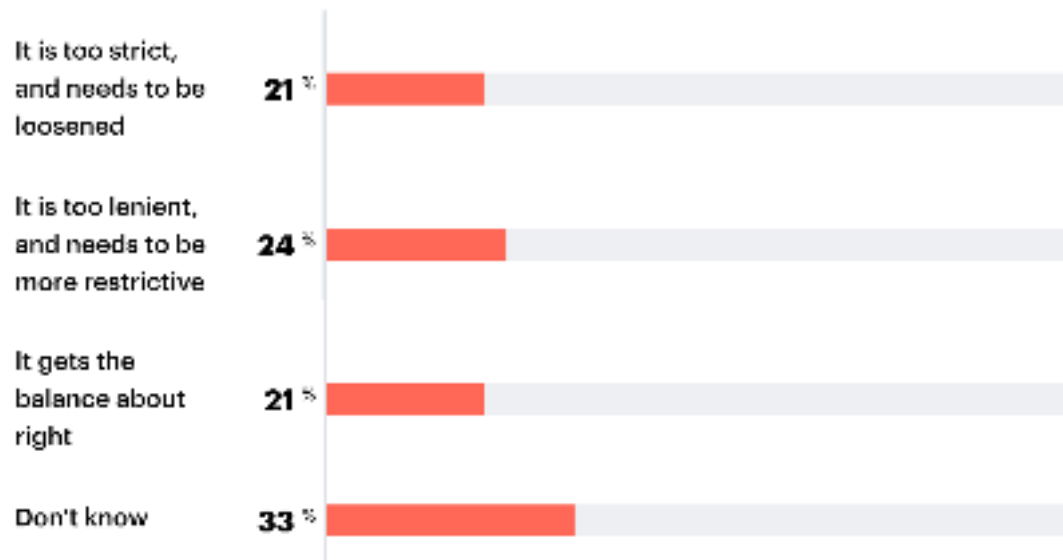


INVESTMENT IN PLANNING



From everything you've ever seen and heard about the UK planning system, is it your impression that . . .

All adults (2267 GB adults - 10 October 2023)

