THE IMPLICATIONS OF THE NEW NATIONAL PLANNING POLICY FRAMEWORK FOR THE COTSWOLDS NATIONAL LANDSCAPE

Summary: An overview of the potential implications of the new National Planning Policy Framework for the Cotswolds National Landscape.

Recommendation: That the Board notes the report.

Report by: John Mills, Planning Lead

SUMMARY

- 1. The new National Planning Policy Framework (NPPF), including the new 'standard method' for calculating housing need, is likely to result in a significant increase in the amount of housing that will be planned for and built in local authority areas that overlap with the Cotswolds National Landscape (CNL) an average increase of 66%.
- 2. The Government's response to the proposed NPPF reforms recognises that there may be circumstances where it would be justified for local planning authorities to set a housing requirement figure that is smaller than the standard method figure. Unfortunately, this is not explicitly reflected within the NPPF.
- 3. The new NPPF is also likely to result in an increase in proposals for large-scale wind energy development within the CNL and its setting. It also gives 'significant weight' to renewable energy proposals.
- 4. These changes to the NPPF are likely to result in significant adverse impacts on the natural beauty of the CNL.
- 5. There are also some less significant, but still relevant, changes relating to:
 - affordable housing particularly the greater emphasis that is given to social rent housing (which reflects CNL Management Plan policy);
 - Green Belt particularly the exclusion of national landscapes from the definition of 'grey belt' (which will help to avoid development being steered towards equivalent land in the CNL); and
 - maintaining cooperation across local authority boundaries, including strategic alignment on policy issues relating to environmental improvement and resilience (which could be a 'hook' for the ensuring alignment in relation to the 'seek to further' duty).
- 6. We have made some (relatively minor) changes to the planning-related policies in the draft CNL Management Plan to ensure that it is consistent with the new NPPF.
- 7. The new NPPF refers to 'national landscapes' rather than 'areas of outstanding natural beauty', which is positive recognition of the national landscape brand.

INTRODUCTION

8. On 12 December 2024, the Government published a new version of the National Planning Policy Framework (NPPF). This followed on from a consultation on proposed reforms to the NPPF between 30 July and 24 September 2024. This paper provides an overview of the implications of the new NPPF for the Cotswolds National Landscape (CNL).

WHAT IS THE NPPF?

- 9. The NPPF is a document that sets out the Government's planning policies for England and how these are expected to be applied. It guides local plans, influences planning decisions and (in theory at least) promotes sustainable development.
- 10. The December 2024 version is the seventh iteration of the NPPF since it was first published in 2012.³

WHY DID THE GOVERNMENT CONSULT ON REFORMS TO THE NPPF?

11. The Government consulted on its proposed reforms to the NPPF in 2024 'to take a different, growth-focussed approach'. A main focus of the proposed reforms was to support the Government's manifesto commitment of 1.5 million homes in England during this Parliament (i.e. an average of approximately 300,000 homes per year). Other relevant aspects of the consultation included proposed reforms relating to renewable energy, Green Belt and affordable housing.

WHAT ARE THE IMPLICATIONS OF THE NEW NPPF FOR THE COTSWOLDS NATIONAL LANDSCAPE?

12. The new NPPF has a wide range of implications, of varying significance, for the CNL. These are addressed, topic-by-topic, below.

HOUSING

13. The most significant, direct implication of the new NPPF is the changes that have been made to the Government's 'standard method' for calculating

¹ Ministry of Housing, Communities and Local Government (2024) National Planning Policy (link).

² <u>Proposed reforms to the National Planning Policy Framework and other changes to the planning system - GOV.UK</u>

³ Previous iterations of the NPPF were published in March 2012, July 2018, June 2019, July 2021, September 2023 and December 2023.

⁴ <u>Proposed reforms to the National Planning Policy Framework and other changes to the planning system - GOV.UK</u>. Chapter 1, paragraph 2.

⁵ The same target was set in the previous Government's manifesto in 2019.

⁶ The standard method methodology and figures are not actually specified in the NPPF. The methodology is detailed in the Government's guidance on 'Housing and economic needs assessment (<u>link</u>) and the figures for each local authority area are provided here: <u>Proposed reforms to the National Planning Policy Framework and</u>

housing need in each local authority area (i.e. the number of new homes that are needed each year).

