



BPF RESPONSE TO MHCLG'S
CONSULTATION ON PROPOSED
CHANGES TO THE NATIONAL
PLANNING POLICY FRAMEWORK AND
OTHER CHANGES TO THE PLANNING
SYSTEM

CONSULTATION RESPONSE

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British Property Federation

1. The British Property Federation (BPF) represents the real estate sector – an industry which contributed more than £116bn to the economy in 2020 and supported more than 2.4 million jobs. We promote the interests of those with a stake in the UK built environment, and our membership comprises a broad range of owners, managers, and developers of real estate as well as those who support them. Their investments help drive the UK's economic success; provide essential infrastructure and create great places where people can live, work, and relax.
2. We welcome the opportunity to respond to this ambitious suite of planning reforms proposed by the new Government. We first set out our general comments on both the overall objectives of the consultation and the proposals before turning to the consultation questions. Across various aspects of the consultation paper, we would be delighted to work directly with MHCLG this Autumn to expand further on our comments with a view to improving the proposals further.

General Comments

The BPF strongly supports the positive policy objectives of the consultation to reform the planning system to drive sustained economic growth and development: Our sector is well positioned to play a leading role in this national mission whether that is building the homes the country desperately needs or providing the critical employment space in the right locations to generate more jobs. The importance of the funding and delivery of infrastructure to support development should not be overlooked with a strategic approach taken so that the cost burden for this investment is shared fairly across the private and public sector.

Supporting mixed tenures can boost housebuilding: The move to provide greater certainty in housing needs assessments and to promote mixed tenure developments is a welcome and constructive step forward. There is an opportunity to ensure that the housing needs of diverse community groups—such as students, renters, and older people—are consistently addressed and represented in local plans. By doing so, the NPPF can promote mixed tenure and comprehensive housing delivery, helping meet the target of 1.5 million homes and addressing the specific needs of various population segments that are currently underserved.

Positive policy changes in the National Planning Policy Framework (NPPF) promoting key growth sector such as logistics: The BPF strongly welcomes the positive changes to Chapter 6 of the NPPF which gives more prominence to the needs of a modern economy, including the freight and logistics sector and its crucial role in driving our economy forward.

The UK logistics property sector is made up of the businesses that build, own and manage the critical logistics space and infrastructure that keep the UK running. The sector:

- Contributes £232 Billion of GVA a year to the economy

- Amounts to 3.6 Billion sq.ft of Warehousing Space across the country – roughly equivalent to 56,000 football pitches
- Expects to grow by 50% in the next five years through new investment by our members
- Supports 2.7 million high quality jobs in England paying on average almost £5,000 a year above the national average

With the positive changes in the consultation on employment uses, the sector is well placed to build further on its above economic credentials. In terms of how the Government's proposals for the logistics sector can be improved further, we would suggest policymakers consider the following crucial points:

- **On Strategic Planning:** Our planning system has failed to adequately deal with 'larger than local' employment sites – which has resulted in an employment land crisis. By re-introducing effective strategic planning, it would ensure that industrial and logistics development is more aligned with strategic infrastructure provision and housing growth.

For any new or revised devolution structures (requiring primary legislation) it will be imperative that there is alignment between the strategic planning structures and the relevant functional economic area. In this way, key growth sectors such as industrial and logistics can be effectively planned for at the appropriate spatial and regional scale.

- **Introduce a consistent method across authorities to plan for employment uses:**

A standard method for allocating housing growth across the country has been a feature of our planning system for many years however there is no similar national requirement for calculating employment need. This has resulted in inconsistent approaches across the country emerging and in the absence of effective strategic planning has too often meant that planning for employment has 'fallen through the cracks' of the relevant local plan processes. Ensuring that a consistent national method across all authorities is adopted in combination with effective strategic planning would ensure that the right amount of employment land is planned for in the right locations, satisfying both local and regional employment need.

The importance of these positive policy changes translating into decision-making on the ground: We received feedback from members that it is one thing to make positive policy changes in national planning policy and guidance but the effectiveness of the proposals will be determined by how they play out on the ground in terms of effect on plan-making and decision-making. As the reforms bed in post adoption of a revised NPPF, it will be important that policymakers monitor their impact to make sure the changes are satisfying the overall objectives of the consultation proposals such as speedier decision making and embracing a more positive approach to development generally.

National Benchmark Land Values and a top-down approach to affordable housing risks undermining wider Government objectives to expand housing delivery: As we note in response to the consultation questions, we are supportive of many of the measures proposed in the consultation that focus on creating a step change in housing delivery. However, there is a risk of unintended consequences if national benchmark land values are set at the wrong level and thus undermine the strategic land promotion market resulting in less land coming forward for development. This will mean less homes are delivered in reality. On the affordable housing target of 50% on the Green Belt sites released, a top-down approach fails to consider the different market conditions on the ground and how upfront infrastructure investment will vary scheme-by-scheme which will inevitably impact other forms of developer contributions such as affordable housing. This could mean that less schemes come forward and thus less affordable and all forms of housing are delivered in overall terms.

Resourcing for all parts of the planning system: Members fed back that if the suite of reforms are to achieve the stated policy objectives then making sure all parts of the planning system have the resources they need will be crucial. In the short to medium term, the reforms may trigger greater plan-making across authorities meaning the resource of the Planning Inspectorate will be crucial. Additionally, changes to national policy may also lead to a greater number of appeals in the short term as new national planning policy is tested for the first time in practice. The Government's focus on planning resourcing since taking office is welcome however in order to provide industry and local authorities with more clarity, **we recommend that Government publish a 'Planning Resourcing Roadmap' setting out the overall plan for how planning resourcing will be bolstered** over the course of the parliament.

Making sure statutory consultees have sufficient resources to fulfil their duties in relation to the planning system will also be important. It is all well and good for local authorities to have the resources but if applications are being 'held up' by waiting to hear back from relevant statutory consultees then this will undermine speed of decision making and thus the Government's overall objective of development playing a leading role in driving the economic growth of the country will be undermined. The point around decisions being affected by wider considerations out of the control of the local authority is also relevant in terms of relevant applications going through the assessments in the new Building Safety Regime.

It is worth noting that earlier this year MHCLG were working on a review of statutory consultees and how their interaction with the planning system could be improved. The BPF would welcome clarity on any next steps for this review under the new administration.

Impact of policy layering on speed of decision-making in our planning system: Finally, it should be noted that policymakers should not look at resourcing in isolation when considering how our planning system can be made more effective. Government and applicants can inject more money into the planning system but if that comes up against a general trend towards increased complexity, policy layering and a broad move towards more judgements and forms of assessments being built into the planning system then the speed of decision-making will not be improved. An effective reform agenda should therefore look at where and how resources and skills can be boosted but crucially in combination with a strive towards efficiency and proportionality in all facets of the planning system so we can deploy the skills and resources we do have in the most effective manner.

Chapter 3 – Planning for the homes we need

Question 1: Do you agree that we should reverse the December 2023 changes made to paragraph 61?

3. The Government's decision to reverse the December 2023 changes to paragraph 61 are strongly supported. The broad suite of housing measures through the previous review of the NPPF undermined housing delivery across the country so it is extremely welcome that the new Government have acted in this sphere.

Question 2: Do you agree that we should remove reference to the use of alternative approaches to assessing housing need in paragraph 61 and the glossary of the NPPF?

4. Yes the BPF supports this. It is important there is a consistent approach across all local authorities with a view to reaching 1.5 million homes over the parliament. All areas should be contributing in a proportionate way to achieve this national ambition. Setting the requirement in a consistent and robust manner is an essential base to an effective plan-making system.

Question 3: Do you agree that we should reverse the December 2023 changes made on the urban uplift by deleting paragraph 62?

5. Yes we support the removal of the urban uplift which was an arbitrary mechanism and did not relate to housing need. Many areas where the urban uplift applied simply were not getting anywhere near their targets and thus national housing targets were falling short as a consequence. With no effective mechanism for this need to be met elsewhere, this led to continued under-provision and no plan based response.
6. With the introduction of the proposed standard method, this should lead to a more ambitious and even spread of numbers across the country which is the correct approach.

Question 4: Do you agree that we should reverse the December 2023 changes made on character and density and delete paragraph 130?

7. Yes. This was holding back increases in density and housing provision. Design and impact on local character will still be relevant planning considerations generally.
8. Creating places of higher density in appropriate locations can achieve maximum benefit from limited land, and encourage a mix of land uses, and active transport. Increased density also supports the redevelopment of previously developed land (PDL) or brownfield sites, where challenges like remediation and location might otherwise hinder viability.

Question 5: Do you agree that the focus of design codes should move towards supporting spatial visions in local plans and areas that provide the greatest opportunities for change such as greater density, in particular the development of large new communities?

9. Yes. The BPF is supportive provided this leads to a more positive enabling role and existing resources are focused in areas expecting greatest change. Local planning authorities should be supportive and encouraging towards developers who wish to write a design code for their site, particularly where there is no local code, by responding swiftly to requests to engage in the process.

Design codes for industrial and logistics development

10. The BPF Industrial Committee has significant concerns that local planning authorities and communities do not have the requisite knowledge around the needs of the sector to inform future design codes. Indeed, the great diversity of occupiers and building typologies adds significant complexity as well as market requirements changing over time.
11. The sector's needs/requirements are not static but are constantly changing as a result of demand drivers that include occupier requirements (technological advancements, such as robotisation and automation, ESG and the provision of improved on-site amenities); the wider net zero agenda; land supply constraints and planning policy requirements (e.g. landscape mitigation, BNG, SuDS, and parking standards/charging infrastructure). For example, there has been a trend towards increasingly larger buildings over time to utilise the full cubic capacity of the building. That is driven by land supply constraints; the need to cope with demand volatility and quick changing trends in ecommerce (Black Friday, free returns and next day delivery); changing internal requirements (mezzanines, internal stacking and vertical storage systems and upper level automation) and allowing for vehicle entry clearance. Our views on design coding and industrial and logistics development is set out further in our detailed [response](#) to the Government's future of freight planning call for evidence (pages 62-63)

Question 6: Do you agree that the presumption in favour of sustainable development should be amended as proposed?

12. The objective of clarifying the primary role that the presumption is intended to play in addressing inadequate land supply is extremely welcome. However, the effect of the change to para 11(d) may be to limit the application of the presumption. The proposed wording refers to "supply of land" policies being out of date, whereas if other important policies are out of date the presumption will no longer trigger.
13. Making sure the presumption is effective in practice will be an important feature of our planning system in the years to come with currently less than one third of local authorities having an up-to-date plan with this set to fall further in 2025.