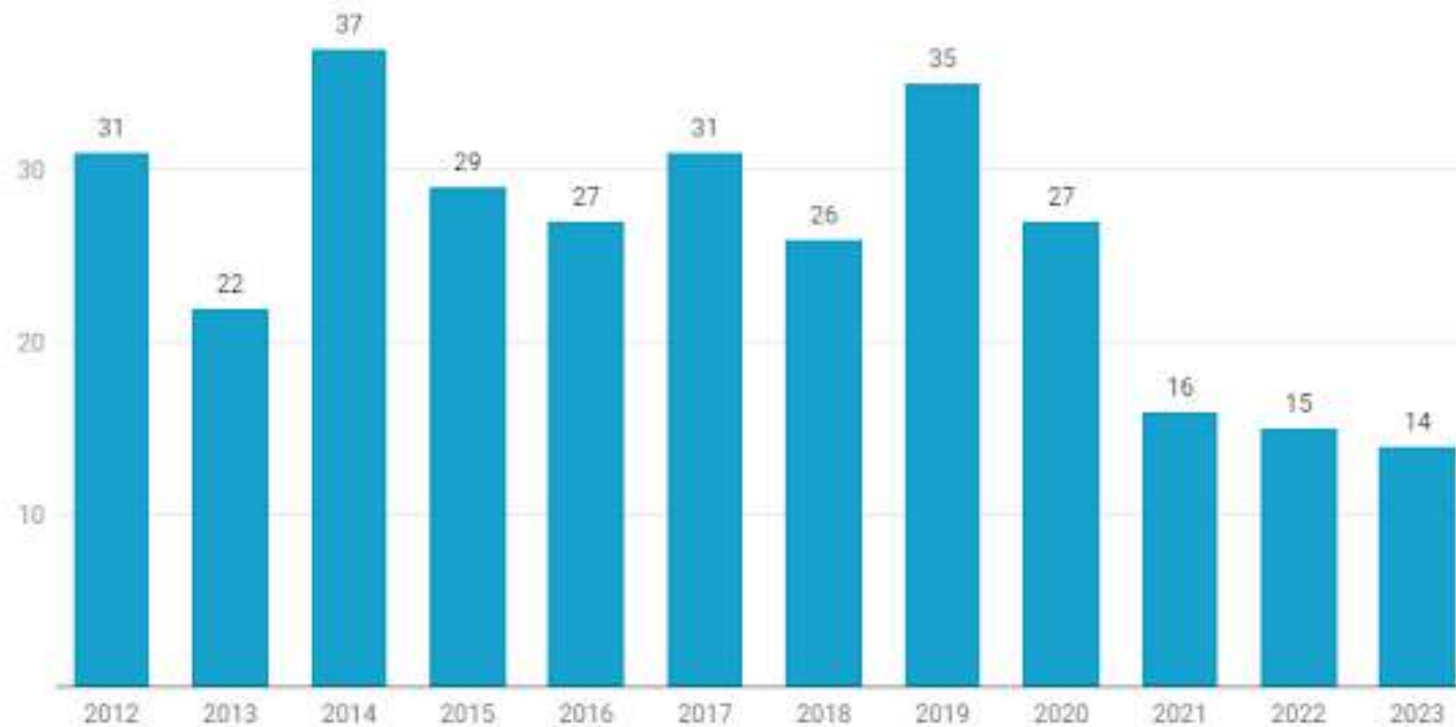


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Number of Local Plans adopted each year 2012-2023



Source: Planning's local plan tracker - [Get the data](#) - Created with [Datawrapper](#)



Investment in Planning

- Will the upcoming Autumn Budget provide additional funding for local planning departments, so they can enhance their capacity and speed up decision-making?
- Will digital planning tools that streamline application processes, reduce paperwork and accelerate approvals?
- Would implementing a national scheme of delegation for planning committees cut delays and increase certainty?



Thank you – Any questions?





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Strategic Planning in England: Current practice and future directions

East Midlands Councils CPD for Planners - September 2024

Hannah Hickman
Associate Professor – Planning Practice

Presentation structure

- Strategic planning: definitions / narratives
- The research brief, and our approach
- Survey findings
- Case study findings
- Questions

Some definitions

“Larger than local planning”

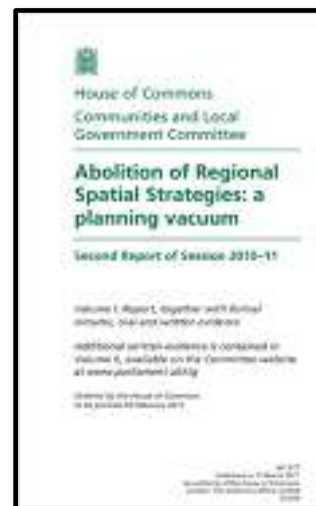
*“**Self-conscious collective efforts** to re-imagine a city, urban-region or wider territory and to translate the results into priorities for area investment, conservation measures, strategic infrastructure investments and principles of land-use regulation” (Healey, 2000)*

*“Strategic matters can be defined as **matters that are very important**, which **concern more than one authority and topic**, relate to extended timescales, and on which decisions need to be made in order to give priority and common purpose to the objectives for an area” (Baker 2011)*

*“The objectives ... have typically been: to construct a challenging, coherent, and co-ordinated vision and to frame an integrated long-term spatial logic It aims to enhance **action-orientation beyond the idea of planning as control** and to promote a **more open multi-level type of governance**” (Albrechts 2017)*

Narratives of strategic planning

- I. Inter-regional planning (e.g. Town & Country Planning Act 1947, “Levelling Up”)
- II. Intra-regional planning (e.g. Regional Planning Fora, County Structure Plans, Regional Planning Guidance, Regional Spatial Strategies)
- III. Market led development (e.g. Thatcherism, “Cities Unlimited”)
- IV. **Localism (e.g. Duty to Cooperate and voluntarism), “*the strategic void?*”**



“Significant uncertainties exist over: local authorities’ ‘duty to co-operate’; the role of the new LEPs; the handling of ‘larger-than-local’ issues in the absence of a regional strategy; and contentious planning issues ... It is not clear how the new systems and schemes will be co-ordinated and how they will work in practice”.