- 14. At a national level, the new standard method changes the housing need figure from 305,733 homes per year to 370,408 homes per year an increase of 21%, compared to the previous version. However, for the local authorities that overlap with the CNL, the average increase is 66% (i.e. more than three times larger than the national average). For two local authorities, Bath & North East Somerset and Cotswold District, the increase is over 105% (i.e. more than double). The standard method figure for each local authority that overlaps with the CNL is shown in Appendix A, below.
- 15. It is clear, from these figures, that the local authorities that overlap with the CNL are disproportionately affected by the changes to the standard method.
- 16. There are several reasons for this increase, including;
 - The revised standard method factors in affordability to a greater degree
 than the previous version. In other words, there is a larger uplift in the
 amount of housing that is needed in local authority areas that have
 relatively unaffordable housing (i.e. a large gap between house prices and
 household income). This disproportionally affects local authority areas
 that overlap with national landscapes, whose outstanding natural beauty
 makes them desirable (and expensive) places to live.
 - The baseline figure for calculating housing need is now based on existing
 housing stock rather than projected growth. In areas that have a relatively
 high housing stock but relatively low projected growth, this will result in a
 larger housing need figure than the previous version.
 - The largest 20 cities and urban areas no longer have a 35% 'urban uplift'.
 As such, housing need is more dispersed, including in rural local authority areas.
- 17. The NPPF sets an expectation that local authorities should, as a minimum, seek to meet the area's objectively assessed needs (i.e. the standard method figure) as well as unmet needs for neighbouring areas. So, for example, Cotswold District would now be expected to seek to accommodate at least 1,036 new homes per year whereas, previously, this figure was 706 homes per year.
- 18. In addition, the new NPPF sets a new requirement that the supply of specific sites should include an additional buffer of 5%, over and above the standard method figure.
- 19. Such a significant increase in housing provision, including the associated infrastructure and traffic movements, is likely to have a significant adverse impact on the natural beauty of the CNL. This is particularly the case in those

<u>other changes to the planning system - GOV.UK</u>. Indicative local housing need (December 2024 - new standard method).

local authority areas that overlap with the CNL to a significant degree, such as Cotswold District, nearly 80% of which lies within the CNL (and which overlaps with 44% of the CNL). This is because there would be less scope for accommodating the housing need outside the CNL.

- 20. As well as significantly increasing the overall quantum of housing in the CNL and its setting, the change in the standard method is also likely to lead to individual housing proposals being promoted that are of an unprecedented scale, such as the proposal for 600-900 homes at Chipping Campden that we have recently commented on.
- 21. Furthermore, many of the local authorities that overlap with the CNL struggle to maintain a five-year housing land supply (as do many local authorities across England). Where this is the case, the planning balance is tilted in favour of granting planning permission (referred to as the 'tilted balance'). As with the previous NPPF, where housing delivery has fallen below 85% of the requirement over the previous three years, the buffer would be increased to 20%, making the it even more challenging to achieve housing targets.⁷
- 22. If local authorities are already struggling to maintain a five-year housing land supply based on the previous standard method figure, it is likely that this will become even more of an issue with the new, higher standard method figures. The likely effect of this is that there will be even more 'windfall' development in unsustainable locations and more 'planning by appeal' (rather than a plan-led system).8
- 23. However, there is potentially a route whereby local authorities could set a lower housing requirement figure, in their local plans, than the standard method figure. This derives from paragraph 11 of the NPPF, which identifies some exemptions to the requirement for local plans having to meeting objectively assessed needs (OAN) in full.⁹ This includes where the application of NPPF policies relating to national landscapes provides a strong reason for restricting the overall scale type of or distribution of development in the plan area.¹⁰
- 24. The Government's response to the proposed NPPF reforms indirectly acknowledges this point by stating that 'it is recognised that there may be local constraints on land and delivery that could justify a lower housing requirement

⁷ Ministry of Housing, Communities and Local Government (2024) *National Planning Policy* (<u>link</u>). Paragraph 78.

⁸ 'Windfall' development, is development on sites that have not been specifically identified in the Local Plan.

⁹ Ministry of Housing, Communities and Local Government (2024) *National Planning Policy* (<u>link</u>). Paragraph 11b.

¹⁰ It is worth noting that the previous iteration of the NPPF required a 'clear reason' rather than a 'strong reason'. This wording has been changed to set a higher bar for when these exemptions might apply (i.e. to make it more difficult apply to these exemptions).

- figure'.¹¹ It is unfortunate, albeit understandable, that the Government did not make this explicit within the NPPF itself, as we (and the National Landscapes Association) suggested in our consultation response. However, it still provides a useful hook when trying to pursue this argument.
- 25. When commenting on local plan consultations, the Board has consistently asked local authorities to consider the potential for setting a housing requirement figure that is lower than the standard method figure. We have not had much luck with this, to-date. However, ironically, the significant increase in the standard method figure could potentially make local authorities more open to this possibility. We will continue to pursue this option in future local plan consultations.