14. In this regard, the Housing Delivery Test is a key component of the presumption and other pro growth policies. The publication of Housing Delivery Test results is very frequently delayed. The results must be published annually and on time, in order that the presumption and other policies in the Framework can operate effectively.
15. Paragraph 8 (b) should be expanded to include the enabling of growth in the economy and provision of jobs is a sustainable social objective, rather than just the provision of homes.
*b) a social objective – to support strong, vibrant and healthy communities, by ensuring that a sufficient number and range of homes **and jobs** can be provided to meet the needs of present and future generations*
16. Whilst we also welcome the Government's recognition that land supply is critical to delivering growth, we would welcome absolute clarity this is for all uses (e.g. employment, housing, etc.). This change to paragraph 11(d) of the NPPF should encourage local authorities to ensure appropriate supply of land for all uses when reviewing Local Plans.
17. Clarity is however required on how the requisite supply is determined. While standard methods exist for housing, all other use classes are often left to speculative and subjective needs cases, with the associated uncertainty sometimes discouraging the right development, in the right place.

Question 7: Do you agree that all local planning authorities should be required to continually demonstrate 5 years of specific, deliverable sites for decision making purposes, regardless of plan status?

18. Yes, but the requirement for a 5-year supply of land should be extended to employment uses too. As set out in the Government's Future of Freight policy paper, across 19 key industrial and logistics markets in England, demand for space has been found to be above the supply of available land and floorspace in each area.
19. In light of this, and as with housing, it is considered that Local Planning Authorities should be required to demonstrate an appropriate 5-year supply of specific, deliverable employment sites for decision making purposes. Such a supply should include sites of a sufficient size and in appropriate locations, to address the objectively assessed needs of an area. The available supply should include appropriate sites for new businesses wishing to move into that area or for existing businesses to expand or improve their facilities.
20. As such, we would recommend New NPPF Para 85 is amended as follows:
b) storage and distribution operations at a variety of scales and in suitably accessible locations. that allow for the efficient and reliable handling of goods, especially where this is needed to support the supply chain, transport innovation and decarbonisation. Planning Policies should identify a rolling supply of specific, deliverable sites for five years following the intended dated of adoption xxx.

Definitions of 'Deliverable' and 'Developable' currently in Glossary to be amended appropriately to be relevant to storage and distribution.

Question 8: Do you agree with our proposal to remove wording on national planning guidance in paragraph 77 of the current NPPF?

21. Yes.

Question 9: Do you agree that all local planning authorities should be required to add a 5% buffer to their 5-year housing land supply calculations?

22. Yes we support. A buffer to the supply of sites builds more flexibility into the delivery of development on the ground allowing for fluctuations in market conditions for example or sites coming forward at a slower pace than previously anticipated.

Question 10: If yes, do you agree that 5% is an appropriate buffer, or should it be a different figure?

23. Yes we broadly support. There were some suggestions that it could be set slightly higher at 10% as 10-20% of permissions do not come forward and as such a 10% buffer would be a better baseline. This would also encourage LPAs to maintain supply at all times.

Question 11: Do you agree with the removal of policy on Annual Position Statements?

24. Yes.

Question 12: Do you agree that the NPPF should be amended to further support effective co-operation on cross boundary and strategic planning matters?

25. Yes, but the Government should go further and establish strategic planning. The papers reference to the need to promote greater strategic planning and more effective cooperation between authorities in the short term under the existing plan-making system is a welcome focus to the consultation. Specific changes made in new NPPF paragraphs 24 and 27 reflecting the need for cross boundary cooperation and direct reference to calculating this across the FEMA is strongly welcomed.

26. The BPF suggests there would be a value in refining new NPPF paragraphs 24 and 27(a) to make explicit reference to the industrial and logistics sector. We provide some draft wording below with our additions outlined in red.

New paragraphs 24 & 27a

“Effective strategic planning across local planning authority boundaries will play a vital and increasing role in how sustainable growth is delivered and key spatial issues, including meeting housing needs, delivering strategic infrastructure (including supply chain/freight & logistics), and building economic and climate resilience, are addressed. Local planning authorities and county councils (in two-tier areas) are continue to be under a duty to cooperate with each other, and with other prescribed bodies, on strategic matters that cross administrative boundaries.”

a consistent approach is taken to planning the delivery of major infrastructure, such as major transport services/projects, supply chains / freight & logistics networks, utilities, waste, minerals, environmental improvement and resilience, and strategic health, education and social infrastructure (such as hospitals, universities, major schools, major sports facilities and criminal justice accommodation);

27. Members also fed back that, as part of joint working and cooperation between authorities, there is a need for a two-tiered approach to employment allocations with the process identifying strategic ‘larger than local employment sites alongside smaller sites to meet more localised needs, similar to the approach used in The London Plan. This is necessary because (as argued in our Future of Freight consultation [response – see Paras 2.10-2.14 and Case Studies 3-8](#)), our plan-making system has largely been ineffective at identifying needs and providing for the logistics sector. This is particularly the case for ‘larger than local’ or ‘strategic’ needs following the abolition of regional spatial planning and its replacement with ‘Localism’. This is qualified by the significant supply/demand gaps experienced in important logistics hotspots across the country, with record take-up, rising rents and record low vacancy rates serving as key market indicators.
28. Furthermore, as referenced in our opening remarks, for industrial and logistics, the fundamental challenge which undermines effective cooperation and joint working across local authorities is the lack of a consistent method, mandated by national planning policy and guidance, to plan for employment need. The difficulties of a piecemeal approach to the calculation of employment need are set out in Paras 2.15-2.21 and demonstrated by Case Studies 9-13 of the BPF’s Future of Freight Consultation Response. In particular, most assessments are based on a historic look-back rather than an aspirational look forward, thereby projecting supply constrained scenarios into the future and accentuating the issue. This is in stark contrast to how national planning policy directs authorities to plan for housing growth which is being strengthened further through the proposals in chapter 4 of this consultation, and risks delivery of the full economic benefits of growth in the industrial and logistics sector.
29. Not having a national approach has resulted in a plethora of different methods being used by local authorities to plan for employment which has inevitably led to inconsistencies across the country. Indeed, in combination with a lack of strategic planning, it has meant that too often planning for employment has simply ‘fallen through the cracks’ of the relevant local plan processes.
30. Ensuring a consistent method across all authorities is adopted in combination with effective strategic planning would enable the right amount of employment land is planned for in the right locations,

satisfying both local and regional employment need. The BPF had previously advocated a method developed by Savills/St Modwen (now Indurent) built on the principle of 'suppressed demand' in our Levelling Up: The Logic of Logistics [Report](#). We presented our methodology to MHCLG in 2022 and we would be delighted to pick up the conversation again about how a national method for planning for employment could be developed and implemented as part of the new Government's planning reform agenda.

31. We suggest the following amendments to the draft revised NPPF which would address the challenges referenced relating to planning for local and strategic sites and the need to plan consistently across local authorities and wider relevant market areas for industrial and logistics. Regarding the amendments below referencing a national method for employment, these are simply indicative as to how such a method could work in national policy and associated guidance.

Paragraph 84(b) to be amended as follows:

*b) set criteria, and identify **local and strategic^x** sites, for local and inward investment to match the strategy and to meet anticipated needs over the plan period. Appropriate sites for commercial development which meet the needs of a modern economy should be identified, including suitable locations for uses such as laboratories, gigafactories, data centres, digital infrastructure, freight and logistics^{xx}.*

Footnote x - local planning

should allocate both strategic employment sites for

'larger than local' needs alongside employment allocations to meet local needs.

Footnote xx - The method for calculating this need is described within the Planning Practice Guidance and should have regard to 'suppressed demand'.

Annex 2: Glossary

Strategic Employment Site: Employment sites that can bring net additional activity and jobs to the Region by attracting nationally and internationally mobile economic activity. They provide accommodation that would not otherwise come forward through the local planning system, principally because they are large sites.

32. The NPPF should also highlight the importance of FEMAs for Local Planning Authorities when identifying employment land need. As set out in the consultation document, the Government was clear in its manifesto that effective mechanisms for cross-boundary strategic planning are required and the identification of FEMAs for the provision of employment land is key to this. Working within FEMAs and linking to regional and national markets to identify employment need and appropriate sites to address that need will help give business the certainty and stability that the Government has stressed the need for.

33. A FEMA approach is of particular importance to I&L (industrial and logistics) given their expansive supply chains. Most I&L occupiers have supply chains linking themselves with their suppliers and end customers of between 1 to 4 hours travel time. The shorter travel time is more typical of local and regional companies, while longer travel times are more typical of larger companies that do business throughout the country. There are also UK-based I&L occupiers who have supply chains that are international in scope.
34. For these reasons, it is especially important when planning for future I&L needs, that a FEMA wide approach is taken. The FEMA approach enshrined in the PPG is broadly the right approach, however it is regularly disregarded by local authorities. For instance, we would contend that no single local authority is a commercial market area in isolation, yet some Local Plan employment evidence concludes that:
- Their local authority boundary represents a self-contained market area; or
 - It is too difficult to define a wider FEMA market so they default back to their own administrative boundary.
35. These conclusions are not reflective of market realities when you consider even the smallest I&L occupiers have supply chains linking themselves with their suppliers and end customers of at least 1 hour travel time which in most cases would span multiple local authority administrative boundaries.
36. When a FEMA area is defined, in most cases they are determined based on a narrow range of considerations, typically housing market areas, travel to work areas and administrative areas. The other useful considerations outlined in Paragraph: 019 (Reference ID: 61-019-20190315) of the PPG, that are more relevant to commercial uses, are typically ignored. These are listed below:
- Extent of any Local Enterprise Partnership within the area;
 - Flow of goods, services and information within the local economy;
 - Service market for consumers;
 - Catchment areas of facilities providing cultural and social well-being; and
 - Transport network.
37. Even those with limited knowledge of the I&L sector would acknowledge the above considerations are relevant when defining FEMAs relevant to I&L uses. **We therefore recommend that Local Plan employment evidence is required to take a more systematic approach when defining a FEMA that considers all the criteria listed in the PPG Paragraph: 019 Reference ID: 61-019-20190315. This requirement should be included in the NPPF, potentially at Paragraph 28:**

"In order to demonstrate effective and on-going joint working, strategic policy-making authorities should prepare and maintain one or more statements of common ground, documenting the cross-boundary matters being addressed and progress in cooperating to address these. These should be produced using the approach set out in national planning guidance^{xxx}, and be made publicly available throughout the plan-making process to provide transparency. Plans come forward at different times, and there may be a degree of uncertainty about the future direction of relevant development plans or plans of infrastructure

providers. In such circumstances strategic policy-making authorities and Inspectors will need to come to an informed decision on the basis of available information, rather than 11 waiting for a full set of evidence from other authorities

38. Given the characteristics of storage and distribution uses, is it important that plan-making authorities define the appropriate FEMA in line with the guidance set out in the PPG (see 019 Reference ID: 61-019-20190315) and calculate need at this scale before apportioning it to the local authority level.