Commentary and analysis of the post 2010 period abounds

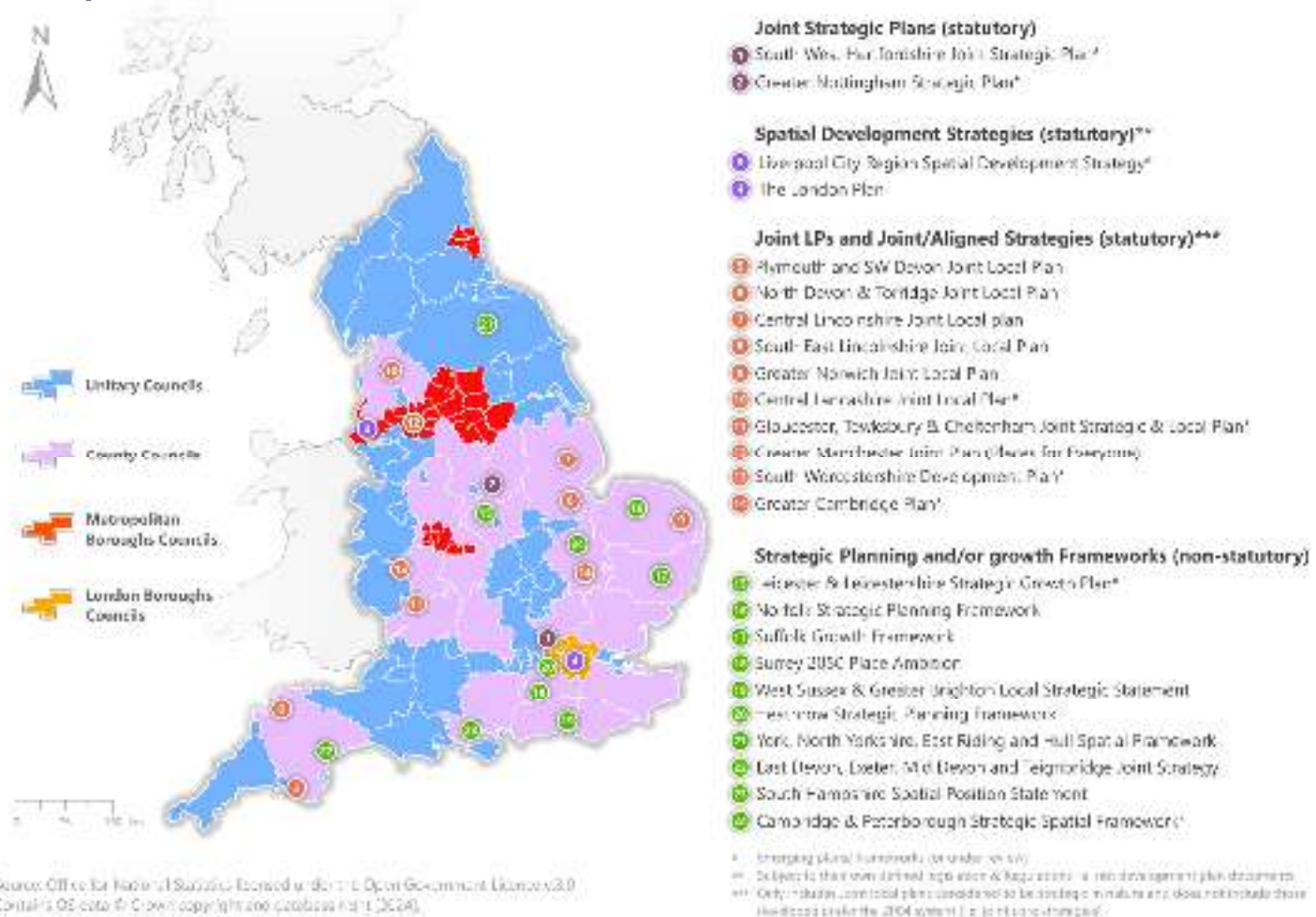


The method

- **Documentary review of current practice**
- **Two national surveys** – 352 valid responses:
 - Local authorities (186)
 - Wider (largely private sector) stakeholders (166)
- **Six –in depth case studies**
- **Four online focus groups**
 - Members of the RTPI's England Policy Committee
 - Practitioners with experience of working in the RTPI's three Northern regions
 - Practitioners with sector specific experience, such as transport, water, housing or the natural environment
 - Practitioners currently working in, or with previous experience in, local and sub-regional government.

