

## Briefing Note No. 24-20

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### IMPLICATIONS OF DECEMBER 2024 NATIONAL PLANNING POLICY FRAMEWORK AND REVISIONS TO THE STANDARD METHODOLOGY ON THE HOUSING LAND SUPPLY

#### Overview

1. On 12 December 2024 the Government issued an update to the [National Planning Policy Framework](#) (NPPF). This followed a consultation into the proposed changes in summer 2024. The changes to the NPPF included amendments to the deliverable housing land supply policies, the terms under which a buffer should be added to the housing requirement to be used in the housing land supply calculation, and the implications of not being able to meet a sufficient deliverable housing land supply.
2. On the same date the Government also issued revisions to the Planning Practice Guidance (PPG) including the standard methodology for assessing and setting Local Housing Need, and published the [2023 Housing Delivery Test results](#).
3. The revisions that are pertinent to the housing land supply calculation and its implications are summarised as follows:
  - a) Local Planning Authorities are now required to demonstrate a deliverable supply of housing sufficient to meet **five** years against their housing requirement set out in adopted strategic policies (or against their Local Housing Need where the strategic policies are more than five years old) in all circumstances. Under the previous NPPF, Wiltshire was only required to demonstrate a **four-year** housing land supply because its draft Local Plan had reached an advanced stage.

- b) Local Planning Authorities are now required to add a buffer to the housing requirement in the **five-year** housing land supply calculation in all circumstances. The buffer to apply is driven by the council's latest Housing Delivery Test results, which for Wiltshire indicates a 5% buffer to be added<sup>1</sup>. Under the previous NPPF a buffer was only required if the council's Housing Delivery Test results indicate under-delivery of 85% or lower against the housing requirement, which was not the case for Wiltshire.
- c) The revisions to the PPG have set out a revised standard methodology for the Local Housing Need – this is the calculation that establishes the housing figure to be used in the housing land supply calculation. The revision has changed the method from being based on future household projections, to being based on the amount of existing housing stock in the local authority area. The revision has also changed the adjustment factor which is based on the affordability of housing in the local planning authority. The figure for Wiltshire has changed as follows:

| <b>Number of homes per annum under previous Local Housing Need calculation<sup>2</sup>.</b> | <b>Number of homes per annum under revised Local Housing Need calculation.</b> | <b>Percentage change</b> |
|---|--|--------------------------|
| 1,917   | 3,525  | +84%                     |

The implications of the revised Local Housing Need calculation are set out in paragraphs 5-7 for determining planning applications and appeals, and in paragraphs 8-11 for the implications on the emerging Local Plan.

- d) The consequences of not being able to demonstrate a five-year housing land supply are that the presumption in favour of sustainable development (often referred to as the 'tilted balance') applies. This is set out in paragraph 11d of the NPPF. This paragraph has also been amended in two ways. Firstly, where there are exception policies<sup>3</sup> that prevent the 'tilted balance' applying that these provide a 'strong' reason for refusal, rather than a 'clear' reason for refusal. Secondly, to ensure that when the planning balance is being

<sup>1</sup> The 2023 Housing Delivery Test results were published on 12 December 2024. These indicate that Wiltshire had delivered 135% against its housing requirement in the last three years which is the period over which housing delivery is assessed in the test. This results in a 5% buffer to be applied on the five-year requirement in the housing land supply calculation.

<sup>2</sup> Under a 2024-base dated assessment

<sup>3</sup> Footnote 7 of the NPPF sets these out.

carried out, that particular regard is had to certain key policies in the Framework<sup>4</sup> related to directing development to sustainable locations, making effective use of land, securing well-designed places and providing affordable homes, individually or in combination.

4. In summary, the changes to the NPPF now require Wiltshire to demonstrate a five-year housing land supply, including a 5% buffer, and must apply the revised Local Housing Need for decision-taking immediately. As the table in paragraph 3.c above shows, this results in a significant increase in the five-year housing requirement to be met from the previous calculation. When this is assessed against the housing land supply which can be delivered within five years, the recalculation shows a significant reduction in the number of years supply. The council cannot demonstrate the requisite five-year housing land supply and can demonstrate a **2.03 years supply**.