Question 13: Should the tests of soundness be amended to better assess the soundness of strategic scale plans or proposals?

39. Yes
40. Typically, the requirements of strategic scale plans go beyond that of local authority boundaries, which creates significant issues when Inspector's seek to examine, and require strong and pro-development authorities to promote.
41. We however fully support Development Plan policies that are drafted flexibly to enable demand/need-led development to come forward within Plan periods. Our planning system must be dynamic and flexible to ensure we are able to meet the requirements of the market as they come forward.
42. England and the UK is competing on a global scale to attract investment, and we must not have policies that prevent growth in appropriate locations.

Question 14: Do you have any other suggestions relating to the proposals in this chapter?

43. The consultation says it intends to "reverse other changes to the NPPF made in December 2023 which were detrimental to housing supply". However, paragraph 14a has not been reversed.
44. The pre-2023 version of the NPPF said at 14a:

In situations where the presumption (at paragraph 11d) applies to applications involving the provision of housing, the adverse impact of allowing development that conflicts with the neighbourhood plan is likely to significantly and demonstrably outweigh the benefits, provided all of the following apply [footnote 9 ref]:
a) the neighbourhood plan became part of the development plan two years or less before the date on which the decision is made

45. It is not clear why the new Government has decided that this protection should remain, particularly if there is not a five-year supply of housing. If the two-year period is not reintroduced the Government should give a clear explanation of why this part of the policy intent is not to be addressed.

46. Regarding the requirement in the Town and Country Planning (Local Planning) (England) Regulations 2012 for local plan review at least every five years, which is referenced in the NPPF (proposed para 34), what constitutes a review should be clarified, potentially with reference to PPG text, which should set the minimum that should be undertaken. This should require a meaningful consideration of whether updates are needed.
47. On strategic planning and existing devolution structures, members also discussed the challenge of aligning new and existing devolution structures with the relevant market areas for industrial and logistics. For example, the Manchester and Liverpool City regions are covered by separate devolution structures however from a regional economic perspective it operates as one market with the key consideration for logistics schemes being proximity to the M6 corridor rather than whether the site falls within the Manchester or Liverpool area.
48. Therefore, for existing devolution structures, it will be important that there is alignment and joint working between relevant combined authorities so that employment need can be planned for in a holistic and strategic fashion rather than in competition.
49. This particular challenge makes the case for policymakers to consider some form of national strategy for logistics which would set out how separate devolution structures can work together to tackle shared employment need. As set out in the [BPF Logistics Manifesto](#), published in May 24, we offer to develop a National Supply Chain Infrastructure Framework (NSCIF) in partnership with Government which would place logistics capacity at the heart of its economic strategy for growth. This national strategy would sit alongside the NPPF as a material consideration in planning decisions and would guide local and combined authorities in their approach to the production of their evidence base across a defined market area (such as in the Liverpool/Manchester example referenced above).

Chapter 4 – A new Standard Method for assessing housing needs

Question 15: Do you agree that Planning Practice Guidance should be amended to specify that the appropriate baseline for the standard method is housing stock rather than the latest household projections?

50. Yes. The BPF are strongly supportive of the standard method using housing stock rather than the latest housing projections as the basis for calculating housing numbers across the country. The BPF in the past have been critical of the existing standard method in that it baked in lower numbers in areas of the North and Midlands which were ambitious for housing growth.
51. With the revised method leading to higher numbers in the North and Midlands, the new method appears to be a more sensible and fair distribution of numbers across the country. Whilst numbers are down in London, it should be noted that the figure generated is still well above what London is currently achieving. We should also not confuse identifying the requirement and the policy response.

Question 16: Do you agree that using the workplace-based median house price to median earnings ratio, averaged over the most recent 3 year period for which data is available to adjust the standard method's baseline, is appropriate?

52. Yes this produces a more representative and less volatile measure.

Question 17: Do you agree that affordability is given an appropriate weighting within the proposed standard method?

53. We are supportive of the approach and weighting MHCLG have adopted as it results in a fair proportionate split across the country.

Question 18: Do you consider the standard method should factor in evidence on rental affordability? If so, do you have any suggestions for how this could be incorporated into the model?

54. We strongly support evidence on rental affordability being factored into the standard method, to ensure that rented homes are not overlooked in relation to for sale homes when assessing need. A 'whichever is larger' approach is used, where local authorities are required to calculate rental affordability alongside for sale affordability, and make the adjustment upwards based on whichever is the starkest of the two. Rental affordability here should be based on a percentage of income spent on rent.

Question 19: Do you have any additional comments on the proposed method for assessing housing needs?

55. Private sector investment in additional supply of market rental housing is growing (Build to Rent, Purpose-Built Student Accommodation, and Older Peoples' Housing). Some of these sectors are still relatively new and thus not yet reflected in local plans. Whilst their reflection in SHMAs is improving, there is significant variance in the quality of analysis. We advocate a more standardised approach, which local planning authorities and their consultants could follow – this should require needs assessments for the different rented tenures, to be updated at least bi-annually.

56. From looking at existing local SHMAs and plans, there is a significant disconnect between the first and second requirements of para. 63. More SHMAs are assessing need for these groups and although demand for rental accommodation is growing strongly it is not being reflected in planning policies. We believe the wording of para. 63 should be stronger, and place greater emphasis on these housing needs in planning policies.

57. There should also be greater policing of this part of the NPPF at the stage of PINS inspecting a local plan.

58. To support more consistent needs assessments, we recommend the addition of definitions of Purpose Built Student Accommodation and Co-Living into the NPPF glossary. Below are definitions used in London Plan Guidance, which our members support as adequate definitions:

- a. *Co-Living: Co-Living, also referred to as purpose-built shared living, is a type of non-self-contained housing that is generally made up of at least 50 private individual rooms and communal spaces, and facilities. Co-Living generally provides accommodation for single-person households who cannot, or choose not to, live in self-contained homes or HMOs.*
- b. *Purpose-built Student Accommodation: Purpose-built Student Accommodation: purpose-built housing dedicated, at least in term time, to full-time students. It may be new-build or converted from other uses. It typically consists of one or more blocks containing a mixture of studio and/or multi-bedroom 'cluster flats' (linked to kitchen/dining/living rooms) and additional shared amenities targeted at student lifestyles and support (e.g. for socialising, studying, laundry, health and wellbeing). Blocks are managed by the provider, which is either a university or specialist landlord, though bedrooms are let individually, usually for an academic year.*

Chapter 5 – Brownfield, grey belt and the Green Belt

Question 20: Do you agree that we should make the proposed change set out in paragraph 124c, as a first step towards brownfield passports?

59. The BPF are supportive of wording changes to this part of the NPPF as a first step towards the further development of brownfield passports. Our members are of the view that there is still quite a lot of work to do to really flesh out what a brownfield passport looks like in practice and the tangible benefits for applicants. At the moment, it is not clear what a brownfield passport is intended to be. Is it to be a purely procedural "fast track" or will it also benefit in other ways? One challenge that will need to be faced is that, often, brownfield sites have complex and abnormal characteristics that may not necessarily be suited to a "one size fits all" approach.
60. Another area which will require further work, related to the above is how a brownfield passport will address the specific challenges of bringing forward difficult brownfield schemes such as the complex policy layering of both local plan and strategic plan policies and complexities of hearing back from certain relevant statutory consultees. In other words, what can tangibly be achieved to overcome these typical barriers to development for more difficult brownfield development?
61. The BPF is working up a paper on brownfield land/brownfield passports which covers the existing policy context, challenges and some potential avenues for reform. We will share with MHCLG separately in

due course and will be responding to the Ministry's Call for Evidence on brownfield land just announced.

Question 21: Do you agree with the proposed change to paragraph 154g of the current NPPF to better support the development of PDL in the Green Belt?

62. Yes. The proposed change simplifies the circumstance in which this type of development would "not be inappropriate" and is an improvement to the drafting of the NPPF.

Question 22: Do you have any views on expanding the definition of PDL, while ensuring that the development and maintenance of glasshouses for horticultural production is maintained?

63. We are generally supportive of the expansion of the definition of PDL in the way proposed. The current planning system allows for local planning authorities, through their development plan and development management functions, to specify if particular protections for existing or new horticultural production facilities are required.

Question 23: Do you agree with our proposed definition of grey belt land? If not, what changes would you recommend?

64. We received feedback from members that the proposed definition of grey belt land will require more work in consultation with industry. It is critical that policymakers get this definition right otherwise there is a risk that the definition will simply get fought out in planning appeals and through planning case law. The definition needs to strike the right balance between being precise and objective in order to provide certainty for local planning authorities and developers alike, while also allowing flexibility so that it succeeds in releasing sufficient appropriate land for development so as to be an effective measure. The definition needs to be sufficiently open to enable non-PDL land to be considered as not having the requisite level of contribution to the Green Belt purposes.

65. The reference to "limited contribution" is unclear. This should at the very least refer to "limited or no contribution". We received feedback that the definition could be expanded so that land which does not make a strong contribution to the purposes of the greenbelt overall (but which might make a strong contribution to purpose to one of the purposes) can be considered grey belt. The definition should include land safeguarded for development in local plans as it has been found suitable for future development needs but can accelerate supply immediately. Safeguarded land should be prioritised for release after brownfield land within the Green Belt.

66. Other comments focused on whether the definition could be expanded to also include areas that are technically Green Belt but are not contributing to its overall purpose. For example, across our northern towns and cities there are little areas of Green Belt which separate small suburbs from each other and then there are outer larger areas of greenbelt land. The latter is clearly serving the purpose of the greenbelt in preventing urban sprawl whereas the former is perhaps not. Therefore, a distinction can

be made between these two types of Green Belt land with the land that is not serving the purpose of the Green Belt brought into scope for development where it makes sense to do so.