420 participants in total

Strategic planning is happening - it is not a complete void



Survey headlines ...

Strategic planning is happening, but *not* everywhere

- 41% of LPA survey respondents reported **no statutory** strategic planning activity
- 25% reported **no non-statutory** strategic planning activity either as a result of:
 - Lack of resources
 - Lack of resources in combination with a lack of interest
 - Recently adopted plans
 - No issues perceived as requiring a strategic approach / relative *“geographical isolation”* and another *“no significant boarder issues to justify resourcing any of these plans”*
 - Uncertainty over national planning policy and reform
- Activity reported varied considerably in content, approach, governance and timescale.

Underpinning *strong* belief in strategic planning amongst public and private sector practitioners

“There are significant environmental and social issues, such as climate change and inequality, that cannot be adequately addressed at a local level.” (Unitary Authority, North East).

“I firmly believe that if you get the planning right, make sure you maximise your natural environment and have a sustainable transport system you will have a thriving economy” (County Council in a 2 tier area, South East).

“Strategic planning is the key stage/level at which an integrated approach can be defined at the outset. Creating a vision that considers not only projections for the economy, demography, households but considers the levers that influence them” (Private Sector, Planning Consultant).

“There has been a complete failure to address the issue of distribution of investment in England. Strategic planning can do that” (Wider Stakeholder, Anonymous).

Barriers to activity

Rank 1 - Lack of a national statutory

*“There must be a **statutory position** for strategic planning to have any **bite**” (Private Sector)*

Rank 4 - Political challenges to collaborative working

Joint rank 5 - Lack of skills or resources to p

*“If it was a statutory requirement it would be done. Similarly, if it was policy requirement it would be done. **The problem is local politics and the illusory benefits of localism**” (Private Sector).*

*“If there is no legal requirement for Councils to work together on cross-boundary matters, they won't due to reasons 3 and 4. **Local authorities do not have sufficient time or expertise to lead on cross-boundary planning**; many of the qualified Planners who worked on Regional Spatial Strategies are now nearing retirement or work in the private sector and therefore the cost of undertaking strategic planning on a cross-boundary scale is excessive as external resources will need to be used” (District Council, NW).*

*“Councils won't/can't act **unless required to do so**. It is just too difficult and expensive. (Private Sector)*

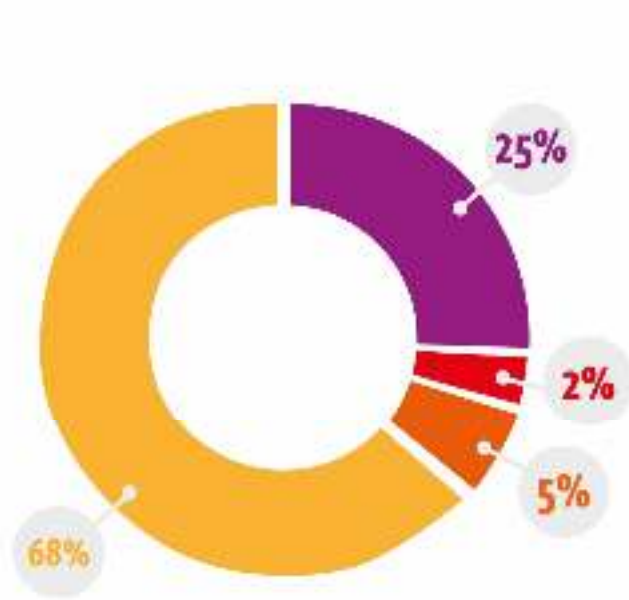
or returns (e.g.