### Implications for decision-taking

5. Annex 1 of the revised NPPF indicate that new provisions apply immediately for determining planning applications and appeals.
6. Prior to the publication of the revised NPPF the council was already in a position where it was unable to demonstrate the requisite housing land supply (see member Briefing note [24-18](#)) and the 'tilted balance' was applied. The same implications for determining planning applications therefore continue to apply, however with other particular factors to consider because of changes to the NPPF. Firstly, the magnitude of the shortfall in supply is now substantial and the weight to be given to improving housing supply greater compared to when the council had a more marginal supply. However, and following on from this, the presumption in favour of sustainable development now requires decision-takers to have particular regard to key policies as set out in footnote 9 of the NPPF (highlighted in paragraph 3.d above) to ensure that proposals that can help improve housing land supply are properly and thoroughly assessed against the key policies.
7. The Government's response to the NPPF consultation growth agenda reiterates its Plan for Change. This sets out a commitment to rebuilding Britain, delivering 1.5m new homes along with the critical infrastructure that underpins economic growth. It further sets out that this will

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<sup>4</sup> Specifically policies related to affordable housing, isolated dwellings in the countryside, town centre uses, locations which are sustainable in terms of transport, efficient use of land and density, and design. See footnote 9 of the NPPF.

be achieved in part by reforming the planning system, and radically boosting the supply of housing, while delivering homes and places that are high-quality and genuinely affordable. The approach to applying the presumption in favour of sustainable development should be seen with this national objective in mind.

## Implications for the Local Plan

8. Annex 1 of the revised NPPF provides transitional arrangements for plan-making which dictate how emerging plans will be treated in regard to the revised NPPF.
9. The council submitted the Local Plan for independent examination on 28 November 2024. Under the NPPF's transitional arrangements, the Plan (and the housing requirement) will continue to be assessed under the relevant previous version of the NPPF, which in this case will be the September 2023 NPPF. The Examining Inspector will need to be satisfied that the council can demonstrate a five-year housing land supply at the point of adoption. This will be assessed against the housing requirement in the emerging Local Plan which is lower than the revised Local Housing Need.
10. However, as the housing requirement in the emerging Local Plan will meet less than 80% of the revised Local Housing Need, the council will be expected to begin work on a new Local Plan promptly, under the revised plan-making system provided for under the Levelling Up and Regeneration Act 2023 (when the relevant provisions are brought into force in 2025), in order to address the shortfall in housing need.
11. Upon adoption of the Local Plan, the five-year housing land supply will be assessed against the housing requirement in the plan (which is based on the previous Local Housing Need calculation) for a period of up to five years from adoption. However, the revised NPPF includes a clause that for authorities whose adopted housing requirement is substantially less than the revised Local Housing Need figure (which is the case for Wiltshire), they will be required to add a **20% buffer** to their five-year housing requirement from **1 July 2026** (the equivalent of a six-year housing land supply). To meet this increased buffer, the council will need to continue to approve planning applications to ensure a sufficient housing land supply can continue to be met at, and beyond, this date.

## Implications for new Neighbourhood Plans

12. Where the presumption in favour of sustainable development (NPPF paragraph 11d) applies, NPPF paragraph 14 includes provisions as to how this affects Neighbourhood Plans that meet criteria related to their age and how the Neighbourhood Plan meets its identified housing requirement. These provisions in paragraph 14 are unchanged in the revised NPPF.

## Summary

13. The revisions to the Local Housing Need and housing land supply aspects of the planning system are significant changes. They provide for a substantial uplift (84% plus 5% buffer) in the levels of housing that the council will need to plan for. This forms part of the Government's economic growth agenda.
14. The changes introduced on 12 December 2024 mean that the council now has a substantial shortfall in its housing land supply position (2.03 years). This alters the weight to give to housing supply when giving consideration to planning applications for residential development. This means balancing the strengthened need to boost housing supply against any adverse impacts of the proposal, considered against the development plan as whole, and any material considerations on a case-by-case basis. This will need to include consideration of what weight to assign to the most important policies.
15. The changes to the NPPF are wider than those set out above. They can be viewed via the following link, which show a comparison with the December 2023 version:  
[NPPF December 2023.pdf → NPPF-December-2024.pdf - Draftable](#); which indicates moved, replaced and inserted text.