67. It was also suggested that proximity to existing transport infrastructure could be included into the definition of grey belt land which should come forward for development.
68. We also need to separate out the process for review of Green Belt boundaries and the definition of exceptional circumstances (i.e. plan-making) and then Very Special Circumstances on application as a departure from the local plan and also what is and isn't inappropriate development (i.e. would not trigger a Green Belt assessment). More work is required on all.
69. There is some confusion now between PDL and grey belt and the distinction is not clear. Development is not inappropriate on PDL if it would not cause substantial harm to the openness of the greenbelt. Development on grey belt is also not inappropriate and can include PDL provided it makes a limited contribution to Green Belt purposes.
70. The drafting of the definition could be clearer. We consider that "any other parcels" adds nothing and should be removed. Does the PDL have to make a limited contribution or does that restriction apply only to the other areas of Green Belt? We suggest that the definition is redrafted as follows:

Grey belt: For the purposes of plan-making and decision-making, 'grey belt' is defined as land in the Green Belt comprising either:

- a) Previously Developed Land; and*
*(b) any other **parcels and/or** areas of Green Belt land that make a limited **or no** contribution to the five Green Belt purposes (as defined in para 140 of this Framework), but excluding those areas or assets of particular importance listed in footnote 7 of this Framework (other than land designated as Green Belt).*

Question 24: Are any additional measures needed to ensure that high performing Green Belt land is not degraded to meet grey belt criteria?

71. We do not see this as a real risk. What little risk there is would be outweighed by the onerous and potentially punitive nature of any "additional measures". It is unclear how Government would impose such an obligation on a landowner to maintain the quality of the Green Belt land it holds or to maintain it as best and most versatile agricultural land (as the case may be) and it is not the role of the planning system or the NPPF to uphold these standards outside of the context of development proposals (such as the BNG regime). We would tentatively suggest that such measures are more appropriate in some form of positive "reward orientated" agricultural or land management grant system.

Question 25: Do you agree that additional guidance to assist in identifying land which makes a limited contribution of Green Belt purposes would be helpful? If so, is this best contained in the NPPF itself or in planning practice guidance?

72. Yes. Guidance will help ensure a consistent approach to decision-making and that the new policy is applied and implemented as quickly as possible. Our view is that this could be in planning practice guidance, which is able to be adapted as circumstances change and thinking evolves through experience. Any additional guidance must be illustrative and not be overly prescriptive.
73. It should also be considered that the same rules for "grey belt" should apply in areas designated "Countryside beyond the Greenbelt" which usually have similar locally restrictive planning policies to Green Belt.

Question 26: Do you have any views on whether our proposed guidance sets out appropriate considerations for determining whether land makes a limited contribution to Green Belt purposes?

74. Subject to our previous comments, the proposed definition of "limited contribution" set out within para 10 in Chapter 5 of the consultation document is supported. There is a well established practice of assessing the contribution of land to Green Belt purposes. This often adopts the spectrum of contribution: "none"; "limited", "moderate"; "strong". This is a helpful framework which can help ensure consistency of approach. We think there is potential for an additional limb to be added to list (b) to be something like "land of poor visual or functional amenity value". We appreciate this is a subjective limb but there will be examples of land that, while not PDL, is nevertheless in a condition that contributes little to the Green Belt.
75. PPG could usefully be updated to provide guidance on the assessment of impacts. This would help planning authorities, developers and Planning Inspectors to make decisions in a consistent way and minimise the potential for such matters to occupy Court time via judicial review of planning decisions. We do not propose that these reforms are delayed by needing to put this guidance in place first and so we suggest that the NPPF does not refer to the methodology being set out in guidance.

Question 27: Do you have any views on the role that Local Nature Recovery Strategies could play in identifying areas of Green Belt which can be enhanced

76. The Local Nature Recovery Strategy system will be implemented by local authorities active in the planning process. The LNRS system will be material to the development plan promotion process (among other things). We do not consider it necessary to link the LNRS expressly to Green Belt enhancement. The systems are complementary, and the Green Belt will provide one source of land and habitat that can be enhanced by an LNRS. The need to create and improve habitat for many reasons (not least as BNG donor sites) will be incentive enough.

Question 28: Do you agree that our proposals support the release of land in the right places, with previously developed and grey belt land identified first, while allowing local planning authorities to prioritise the most sustainable development locations?

77. Ensuring that the application of policies on Green Belt and grey belt encourages sustainable development is critical. Broadly speaking, the proposed wording provides a clear framework for approaching judgements about the contribution made by individual parcels of land to the Green Belt as a whole. The same consideration for sites in "Countryside beyond the Green Belt" should apply as noted in para 44 above.
78. However, for the provision of industrial and logistics space, the position of land relative to transport infrastructure and the wider supply chain is a leading factor in determining the 'right place' for modern development which help businesses to become more productive and environmentally sustainable.
79. It is important that the planning system accounts for these important factors, which go beyond the purposes of the Green Belt but are fundamental to delivering sustainable development.
80. We received feedback from members that there should be additional wording at the outset of Section 11 acknowledging that brownfield and grey belt land will not be sufficient to supply all land required in a locality and that local authorities must continue to investigate other land suitable for development.

Question 29: Do you agree with our proposal to make clear that the release of land should not fundamentally undermine the function of the Green Belt across the area of the plan as a whole?

81. Carefully constructed guidance on what constitutes fundamental impact should help consistent implementation of the policy. We are not sure this clarity is necessary because of the way in which the tests for the release of grey belt land are worded. There is a risk that, in trying to be clear about the overall function of Green Belt, it becomes one more test that can be applied and/or challenged.

Question 30: Do you agree with our approach to allowing development on Green Belt land through decision making? If not, what changes would you recommend?

82. Yes, this is strongly supported. Under the existing planning system, even when a local authority has an out of date plan and no five year housing land supply/unmet commercial needs Green Belt preservation tends to be prioritised over these considerations.
83. This proposed change relating to grey belt provides a pragmatic route to support housing and employment delivery where either a local plan is not in place, is out of date or simply isn't delivering. There must continue to be strong incentives for local planning authorities to maintain up to date development plan policy to ensure sufficient land supply for development and to take responsibility for positive planning in an area.

Question 31: Do you have any comments on our proposals to allow the release of grey belt land to meet commercial and other development needs through plan-making and decision-making, including the triggers for release?

84. Our member roundtables discussed the impact of the proposed suite of changes relating to the 'grey belt' and the specific impact for the industrial and logistics sector. We received feedback from member which questioned the suitability of grey belt sites for larger industrial and logistics facilities in terms of size, location, sustainability credentials etc. On the other hand, it was suggested that the new additions in the NPPF on grey belt could help facilitate logistics facilities at the smaller end of the market located around edges of towns and cities for example.
85. It should be noted if a site of any strategic scale was to be released in a key logistics market such as the West Midlands, then that would inevitably involve some form of conventional Green Belt release. In conclusion, there is therefore some scepticism that grey belt as defined in the consultation paper is as relevant for the industrial and logistics sector for larger supply chain focused facilities.
86. Therefore, our concern is that by sticking rigidly to a sequential approach this may not give rise to the most productive, effective and sustainable locations desired by logistics operators and there needs to be flexibility to enable these sites to come forward for the industrial and logistics sector.
87. Members also discussed the plethora of suitable industrial and logistics sites across key markets which would not qualify for release under the proposals in chapter 5 of the consultation paper. Our BPF Logistics Manifesto discusses some of the challenges of the current plan-led system and how it is failing to keep pace with the fast-changing nature of industrial and logistics demand; particularly unpredictable aspects of e-commerce trends. For example, our manifesto notes that existing policies are not agile or flexible enough, with Local Plans underpinned by out-of-date evidence bases that do not reflect present day market realities.
88. In response, our manifesto calls for all Local Plans to incorporate more agile/flexible planning policy mechanisms to accommodate needs not anticipated in the Plan. This would enable employment sites to come forward outside of the formal Local Plan cycle, but in line with the development plan, when it makes sense to do so. We believe this could be achieved via criteria-based policies, reserved / safeguarded sites or supplementary plans. Our recent 'Freight, Logistics & the Planning System Call for Evidence' response describes each of these options in greater detail (see Paras. 3.21-3.26 and Case Studies 26-29).
89. There would be merit in policymakers exploring further promoting criteria-based policies for logistics in the NPPF in addition to the proactive changes pursued in chapter 5 on Green Belt and the grey belt. We have provided some proposed amendments to new NPPF paragraph

New NPPF Paragraph 84 (d).

*“(d) be flexible enough to accommodate needs not anticipated in the plan, allow for new and flexible working practices (such as live-work accommodation), and to enable a rapid response to changes in economic circumstances. **This can be achieved using criteria-based policies, reserve/safeguarded Sites and/or supplementary plans.**”*

Question 32: Do you have views on whether the approach to the release of Green Belt through plan and decision-making should apply to traveller sites, including the sequential test for land release and the definition of PDL?

Question 33: Do you have views on how the assessment of need for traveller sites should be approached, in order to determine whether a local planning authority should undertake a Green Belt review?

Question 34: Do you agree with our proposed approach to the affordable housing tenure mix?

90. We are supportive of local authorities determining the affordable housing tenure mix as proposed in the consultation. Local authorities will be best placed to work out the most appropriate local mix to respond to the needs of the area, and this should include recognition of the negative impact the value of Social Rented units will have on the viability of a proposed scheme.
91. Given there is an objective of achieving 50% affordable housing, and given there is likely to be a higher than usual infrastructure investment for these sites (even those in sustainable locations) it is necessary for there to be a flexible tenure mix. If the tenure expectation is too rigid, then either (a) the overall unit numbers will be reduced through viability assessment or (b) the land will not come forward for development because it will be unviable.

Question 35: Should the 50 per cent target apply to all Green Belt areas (including previously developed land in the Green Belt), or should the Government or local planning authorities be able to set lower targets in low land value areas?

92. Members fed back that the precise target should be determined locally. The new housing method should direct more housing numbers to where affordability is worse and as such affordable housing targets should also be higher there. An inflexible nationally mandated approach could run the risk of setting up local authorities to fail in that overall housing targets will not be achieved if the affordable housing percentage is too high as less schemes will be able to come forward.
93. Members fed back that 50% can be achieved but only in areas of extremely high value and these sorts of schemes tend to be the exception rather than the rule. More typically, in key markets across the north of the country, it is typically between 20-30% affordable housing delivery and much less when there is the need for significant infrastructure investment to unlock a scheme. This reinforces the need for a more bottom-up approach so these judgments can be made locally.

94. Members also noted that a sole focus on a headline affordable housing target misses the point. There are many key factors to consider beyond the headline figure such as the tenure split of the affordable housing as well as the infrastructure investment the developer needs to provide for a given scheme which too will have an impact on what can be delivered through the S106.
95. In addition, it was noted that in certain local authorities a 50% target for Green Belt release may be 10% above the affordable housing target in the relevant local plan but in other areas this could be 30 or 40% above the target. This simply reinforces the point that an inflexible national target misses the nuance and different economic realities on the ground. A better starting point for these Green Belt sites released would be to look at what the affordable target is for the non Green Belt sites in the relevant local plan and use that as the first reference point. For example, the Green Belt sites could be expected to deliver 10% more affordable housing than the local affordable housing target on non Green Belt sites in the local plan as a starting premise. This process would better align with local market conditions.
96. Members also commented on the need for flexibility in relation to on-site vs off-site affordable housing delivery. The focus should be on providing the affordable housing in the location where it is more effective and can have the most impact. If it is a better outcome for the local authority and communities to locate a proportion of the affordable off site, then policy should be flexible enough to accommodate this.
97. A final point to consider regarding a nationally set 50% affordable housing target is the ability of local registered providers to take on that affordable housing stock in certain areas.