The challenge of current approaches

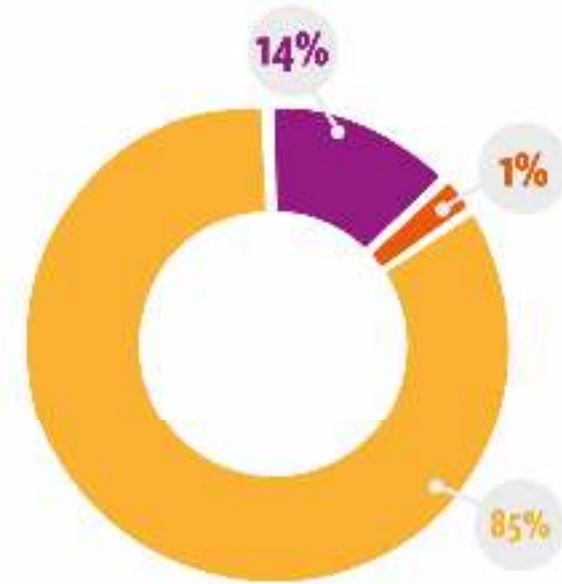
“Following the revocation of RSS, the Duty to Cooperate was ineffective. No clear alternative has been proposed, and joint spatial plans have withered away. Strategic planning practice has struggled in the context of ‘super-’ austerity, resulting in declining capacity and skills. And local government structures have become an assortment of unitary, combined and two-tier arrangements operating at diverse scales and with varied patterns of leadership and powers. Thus a complex patchwork of institutional and policy forms has emerged which lacks overall cohesion and rationale. The current approach is difficult to interpret and to manage, provides little basis for consistency across larger areas, and is at once both congested and attenuated. The overall picture is one of complexity along with a lack of transparency and accountability (Anonymous).”

Appet

Is a change in approach needed?



Local Authority Survey



Wider Stakeholder Survey

Why?

Failings of the existing system, including the insufficiencies of the duty to co-operate

Local politics is too predominant in current approaches – high level decision making allows decisions to be more evidence than political led.

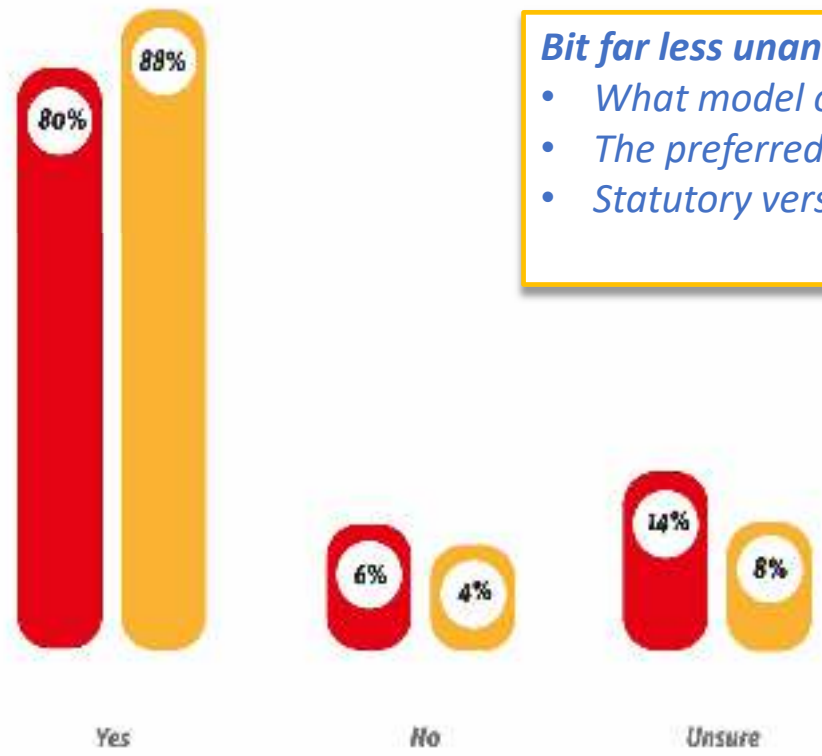
Integrated thinking is needed across sectors – strategic planning has the potential to enable this

A different approach is needed to tackle specific topic-based issues, with housing under-allocation and under-delivery most commonly cited, followed by tackling climate change and net-zero ambitions.

A voluntary approach to strategic planning is innately risky and allows participants to walk away.

Strategic planning is needed to better support local plan making.