RENEWABLE ENERGY

- 26. Since 2015, the previous Government took a more restrictive approach to onshore wind than to other forms of renewable energy. This restrictive approach effectively killed off the onshore wind industry in England. However, as of July 2024, the (new) Government has removed this more restrictive approach, with the intention that this will facilitate an increased level of onshore wind development.
- 27. In principle, we do not object to the removal of this more restrictive approach. This is because we consider that it is acceptable / appropriate for onshore wind to be considered on a 'level playing field' compared to other forms of renewable energy.
- 28. However, there is now likely to be a significant increase in the number of proposals for onshore wind, both for England as a whole and for national landscapes, including the CNL. For example, at the local level, Dale Vince, of Ecotricity, based in Stroud, has promoted the idea of accommodating 100 new, 4MW wind turbines (i.e. turbines that could be over 200ft tall, to turbine tip height) in Gloucestershire, 64% of which lies within the CNL.¹⁴
- 29. Whilst we recognise the potential benefits that this could provide, in terms of contributing to 'net zero', we are concerned that onshore wind development of

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 $\frac{https://www.bbc.co.uk/news/articles/cp3nzjn2580o\#: ``:text=Ecotricity\%2C\%20based\%20in\%20Stroud\%2C\%20said,of\%20the\%20county's\%20energy\%20demands.$

¹¹ Government response to the proposed reforms to the National Planning Policy Framework and other changes to the planning system consultation - GOV.UK. 3. Planning for the homes we need - Government response for Questions 1 and 2.

¹² For example, previous iterations of the NPPF specified that: 'Except for applications for the repowering and life-extension of existing wind turbines, a planning application for wind energy development involving one or more turbines should not be considered acceptable unless it is in an area identified as suitable for wind energy development in the development plan or a supplementary planning document; and, following consultation, it can be demonstrated that the planning impacts identified by the affected local community have been appropriately addressed and the proposal has community support' (link - footnote 58, page 47).

¹³ Policy statement on onshore wind - GOV.UK

- this scale, within the CNL and its setting, is likely to have a significant adverse effect on the natural beauty of the CNL.
- 30. So, whilst we do not object, in principle, to the less restrictive approach that is now being taken to wind energy development in England, we will need to ensure that CNL considerations are adequately addressed in relation to wind energy proposals in the CNL and its setting, in line with the CNL Management Plan and our Renewable Energy Position Statement¹⁵.
- 31. One of the changes that was proposed in the NPPF consultation in 2024 was to introduce the following statement: 'local planning authorities should support planning applications for all forms of renewable and low carbon development'.¹⁶ In our consultation response, we raised concerns that this could be interpreted as meaning that any, or all, renewable or low carbon energy proposals should be permitted.
- 32. This was probably our second biggest concern about the proposed NPPF reforms (the biggest concern being the proposed new standard method). This is because such an unconstrained approach to renewable and low carbon energy development would have had the potential to result in significant adverse effects on the natural beauty of the CNL. Fortunately, this sentence has not been included in the new NPPF.
- 33. However, there is a new requirement, in relation to renewable and low carbon energy proposals, to 'give significant weight to the proposal's contribution to renewable energy generation and a net zero future'. ¹⁷ This tilts the planning balance more in favour of granting planning permission for such proposals. It is not clear how this 'significant weight' compares to the 'great weight' that should be given to conserving and enhancing the landscape and scenic beauty of national landscapes (i.e. which one has greater weight).

AFFORDABLE HOUSING

34. The new NPPF introduces a requirement for planning policies to specify the minimum proportion of Social Rent homes required. We supported this proposed reform in our response to the NPPF consultation and we are pleased to see it retained (from the consultation) in the new NPPF. This is because this

¹⁵ Cotswolds National Landscape Board (2024) Renewable Energy Position Statement (link).

¹⁶ Ministry of Housing, Communities and Local Government (2024) *National Planning Policy Framework: draft text for consultation* (<u>link</u>). Paragraph 164.

¹⁷ Ministry of Housing, Communities and Local Government (2024) *National Planning Policy* (<u>link</u>). Paragraph 168a.

¹⁸ Ministry of Housing, Communities and Local Government (2024) *National Planning Policy* (<u>link</u>). Paragraph 64

explicit reference to Social Rent homes aligns with the emphasis that is given to Social Rent in Policy CE12 of the CNL Management Plan.¹⁹