Question 36: Do you agree with the proposed approach to securing benefits for nature and public access to green space where Green Belt release occurs?

98. We agree that development on the Green Belt should contribute to green space and nature. It may not always be beneficial to the development and/or community/or feasible for this to be publicly accessible within the boundary of the site and in fact may be counter-productive to the success of habitat provision/ enhancement. While public access to green space is beneficial, care should be taken that this does not inadvertently reduce significantly the prospects for grey belt land release because of the potential reluctance or inability of neighbouring owners to make their land publicly accessible.

Question 37: Do you agree that Government should set indicative benchmark land values for land released from or developed in the Green Belt, to inform local planning authority policy development?

99. Our members have fed back strongly that Government should not specify benchmark land values to be used in viability assessments. This would act as a strong disincentive to landowners to bring sites forward, particularly from institutional owners who take a long-term view and can wait for policies to change. The underlying Existing Use Value (EUV) will vary by location and previous use, the real issue for

the planning system to control is the uplift in that value before planning gain starts to share land value. As with the current system on any site the "EUV plus" approach can continue and in consultation with industry reasonable parameters for what the premium is can be set.

Question 38: How and at what level should Government set benchmark land values?

100. There were strong concerns from members that nationally set benchmark land values will have unintended consequences and undermine broader Government objectives to deliver 1.5 million homes. If set at the wrong level, it was noted that benchmark land values would undermine confidence in the land market and lead to less sites coming forward for development which in turn will make it harder for Government to fulfil its ambitions to drive more housing growth.
101. We would therefore suggest that policymakers proceed cautiously for now on benchmark land values and remove Annex 4 of the NPPF entirely. Then more work in collaboration with industry experts should be commenced with further consultation and deliberation down the line. From a viability perspective it is very important that benchmark land values are set in a range that will still encourage land to come forward whilst still allowing for the planning gain that is sought. The need for any planning gain will need to be evidenced through the Infrastructure Delivery Plan as necessary and appropriate. Landowners and Developers should be encouraged to engage with the IDP process with local communities to agree what is necessary to bring land forward.

Question 39: To support the delivery of the golden rules, the Government is exploring a reduction in the scope of viability negotiation by setting out that such negotiation should not occur when land will transact above the benchmark land value. Do you have any views on this approach?

102. There always needs to be an ability for proposer and LPA to review viability of specific proposals and come to view on whether development should proceed. Each developer has their own delivery and financial assessment model, there is no "one size fits all", so limiting developers who can pay more for a site which encourages a landowner to sell will remove competition from the land market to the detriment of delivery of the housing the Government wants to see.

Question 40: It is proposed that where development is policy compliant, additional contributions for affordable housing should not be sought. Do you have any views on this approach?

103. Yes, we agree that the LPA should not be seeking additional affordable housing if the proposed scheme is policy compliant as this will disincentivise the developer and could have an impact on sites coming forward.

Question 41: Do you agree that where viability negotiations do occur, and contributions below the level set in policy are agreed, development should be subject to late-stage viability reviews, to assess whether further contributions are required? What support would local planning authorities require to use these effectively?

104. Developments on grey belt sites could be subject to an "Early Stage Review" at the point where a detailed application or reserved matters application is made. This is the best way to ensure that any affordable housing identified by the review is delivered on-site. Late stage reviews create uncertainty for the developer and their funders and should only be used in cases where no on-site affordable housing delivery has been possible. Schemes subject to an early stage review should have a deadline for implementation to an agreed level of construction within 2 years of the reserved matters (or detailed) consent being granted with tight deadlines for LPAs to decide on any pre-commencement conditions

Question 42: Do you have a view on how golden rules might apply to non-residential development, including commercial development, travellers sites and types of development already considered 'not inappropriate' in the Green Belt?

105. Regarding necessary improvements to infrastructure, large logistics developers approach to any new site, but particularly greenfield sites, is to account for and deliver infrastructure requirements necessary to make development sustainable and successful.

106. The BPF therefore support this requirement of green belt release. However, it appears that new NPPF Para 155 has been drafted from a residential perspective and there needs to be greater clarity within the definition around how necessary improvements to local or national infrastructure relates to other uses, such as Industrial and Logistics. For example, as highlighted in Icenis's 'Logistics 2024: Priorities for The New Government Report' (September 2024) subject to viability, golden rules specifically relevant to industrial and logistics development could include agreement to Employment and Skills Plans and opportunities for sustainably sourced power.

107. Overall, viability is an important consideration, and it is not a 'one size fits all' either across different sectors or geographically. There are already several factors that have an impact on viability (e.g. CIL, mandatory 10% BNG, Net Zero requirements and Section 106 obligations) that need to be considered in the round. A rigid approach, therefore, may hinder delivery and projects coming to fruition.

108. Regarding affordable housing, we assume the 50% target does not apply to non-housing development, but it would be helpful if this was clarified in the text.

Question 43: Do you have a view on whether the golden rules should apply only to 'new' Green Belt release, which occurs following these changes to the NPPF? Are there other transitional arrangements we should consider, including, for example, draft plans at the regulation 19 stage?

109. It is essential that there is a reasonable transitional period for any introduction of the golden rules.

110. The proposed new approach is a significant shift from the current approach and without a transitional period its introduction risks uncertainty and delay while sites that are already in emerging plans or subject to planning applications are re-assessed. This would directly counter the Government's wider imperative to bring more sites to the market more quickly and would suppress the overall delivery of new homes of all kinds.

111. We suggest that any new requirements should only apply to sites in local plans that reach Reg 19 stage and planning applications that were submitted within one month of the publication of the final NPPF.

Question 44: Do you have any comments on the proposed wording for the NPPF (Annex 4)?

112. As noted above, our members are strongly of the opinion that Annex 4 as currently drafted should be omitted from the final version of the new NPPF.

113. The reference to 'policy compliant development' is challenging as by virtue of being Green Belt, it will likely not be in accordance with a local plan. This should be replaced with 'development which accords with the relevant parts of paragraph 155'.

Question 45: Do you have any comments on the proposed approach set out in paragraphs 31 and 32?

114. In order to consistently deliver the number and quality of homes the country needs it is essential that we have a competitive and well-functioning land market. This includes appropriate public policy requirements and a reasonable incentive for landowners to make their land available.

115. A need to intervene into this market through compulsory purchase on anything other than a highly exceptional basis would be a sign that the market is not functioning sufficiently well. It is considered that being overly prescriptive in relation to matters such as benchmark land value; viability testing; and hope value risks hindering the market in pursuit of the broader objective of increasing housing delivery in all parts of the country.

Question 46: Do you have any other suggestions relating to the proposals in this chapter?

116. The drafting of paragraph 152 is not very clear. There is a full stop after (b) making it unclear whether C is a standalone requirement and it is not clear why the golden rules in paragraph 155 appear twice with slightly different wording. We suggest it is redrafted as follows:

In addition to the above, housing, commercial and other development in the Green Belt should not be regarded as inappropriate where:

a. The development would utilise grey belt land in sustainable locations, the contributions set out in paragraph 155 below are provided, and the development would not fundamentally undermine the function of the Green Belt across the area of the plan as a whole; and

b. The local planning authority cannot demonstrate a five year supply of deliverable housing sites (with a buffer, if applicable, as set out in paragraph 76) or where the Housing Delivery Test indicates that the delivery of housing was below 75% of the housing requirement over the previous three years; or there is a demonstrable need for land to be released for development of local, regional or national importance.; and

c. Development is able to meet the planning policy requirements set out in paragraph 155.

117. It is clear some LPAs are not going to meet their housing demand under the new Standard Method without a review of their Green Belt land and more particularly that designated as "Countryside beyond the Green Belt" where similar restrictive policies apply. This is evidenced by letters written recently by PINS to LPAs who have submitted Local Plans for examination at Reg 19. Therefore, the overall policy aims of this chapter are to be welcomed but the need for a functioning land market which does not falter due to the unintended consequences of new policies is key to ensuring the 1.5 million homes target is met. The Government should consult further with industry bodies and experts on the elements noted above to ensure a smooth transition.

In addition to the above, housing, commercial and other development in the Green Belt should not be regarded as inappropriate where:

a. The development would utilise grey belt land in sustainable locations, the contributions set out in paragraph 155 below are provided, and the development would not fundamentally undermine the function of the Green Belt across the area of the plan as a whole; and

b. The local planning authority cannot demonstrate a five year supply of deliverable housing sites (with a buffer, if applicable, as set out in paragraph 76) or where the Housing Delivery Test indicates that the delivery of housing was below 75% of the housing requirement over the previous three years; or there is a demonstrable need for land to be released for development of local, regional or national importance.; and

c. Development is able to meet the planning policy requirements set out in paragraph 155.

Chapter 6 – Delivering affordable, well-designed homes and places

Question 47: Do you agree with setting the expectation that local planning authorities should consider the particular needs of those who require Social Rent when undertaking needs assessments and setting policies on affordable housing requirements?

118. All needs identified in paragraph 63 (for example, students, families, older people, etc.) should be assessed, and we have no strong objections to including Social Rent in that assessment.

Question 48: Do you agree with removing the requirement to deliver 10% of housing on major sites as affordable home ownership?

119. Yes, supported, this is a welcome clarification as previously there had been many conflicts between the NPPF target and LPA's own targets which on small sites were difficult to resolve.

Question 49: Do you agree with removing the minimum 25% First Homes requirement?

120. Yes, supported. The existing system of different percentages was confusing for all those who interact with the planning system. In addition, some LPAs want to prioritise a different kind of affordable home to meet local need. Legally complying them to demand 25% First Homes was not meeting housing need in some areas.

Question 50: Do you have any other comments on retaining the option to deliver First Homes, including through exception sites?

121. It would be better if exception sites could involve all tenures with open market sale units just being kept to the minimum required to make a scheme viable.

Question 51: Do you agree with introducing a policy to promote developments that have a mix of tenures and types?

122. We welcome the commitment to mixed tenure development, as set out in the draft form of wording in paragraph 69 of the new NPPF:

Mixed tenure sites can provide a range of benefits including creating diverse communities and supporting timely build out rates and local planning authorities should support their development through their policies and decisions. Mixed tenure sites can include a mixture of ownership and rental tenures, including rented affordable housing and build to rent, as well as housing designed for specific groups such as older people's housing and student accommodation, and plots sold for custom or self-build.