Should strategic planning be mandated?

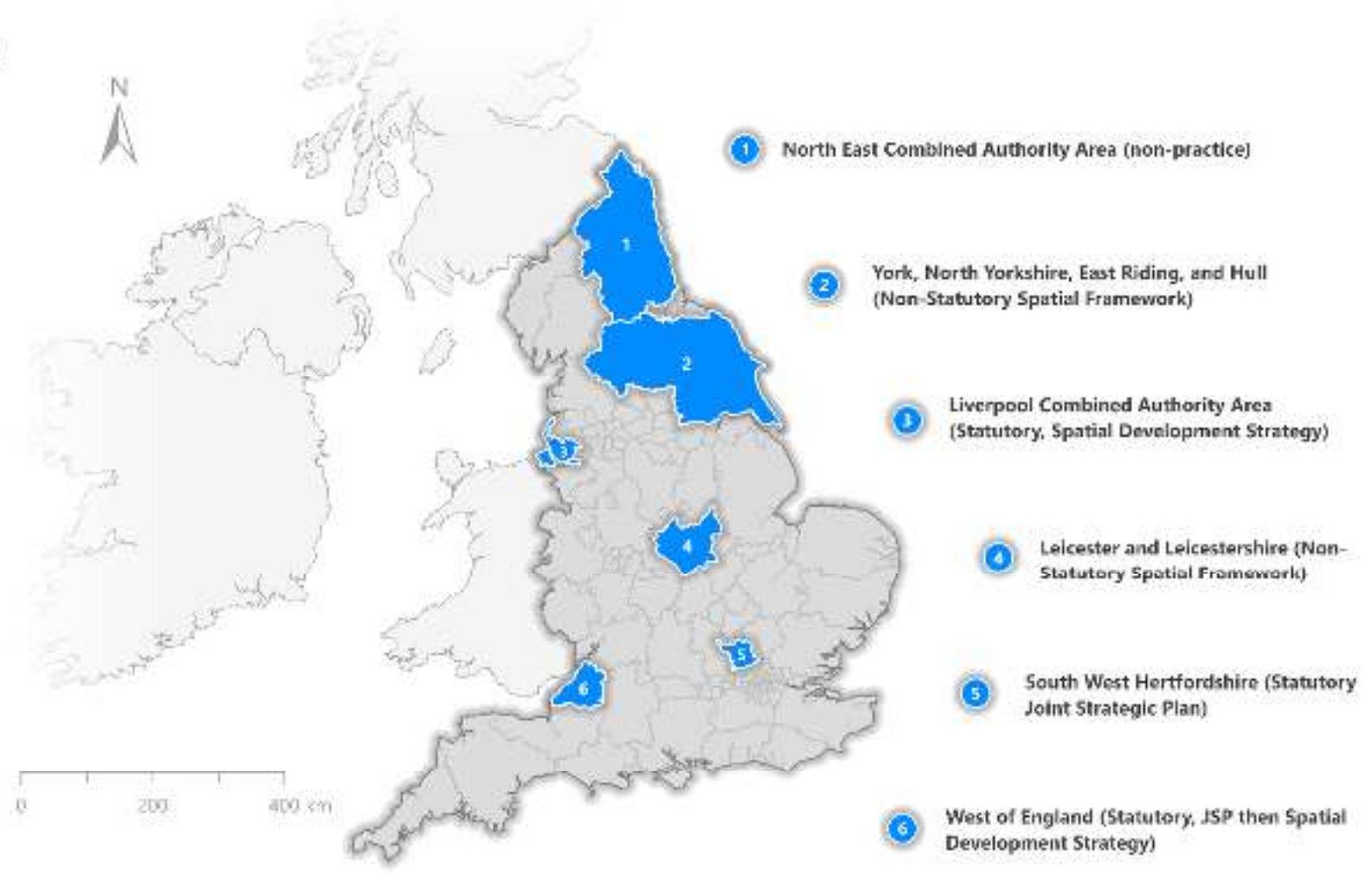


Bit far less unanimity on:

- What model of strategic planning
- The preferred geography
- Statutory versus non-statutory

Pre

ing



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The journey (back) to strategic planning