123. Given the Government's commitment to 1.5 million homes this parliament, we believe a stronger form of wording is needed. On larger sites, we believe now is the time to implement the recommendation of the Letwin Review and subsequent Competition and Market's Authority market study on house building, that there should be a requirement to deliver mixed tenure on larger sites.

124. The advantage would be that the build out of large sites would be accelerated significantly, at least double the pace of an all-for-sale development, because rental forms of housing are not held back by sales absorption rates.

125. Promoting mixed-tenure development on large sites, would also come with a host of other benefits, some of which are alluded to in the proposed draft NPPF wording:

- o Faster occupation supports the delivery of other critical physical and social infrastructure, and of local services, with users arriving sooner, than with a for-sale housing development.
- o The capital required to develop out such sites is diversified.
- o A diversity of tenures helps promote more mixed communities.
- o Having the involvement of a long-term investor should promote better placemaking.
- o A greater mix of uses may promote greater densification.

126. There is no right or wrong answer on what should constitute large sites for mandating mixed tenure on. Sir Oliver Letwin suggested sites of greater than 1,500 homes but given the Government's aspirations to build 1.5 million homes, we think accelerating delivery will be very important, and suggest a limit of 500 homes.

The NPPF was previously amended to include:

"to promote a good mix of sites, local planning authorities should, among other things, "work with developers to encourage the sub-division of large sites where this could help to speed up the delivery of homes." (para 70)"

This could be further amended to include:

"This subdivision should include a mixture of tenure and types of housing including, Build-to-Rent, affordable renting and affordable for sale products."

127. The Letwin Review suggests a greater emphasis on promoting a tri-tenure model to increase build-out rates. Therefore, a more explicit paragraph as in relation to "Maintaining Supply and Delivery" is warranted.

After paragraph 81. To include:

“To further aid that proposals for housing development are delivered in a timely manner, on large sites above 500 homes local planning authorities should consider at outline application whether a site is delivering a diverse mix of tenures and types of housing. This mixture could include Build-to-Rent, affordable housing for rent and affordable housing for sale. “

128. The Letwin Review also recommend a new planning policy document that could be annexed to the NPPF and would deal exclusively with planning policy in relation to large sites in areas of high housing demand.

129. The precise drafting of these principles will of course require considerable thought and detailed consultation with all interested parties.

The broad principles set out in the Letwin review were:

- Tenure mix: Both affordable rented housing and affordable home ownership should be provided in every phase of development, not just one or the other.
- Offsite contributions: Contributions to affordable housing from large sites should not be made offsite; housing must be provided on the site itself.
- Build to rent: These developments should be considered as part of a diverse mix of housing options within each phase.
- House types and sizes: Each phase must offer a meaningful variety of house types, sizes, and styles, rather than just one or two options.
- Housing for specific groups and custom builds: These types of homes are key for addressing local needs and should be incorporated in each phase.

Question 52: What would be the most appropriate way to promote high percentage Social Rent/affordable housing developments?

130. The answer to this question is nuanced. There are often competing demands on a development. We understand the Government's desire to deliver more social and affordable housing, but it is also important that developments are nice places to live, and that often means investing in social and physical infrastructure, such as school places, or healthcare. One way of delivering more is therefore to relieve the pressures in other areas, for example, finding alternative sources of funding for other critical physical and social infrastructure.

131. Member feedback noted the challenges of providing a high percentage of affordable housing development without grant, and support recognition of the role that intermediate rents (those slightly above defined affordable rents, but at the lowest end of market rents) can provide here in alleviating middle market affordability constraints in the rental market. Members would support recognition of

the importance of intermediate rents in the NPPF, alongside a direction to local planning authorities to work with developers in providing these as part of the affordable housing mix.

132. Further, there are several issues with how affordable rents are used across local authorities currently, which can be addressed by the NPPF;
- a. the criteria used to determine affordable rents should be directed to be publicly available, including information on how it will evolve in future to ensure it is in line with wage and rent growth; and
 - b. the NPPF should direct local authorities to use affordable rent definitions that are consistent across the UK, as currently this is decided at a local authority level and is leading to uncertainty for developers. NPPF should make explicit that affordable rent is the most suitable form of Affordable Housing product that can be used in a Build to Rent development.

Question 53: What safeguards would be required to ensure that there are not unintended consequences? For example, is there a maximum site size where development of this nature is appropriate?

133. We suggest 500 units as a maximum threshold.

134. To make this type of development work the delivery agent (not necessarily the developer) whether that be a Registered Provider, Council or other body should prepare a management plan which would incorporate a nominations and lettings policy agreed with the Local Planning Authority. Local lettings plans should be encouraged as should policies to provide probationary tenancies and support for those who struggle with their tenancy. The approach should be multi-agency to ensure that the community is diverse and well supported.

Question 54: What measures should we consider to better support and increase rural affordable housing?

135. Rural Housing is generally small in nature and should continue to be supported as a means of ensuring the vibrancy of rural economies. As noted above there will be a need to include open market housing at a level that makes the scheme viable by covering its land and infrastructure costs. A range of tenures on these sites is to be encouraged as is their development by CLTs which in many areas (notably East Anglia) are making good progress.

Question 55: Do you agree with the changes proposed to paragraph 63 of the existing NPPF?

136. The changes to paragraph 63 do not concern us. We are more concerned as to whether the categories of housing need in paragraph 63 get reflected in planning policy and are therefore effective. There is strong evidence that local planning authorities assess need for these categories, but paragraph 63 requires more, and that **“housing needed for different groups in the community should be assessed and reflected in planning policies”**. There is little evidence from the sectors we represent – Build to

Rent, Student Accommodation, and Retirement Living, that local planning authorities reflect such needs in planning policy. Equally, there is little evidence that the absence of such policies is challenged at inspection of plans by the Planning Inspectorate.

137. There may be ways of strengthening the requirements of paragraph 63, simply by changing the presentation, so that greater emphasis is given to it being a two-stage process – assess - and plan for. The Planning Inspectorate could also be directed to challenge plans where these needs are not reflected in policies.

Question 56: Do you agree with these changes?

138. Same comment as question 54 above.

Question 57: Do you have views on whether the definition of 'affordable housing for rent' in the Framework glossary should be amended? If so, what changes would you recommend?

139. We broadly support the suggestion that organisations that are not Registered Providers should be included in the definition, for example, community-led developers and almshouses.

140. We would also like to see Affordable Student Accommodation, which is a requirement of the London Plan (and being contemplated in Manchester and Bristol), being recognised as an affordable tenure.

Question 58: Do you have views on why insufficient small sites are being allocated, and on ways in which the small site policy in the NPPF should be strengthened?

141. SME developers are good at bringing small sites forward often outside the Local Plan process as they do not have the resources to engage in plan making. However they need more help with funding developments and in particular infrastructure, so more needs to be done to assist in this area.

Question 59: Do you agree with the proposals to retain references to well-designed buildings and places, but remove references to 'beauty' and 'beautiful' and to amend paragraph 138 of the existing Framework?

142. The BPF are broadly supportive of removing specific references to beauty and beautiful in the NPPF. However, we would emphasise that does not mean we in any way want to weaken the important emphasis on well-designed development, place making and urban design. Indeed, we would support reference to well-designed homes and placemaking being further strengthened in the NPPF and we continue to support the work of the Office for Place such as on design coding. It would be a mistake for applicants and decision makers to view removal of specific references to the notion of 'beauty' in the NPPF as a signal that poorer quality design buildings will be acceptable.

Chapter 7 – Building infrastructure to grow the economy

Question 62: Do you agree with the changes proposed to paragraphs 86 b) and 87 of the existing NPPF?

143. As noted in our general remarks, the BPF strongly welcomes the proposed changes in this chapter to strengthen reference to key sectors, including freight and logistics, in driving our modern economy forward.
144. Members also fed back that modern flexible and adaptable office space and life science facilities should be specifically mentioned within the NPPF as key growth sectors which will make a major contribution towards strategic and local employment within cities and towns across the country. Post the pandemic, it is very evident that the office sector remains a critically important function (albeit with hybrid working patterns) with a need for flexible, adaptable and sustainable buildings to meet occupier requirements across the country. The office sector also has an important role and function in supporting retail and restaurants within existing centres, and around place-shaping. The Life Sciences sector continues to grow in critical mass and the need for laboratory and associated space, from London, Oxford and Cambridge to elsewhere across the country.
145. On paragraph 86b and 87, we received specific feedback that there would be a value in further fleshing out what are suitable locations for all forms of industrial and logistics development. This could perhaps be achieved through a definition of freight and logistics within the glossary and/or PPG, which will include its different forms and locational requirements. Indeed, the various typologies and their requirements are included in Paras 3.10-3.11 of our Future of Freight Consultation Response.
146. The justification for this is that, as currently drafted, the wording could be read as supporting certain forms of industrial and logistics, such as urban last mile facilities, but not the sorts of facilities operating around key transport functions, which are the heartbeat of our critical logistics infrastructure up and down the country. Further clarification in this chapter on the need for local planning authorities to plan and identify sites for all forms of industrial and logistics, which drive our economy beyond data centres and gigafactories, would be welcome. As noted, direct reference to 'freight and logistics' in these paragraphs of the NPPF is very welcome however we are of the view there would be a value in defining this further to highlight the diversity of operations within the supply chain that need to be planned for in the right locations.
147. The danger of the existing wording could enable certain authorities to plan for more 'fashionable' forms of freight and logistics whilst other more typical 'supply chain' focused logistics facilities near our major transport junctions, which are fundamental to the operation of our modern economy, remain overlooked.
148. As noted, the new Government has made it clear that planning will be at the centre of the agenda for economic growth. We support this premise and the proposed changes to Paragraph 86 b) and 87 which have strengthened the requirement for local planning authorities to plan to meet market needs

and facilitate economic growth. However, despite these changes, the NPPF still remains a housing focused policy document rather than one that balances the need for increased housing delivery alongside faster delivery of employment uses in the right locations to meet market demand.

149. It is important to understand the relationship between housing and employment. In simple terms, more housing leads to more economically active persons who will need well paid jobs to afford their housing. Employment uses need the labour supply to fill the jobs created hence housing and employment uses are linked. This is not to say it's a mutually exclusive relationship, for instance housing and employment uses can have different locational requirements, growth drivers and market geographies.
150. Many local authorities, and the PPG employment need methods used in Local Plan employment evidence, fall into the trap of believing future employment use need is linked purely to the need for new housing. This is wrong. If we focus on I&L, its demand is being driven by the following growth drivers in addition to housing growth –
- Business growth and business to business relationships;
 - Existing homes spending more online as well as new homes;
 - Societies increasing desire for rapid parcel deliveries (i.e. same day / next day deliveries);
 - Increased freight flows into, from and within the UK; and
 - The need to service the supply chains of other sectors whether that be manufacturing, offices, R&D, gigafactories etc.
151. Linking future employment use needs to residential need misses out the above listed growth drivers and therefore significantly underestimates true market demand for employment uses, particularly within key growth sector such as I&L. Linking future commercial needs to residential needs results in the consideration of only a local demand profile and therefore ignores wider FEMA demand trends not to mention national and international demand trends.
152. While we acknowledge these wider regional and national demand profiles have been given added weight in the NPPF via the amendments to Paragraph 85c, we believe real meaningful change won't happen on the ground unless the NPPF and PPG are clear as to how future employment needs are to be assessed. In this regard, it's notable that far more policy is outlined in the NPPF in terms of a standard method for calculating housing needs.
153. We contend a similar approach is needed for employment uses otherwise the assessment of future employment needs will default to the current PPG methods. These methods have little regard to market signals concerning market demand and supply as required by Paragraph 32 (formally Paragraph 31) of the NPPF. The fact there is more than one potential approach to assessing employment needs means there is less certainty on the outcome and less consistency between local authorities in providing land for employment development.

154. Instead, in reference to the **PPG Housing and Economic Needs Assessments (Paragraph 27)**, most Local Plan employment evidence estimates future demand using statistical constructs that are based on one or a combination of the following methods:

- **Past Completions:** Projecting forward future demand based on historic completions (i.e. the rate at which land is built out);
- **Labour Supply:** Demographically derived assessments of current and future labour supply linked to housing growth; or
- **Labour Demand:** Use of 3rd party job projections such as Oxford Economics, Experian, etc. which are then translated into a future employment floorspace and land need requirements.

155. To help address the inadequacies of the current PPG methods and help to address the current supply/demand imbalance, BPF members Savills and Indurent have developed a new methodology which focuses on market indicators and trends to help quantify the amount and type of future objectively assessed employment need. The method includes two main elements:

- **Suppressed Demand:** which corrects the historic trend for demand that has been lost due to historic land supply constraints. The calculation of suppressed demand can then be added to historic demand projections to give a more accurate and 'complete' picture of likely demand into the future. This is no different to meeting the backlog of housing demand required in accordance with national policy and guidance; and
- **E-Commerce-Uplift:** which quantifies how much commercial floorspace growth is linked to current and future e-commerce growth, which is the major growth driver for the sector, driving both demand for the supply-chain, and also the manufacturing of goods.

156. As discussed above in **Question 12**, it is important that a FEMA wide approach to estimating future demand is taken, given I&L occupiers typically have distribution networks linking their customers and suppliers of between 1 to 4 hours' travel time, extending across multiple local authority boundaries. As a result of this, potential I&L occupiers will look at a wider geographic area (or FEMAs) rather than a single local authority when looking for suitable properties.

157. For this reason, the Savills and Indurent Suppressed Demand Method calculates the FEMA's historic and suppressed demand, with e-commerce uplift, before being able to apportion these demand estimates down to specific local authorities. In other words, it can quantify FEMA wide demand and then allocates this to constituent local authorities in an evidential, market led way. Demand can also be split by use class (i.e. B2 versus B8) and by size of unit (i.e. smaller units versus larger units).

158. The high level steps in the Savills and Indurent Suppressed Demand Method are detailed further below. We recommend to Government this text be included within the NPPF or indeed reference is included within the NPPF to signpost the reader to more detailed guidance to be added to the PPG as per our suggested change to New Paragraph 84(b).

- A. **Find a Market's Equilibrium Availability Rate (FEMA level):** This is around 8% at the national level

but can alter slightly from market to market. A market's equilibrium rate is either when rents are broadly stable, or when rental growth transitions from being negative or stable to growing strongly year on year.

- B. **Identify those years when available floorspace was below the equilibrium rate (FEMA level):** This involves identifying previous years when availability was below the 8% equilibrium rate.
- C. **Calculate Suppressed Demand (FEMA level):** Here you calculate how much demand the market should have had in those years of tight supply in order to be at the equilibrium rate. For instance if the equilibrium rate is 8% but the market had 5% in a given year, the 3% difference needs to be translated into floorspace. Next, you calculate the average of the ratio between net absorption and available floorspace for every year over the lookback period. This ratio is then applied specifically to the availability uplift that was needed in those years of tight supply to reach the equilibrium rate. This provides a suppressed demand calculation for each year when actual availability was lower than the equilibrium rate. These are then added together to give a total suppressed demand over the lookback period.
- D. **Add Suppressed Demand to Historic Trend (FEMA level):** The suppressed demand is added to the historic (actual) demand over the lookback period.
- E. **Adjusting for Increases in Online Retail (FEMA level):** There are a number of factors driving future growth in demand for I&L uses which are not captured by historic trend-based projections. Attempting to factor them all in is a challenging exercise prone to errors and overestimation due to the uncertainty around major events such as Brexit, and the risk of double counting the impacts of different growth factors. The strongest growth drivers are population growth and more money being spent on online shopping. We consider demand arising from population growth to be largely captured by increases in online sales which is a function of household spending and household growth. In order to estimate future increases in I&L demand linked to e-commerce growth, we establish the share of demand that has historically been linked to e-commerce, and then determine how much higher this is likely going to be in the future. The e-commerce uplift is then added to the historic estimates, and the annualised figure of this combination can then be projected forward over the Local Plan period to provide a more accurate estimate of future demand.
- F. **Apportion FEMA-wide demand estimates to respective local authorities:** The FEMA wide demand estimates can then be apportioned to an individual local authority (LA) based on an appropriate and evidenced apportionment rate. The model typically uses an average of the following three property market metrics:
 - LA's share of the FEMA's historic average net absorption per annum;
 - LA's share of the FEMA's average net completions of floorspace per annum; and
 - LA's share of the FEMA's total current inventory.

159. The Savills / Indurent Suppressed Demand Method can be applied at any geographic scale whether that be a FEMA, local authority boundary or bespoke market area. It uses commonly available data such as local authority monitoring data or that from commercial databases such as CoStar or Egi which Local

Plan employment evidence widely refer to already. The Savills / Indurent Suppressed Demand Method can also be used for most commercial sectors including I&L, offices and R&D.

160. The demand estimates generated represent what 'true' market demand is for a given geographic area, if supply constraints were not a factor.
161. With this in mind, a number of sensitivity tests can be undertaken. For instance, the model and its underlying assumptions can be adjusted to test scenarios in which the sector's future demand performance weakens. This can be undertaken in numerous ways, including adjusting the equilibrium rate at which suppressed demand is calculated (Step A above), removing the e-commerce uplift (Step E above) or altering the lookback period which is the basis for the historic demand trend (Step D above). This ensures the modelling process is robust and adaptable to specific market dynamics and Local Authority priorities.

Question 64: Would you support the prescription of data centres, gigafactories, and/or laboratories as types of business and commercial development which could be capable (on request) of being directed into the NSIP consenting regime?

162. Yes but the applicant should have the flexibility and choice of whether to pursue a local application or a DCO.
163. For the industrial and logistics sector, it is strongly recommended that consideration is given to extending this to strategic road-based freight, industrial and logistics (which should be clearly defined, as per the response to Q62), whereby a set threshold is exceeded that would meet regional/national needs (with minimum critical mass (e.g. 2,000,000 sq ft/ 50 hectares).
164. Meeting regional and national need is clearly in the national interest and goes beyond local plan making – with a clear path needed to ensure growth and stability in the sectors through private investment. While some local authorities have sought to accommodate regional demand where able, this is rare, and the private sector must be confident that this Government will support the significant investment needed to achieve planning permission.
165. Currently, local authorities are under no obligation to account for regional need, with many simply choosing to openly ignore, which is often acknowledged in Economic Needs Assessments, which is compounded by local authorities also typically basing their supply on previous (constrained) take up, rather than seeking to address suppressed demand.
166. Currently, only rail freight interchanges with associated warehousing are included in the NSIP regime, however, strategic industrial and logistics schemes should have the option to be directed to the NSIP regime where it is clear local authorities are not planning to meet need, much like datacentres, gigafactories and/or laboratories.

167. Retaining it as on request / optional will enable prompt decisions to be made locally where authorities plan positively to meet demand, reducing consenting timeframes and associated resource requirements.

Question 66: Do you have any other suggestions relating to the proposals in this chapter?

168. We have suggested changes to the wording within this Chapter under Questions 12 and 31 and, for completeness, repeat these changes to the relevant paragraphs below:

New Paragraph 84(b) to be amended as follows:

*"b) set criteria, and identify **local and strategic**^x sites, for local and inward investment to match the strategy and to meet anticipated needs over the plan period. Appropriate sites for commercial development which meet the needs of a modern economy should be identified, including suitable locations for uses such as laboratories, gigafactories, data centres, digital infrastructure, freight and logistics^{xx}.*

Footnote x - local planning should allocate both strategic employment sites for 'larger than local' needs alongside employment allocations to meet local needs.

Footnote xx - The method for calculating this need is described within the Planning Practice Guidance and should have regard to 'suppressed demand'.

Annex 2: Glossary

Strategic Employment Site: Employment sites that can bring net additional activity and jobs to the Region by attracting nationally and internationally mobile economic activity. They provide accommodation that would not otherwise come forward through the local planning system, principally because they are large sites.

New NPPF Paragraph 84 (d).

*"(d) be flexible enough to accommodate needs not anticipated in the plan, allow for new and flexible working practices (such as live-work accommodation), and to enable a rapid response to changes in economic circumstances. **This can be achieved using criteria-based policies, reserve/safeguarded Sites and/or supplementary plans.***

169. To conclude our remarks on this chapter relating to industrial and logistics, we would also emphasise the inextricable link between homes, e-commerce growth and our logistics infrastructure. Any ambition to increase housing delivery will inevitably increase the demand for e-commerce up and down the country. As housing delivery expands, it will be crucial that our planning framework is responsive and enables the development of the crucial logistics centres in the right locations to embrace increased e-

commerce demand. There are also a number of other growth drivers for industrial and logistics to consider including the growth of the robotics and automation industry, our increased need for data centres as an economy and near-shoring/re-shoring post pandemic.

Chapter 8 – Delivering community needs

Question 67: Do you agree with the changes proposed to paragraph 100 of the existing NPPF?

170. Yes, the additional text within paragraph 100 is supported. It is important that growth is appropriately supported by new or expanded public service infrastructure. The inclusion of the reference to '*significant weight*' within the NPPF strengthens this objective.