- **Impact of incremental development, unplanned growth**

“We can’t keep adding on little bits because, not only have residents had enough of that type of development, but the highway network also can’t cope with that kind of incremental development”
- **Competition between local authorities**

“It takes us back to the bad old days of planning for growth on the basis of competition rather than collaboration. The absence of a strategic dimension encourages the undermining of neighbours”.
- **Disconnection between planning for housing and planning for infrastructure**

“National agencies like the Environment Agency or Homes England start saying ‘you can’t keep building here because you’re doing the infrastructure down the road, in another LPA area’”.
- **Failure of Duty to Cooperate**

“Duty to cooperate wasn’t necessarily a difficulty. It was sort of an agreement that we wouldn’t object to each other’s plans”.

Elements of success

- **Shared vision and purpose**
- **Political maturity (including across party divides) or common politics**
- **A history of collaboration**
- **Tight scope**
- The non-statutory option
- Clear governance mechanisms and accountability
- Dedicated staff resource (plus impartiality)
- Being brave, sticking to the challenge
- Links to infrastructure investment (at least theoretically)
- Economies of scale e.g., evidence, digital innovation

Key challenges and limitations

- **Voluntarism inherently risky and effortful**
- **Politics and the destructive power of veto / lack of decision-making clarity**
- **Examination and the threshold of evidence?**
- **Lack of incentives, and real links to investment**
- Progress is slow
- Lack of guidance (double-edged sword)
- Intended impact not foreseen (links to infrastructure investment)
- Limited dedicated resources and expertise
- Ignorance around value of planning – avoidance of planning language

Overarching findings

- Key finding 1 – Strategic planning as currently practised is highly fragmented, resulting in sub-optimal outcomes
- Key finding 2 - There is a clear unmet need for a more effective approach to strategic planning between the national and local levels
- Key finding 3 - Strategic planning should be mandated by Government and implemented across England
- Key finding 4 – Strategic planning should be embodied in a statutory document, but not be ‘a big local plan’
- Key finding 5 - Strategic planning should focus clearly on long-term vision and key cross-boundary issues. There should be sufficient flexibility to address local needs and allow innovation
- Key finding 6 - Strategic planning should provide a sustainable growth led framework for prioritising and coordinating investment in infrastructure

Overarching findings

Key Finding 7 - Strategic planning should have a sub-regional focus and seek to validate existing structures and processes where possible

Key Finding 8 - Strategic planning should be underpinned by clear and comprehensive governance arrangements within a majority voting structure, with direct organisational or individual accountability

Key finding 9 – There is a role for a national spatial framework within which strategic plans can be prepared

Key Finding 10 - The testing of strategic plans needs to be reframed to be proportionate and focussed on the long term

Key finding 11 – There is a need to rebuild the culture, capability and capacity of strategic planning

Conclusions

1. **Resilience of local institutions** in trying to make an imperfect system work
2. **The strategic planning void is a myth**, but current forms are weak
3. The non-statutory “chocolate fireguard” conundrum – **hard infrastructure of the system** appears to matter (Healey)
4. **Planning is associated with risk** rather than being seen as a positive enabler (predominance of housing)
5. Not just a reduction in institutional memory – **there is no institutional memory or experience in many places**
6. **Experience of the last decade has had a constraining effect** on the participant’s response as to what should / could come next. Pragmatism rather than imagination is apparent (Phelps and Valler, 2024)
7. **Appetite for change, but few examples of success**

Links to key findings and the full report

Strategic Planning in England – Current Practice and Future Directions
July 2024

New research makes the case for strategic planning

Strategic Planning in England – Current Practice and Future Directions
Read the new research and why industry leaders believe

More than 86% of planners call for change to strategic planning
New research commissioned by the UWP reveals over 80% of planners call for effective strategic planning

Catriona Riddell: The Journey back to an effective approach to strategic planning
The key findings of new research commissioned by the UWP and how it has shaped her thinking

Hannah Hielman: An appetite for reform
Why the power of strategic planning has not been fully realised

<https://www.rtpi.org.uk/research-rtpi/2024/august/strategic-planning-in-england/>

<https://uwe-repository.worktribe.com/output/12791166>