Question 68: Do you agree with the changes proposed to paragraph 99 of the existing NPPF?

171. The proposed additions to paragraph 99 are welcomed and supported. The inclusion of '*early years*' and '*post-16 facilities*' helps in ensuring that the full lifecycle of the childcare/education system is supported, and the right form of community/education use is being provided – rather than focussing solely on 'schools'.

Question 69: Do you agree with the changes proposed to paragraphs 114 and 115 of the existing NPPF?

172. The principle of applying a 'vision'-led' approach to sustainable transport (new paragraph 112 a) is supported. However, it may be helpful for the NPPF to define 'vision-led' in the context of Annex 2.

Question 70: How could national planning policy better support local authorities in (a) promoting healthy communities and (b) tackling childhood obesity?

173. Utilising the NPPF to ensure delivery of high-quality green space is supported. The reference to 'high-quality' could be included as an addition to new paragraph 95c.

Chapter 9 – Supporting green energy and the environment

Question 72: Do you agree that large onshore wind projects should be reintegrated into the NSIP regime?

174. Yes. The 50 MW threshold is too low and is distorting the sizing of projects.

Question 73: Do you agree with the proposed changes to the NPPF to give greater support to renewable and low carbon energy?

175. Yes, we are very supportive.

Question 76: Do you agree that the threshold at which solar projects are deemed to be Nationally Significant and therefore consented under the NSIP regime should be changed from 50MW to 150MW?

176. Member feedback focused on the value of an 'opt out' as well as a 'opt in' to this specific aspect of the NSIP regime. Applicants should have the choice of which regime to follow. If there is local support for the project, it is better to pursue a local application as the community feel more invested in the project going forward.

Question 80: Are any changes needed to policy for managing flood risk to improve its effectiveness?

177. Yes definitely. There have been some high profile legal cases this year which have left some doubt over the interpretation of national policy and the guidance in the NPPG on when and how a flooding sequential test is needed.

178. In the Substation Action case [2024] the Court of Appeal held that a flooding sequential test is only needed for fluvial flooding, not surface water flooding. This seems to contradict the last sentence of NPPF para 168 which states "*The sequential approach should be used in areas known to be at risk now or in the future from any form of flooding*" (our emphasis). The policy should be updated to reflect the case law.

179. In Mead and Redrow case [2024], the court looked at how a sequential test should be undertaken and what the parameters are. What does "reasonably available sites appropriate for the proposed development" mean in para 168? There are discrepancies between the NPPF and the NPPG. This court decision has left matters unclear. As flooding occurs more often due to climate change, we need to update the NPPF and NPPG to give clear policy and guidance on how a sequential test is carried out.

Question 81: Do you have any other comments on actions that can be taken through planning to address climate change?

180. We received feedback from members that there would be a value in bolstering new paragraph 164 on renewable energy to ensure more planning weight is attributed to the provision of rooftop solar in decarbonising our industrial and logistics facilities. In the existing planning consenting system, there is a feeling that the role and potential opportunity of rooftop solar deserves greater recognition, definition and acknowledgement in both national planning policy and the decision-making process.

181. The [BPF Logistics Property Board Calling Card](#) also discusses the opportunity and challenges around rooftop solar in more detail. Our warehousing buildings have the roof space for up to 15GW of new solar equivalent to about 25% of the UK's power requirements. However, grid connection remains the main barrier to wider adoption. We have made calls for the Government to commit to accelerating and enhancing grid connectivity to large logistics sites (including consideration of a higher feed-in tariff to further incentivise export to the grid) to export green energy generated by solar panels on warehouse roofs back into the network to power our homes and businesses. Government support for innovation in battery and other local energy storage solutions (for example by providing grants) could also enable logistics parks to become self-sufficient, thus reducing the need to draw energy from the grid.
182. We have longstanding concerns that gaps in policy at a national level, a lack of capacity and capability in planning departments and a risk of "retrofit only" in planning decisions continue to undermine efforts to tackle climate change and decarbonise our buildings. These concerns are set out more fully in the [BPF Carbon Manifesto](#).
183. We also received feedback that this chapter of the consultation speaks to the broader points made earlier in our response around the increased complexity and policy layering with more and more forms of assessment being introduced into our planning system in recent years. Whilst the BPF and BPF members are committed to decarbonising the built environment and agree our planning system has a role to play, it is important that this is balanced against broader Government objectives to make our planning system more efficient and the need for development to play a leading role in the growth ambitions of the country. There is a need for national standards and national guidance but some of this might be better delivered through other approaches, such as by amending Building Regulations.

Chapter 10 – Changes to local plan intervention criteria

Question 87: Do you agree that we should we replace the existing intervention policy criteria with the revised criteria set out in this consultation?

Question 88: Alternatively, would you support us withdrawing the criteria and relying on the existing legal tests to underpin future use of intervention powers?

184. The BPF are supportive of increased intervention powers and the Secretary of State to take action when local authorities have failed in their duty to prepare a local plan. Too often in recent years there has been bold rhetoric from the Government saying they will be tough on the authorities not getting on with plan-making but that rhetoric did not ever result in tangible action.
185. Therefore in many ways, it is less about the specifics of the Secretary of State's invention powers (in terms of setting them out in revised criteria or giving more discretion by removing them), but rather that local authorities believing there will be strong consequences of intervention if they fail on plan-

making. That would in turn incentivise more local authorities to get on with plan-making which would clearly be the best outcome for communities and applicants.

186. Our discussion during chapter ten of the consultation also focused on other ways local authorities could be incentivised to get on with plan-making. It was suggested that there should certainly be more alignment between Government's 'central pots' of funding for housing and infrastructure and whether a local plan is in place locally or not. For example, if a local authority is failing on plan-making then it should be made clear to them that this will mean they are ineligible to receive extra funding from the various pots of money MHCLG distribute to authorities through the relevant bidding processes such as the Towns Fund and Levelling Up Fund (previous examples). Such a situation should in theory focus the minds of relevant decision-makers to get on with plan-making at the poor performing local authorities.

Chapter 11 – Changes to planning application fees and cost recovery for local authorities related to Nationally Significant Infrastructure Projects

Question 89: Do you agree with the proposal to increase householder application fees to meet cost recovery?

187. Yes strongly supported. The proposal to increase the householder application fees so they are more proportionate to the amount of work involved in assessing the planning application is strongly supported by the BPF.

Question 90: If no, do you support increasing the fee by a smaller amount (at a level less than full cost recovery) and if so, what should the fee increase be? For example, a 50% increase to the householder fee would increase the application fee from £258 to £387.

188. We support the increase as noted above.

Question 91: If we proceed to increase householder fees to meet cost recovery, we have estimated that to meet cost-recovery, the householder application fee should be increased to £528. Do you agree with this estimate?

Yes

No – it should be higher than £528

No – it should be lower than £528

no - there should be no fee increase

Don't know

If No, please explain in the text box below and provide evidence to demonstrate what you consider the correct fee should be.

Question 92: Are there any applications for which the current fee is inadequate? Please explain your reasons and provide evidence on what you consider the correct fee should be.

Question 93: Are there any application types for which fees are not currently charged but which should require a fee? Please explain your reasons and provide evidence on what you consider the correct fee should be.

Question 94: Do you consider that each local planning authority should be able to set its own (non-profit making) planning application fee?
Please give your reasons in the text box below.

Question 95: What would be your preferred model for localisation of planning fees?

Full Localisation – Placing a mandatory duty on all local planning authorities to set their own fee.

Local Variation – Maintain a nationally-set default fee and giving local planning authorities the option to set all or some fees locally.

Neither

Don't Know

189. The BPF would support a national approach to setting planning fees. There is a risk of unintended consequences if Government were to go down the route of full localisation. For example, we are already asking local authority planning departments to take on more forms of assessment in recent years. Adding determining what fees to set locally to the plethora of additional planning responsibilities local authorities have had to undertake simply adds to that cumulative impact and further stretches resources unnecessarily.

190. It should also be noted that applicants do already pay 'additional' top up fees through PPA arrangements across the country where there is a clear resource issue at a given local authority. In effect that can work as an extra local fee so in many ways local variations are already in place where they are needed. PPAs should be encouraged and agreed payments also ring fenced within the planning function to service those specific applications.

191. Members also fed back that full localisation could lead to unethical practices. For example, under full localisation, to what extent could certain forms of development be incentivised under a local fee structure and others disincentivised?

192. It was also noted that looking at different ways to set planning fees and increases to certain fees misses the point and the larger issue is that of the need to ringfence planning fees so they can only be spent on planning functions of the local authority and not as part of the wider local authority services budget. Whilst the BPF recognises the legal and regulatory complexity of formally ringfencing planning fees in legislation, we would urge the new Government to have another look at this option. Such a

measure would represent a real step change for local authority planning resourcing at a time when the Government are keen for our planning system to play a leading role as a gateway to economic growth and development.

Question 96: Do you consider that planning fees should be increased, beyond cost recovery, for planning applications services, to fund wider planning services?

193. The BPF are not supportive of planning fees being increased to fund wider services relevant to planning. For example, it is clearly in the public interest to all in the community that a local plan is put in place and is arguably the most important framework a local authority can produce. As such, it feels reasonable that production of the local plan is funded through the more general council pot as it is to the benefit of all with an interest in what development and where it is built locally.

194. Planning fees should be ring fenced so that they cannot be passed on beyond the planning department. This is a request that LPAs have raised for many years and we do not consider that an adequate response has been given to why ring fencing cannot happen.

Chapter 12 – The future of planning policy and plan making

Question 103: Do you agree with the proposed transitional arrangements? Are there any alternatives you think we should consider?

Question 104: Do you agree with the proposed transitional arrangements?

195. Feedback on these group of questions focused on how giving local authorities more time to submit under the existing system arguably 'bakes in' less ambitious housing delivery numbers across certain local authorities. This is because it will be a significant amount of time before they are required to adopt a new local plan which is fully compliant with the new version of the NPPF.

196. Therefore, by extending the transitional arrangements, the Government are perhaps undermining their wider aspiration to get to 1.5 million homes over the course of this parliament as certain plans across the country simply will not be ambitious enough on housing numbers. There is therefore a value in MHCLG looking again at the proposed transitional arrangements and the associated criteria for when housing numbers need to be revisited and accelerating the transition so a greater number of more ambitious local plans for housing can get put in place faster.

197. It was noted also that the various criteria for when a local authority has to go back and revisit its plan is exclusively housing focused in the consultation paper. This reinforces our points made earlier in the response that there exists a national policy framework of intervention relating to housing delivery but no such similar national focus for employment land. If a certain local authority is blatantly failing to plan for employment, should that not too be a reason to revisit a plan?