GREEN BELT

- 35. The issue of Green Belt is not part of the Board's remit. However, given that some parts of the CNL are Green Belt land, some of the changes in the NPPF that relate to Green Belt are relevant to the CNL.
- 36. The NPPF reforms introduce a new category of Green Belt, referred to as 'grey belt'. Grey belt is land in the Green Belt comprising previously developed land and /or any other land that does not strongly contribute to three of the purposes Green Belt.²⁰ Where it is necessary to release Green Belt land for development, plans should give priority to previously developed land and then grey belt that is not previously developed.²¹
- 37. This is relevant to national landscapes because the definition of grey belt land excludes national landscapes. This is useful because it means that the grey belt policy will not result in additional development pressure on Green Belt land in national landscapes.
- 38. It is worth noting that the affordable housing requirement for development in the Green Belt is now 15 percentage points above the highest existing affordable housing requirement which would otherwise apply to the development, subject to a cap of 50%. For Green Belt development in the CNL, this would align with the aspiration, set out in Policy CE12 of the CNL Management Plan, for market housing developments to provide at least 50% affordable housing. After the approximate the subject to the control of the

MAINTAINING EFFECTIVE COOPERATION

39. The new NPPF introduces some additional requirements in relation to maintaining effective cooperation across local authority boundaries. This includes the following requirement:

¹⁹ Cotswolds National Landscape Board (2023) *Cotswolds National Landscape Management Plan 2023-2025* (link). Policy CE12 (Development priorities and evidence of need). CE12.1: *Housing delivery in the Cotswolds National Landscape (CNL) should be focussed on meeting affordable housing requirements, particularly housing that is affordable in perpetuity such as social rented housing*.

²⁰ Ministry of Housing, Communities and Local Government (2024) *National Planning Policy* (<u>link</u>). Annex 2: Glossary - Grey belt.

²¹ Ministry of Housing, Communities and Local Government (2024) *National Planning Policy* (<u>link</u>). Paragraph 148.

²² Ministry of Housing, Communities and Local Government (2024) *National Planning Policy* (<u>link</u>). Paragraph 157.

²³ Cotswolds National Landscape Board (2023) *Cotswolds National Landscape Management Plan 2023-2025* (link). Policy CE12 (Development priorities and evidence of need).

- Strategic policymaking authorities should make sure that their plan policies align as fully as possible with those of other bodies where a strategic relationship exists on these matters ... In particular their plans should ensure that: a) a consistent approach is taken to planning the delivery of major infrastructure, such as ... environmental improvement and resilience.²⁴
- 40. This requirement could potentially provide a stronger hook for ensuring that local planning authorities take a strategic, cross-boundary approach to fulfilling their statutory duty to seek to further the purpose of conserving and enhancing the natural beauty of the CNL.

NPPF POLICIES THAT RELATE SPECIFICALLY TO NATIONAL LANDSCAPES

- 41. The NPPF consultation in 2024 did not propose any changes to the two main paragraphs that relate explicitly to national landscapes now paragraphs 189 and 190 (previously paragraphs 182 and 183). The Government consultation framed this as 'existing protections for land covered by existing designations will be maintained'. Whilst this may be true, in the context of paragraphs 189 and 190, the changes relating to the standard method, for example, are likely to undermine these protections.
- 42. We would like to see paragraphs 189 and 190 strengthened, in future iterations, of the NPPF, to better reflect the 'seek to further' duty. We will continue to advocate this point in the forthcoming NPPF consultations.
- 43. The NPPF now consistently refers to 'national landscapes' rather than to 'areas of outstanding natural beauty (AONBs)'. The NPPF Glossary provides the following definition of national landscapes:
 - National Landscapes: areas legally designated as areas of outstanding natural beauty under the National Parks and Access to the Countryside Act 1949 and Countryside and Rights of Way Act 2000.
- 44. This is a positive recognition of the national landscape brand. It also makes it more straightforward to refer to national landscapes, rather than AONBs, in our planning consultation responses and for other stakeholders, such as local planning authorities and the Planning Inspectorate, to refer to national landscapes in their reports.

CNL MANAGEMENT PLAN AND BOARD GUIDANCE

45. The changes to the NPPF have required some changes to the policies and supporting text in the draft Management Plan. These changes primarily relate to Policy CE15 (Development priorities and evidence of need).

²⁴ Ministry of Housing, Communities and Local Government (2024) *National Planning Policy* (<u>link</u>). Paragraph 27.

- 46. The main change is that we will no longer be asserting that the standard method figure does not present a target for housing provision. However, the policy does address the circumstances in which it may be appropriate for local authorities to set a lower housing requirement figure, in their local plans, than the standard method figure.
- 47. In addition, we have removed the reference to giving consideration to alternative approaches to the standard method. This is because the new NPPF does not allow for alternative approaches to be used (except in very limited circumstances, which do not relate to national landscapes). We have also removed the statement that 'meeting housing need is never a reason to cause unacceptable harm to the CNL'. This is because this statement quoted a statement by the previous Government, not the new Government. Overall, we do not consider these changes to be significant.
- 48. It may be necessary to amend some of our position statements to take account of the changes to the NPPF, for example, our Housing Position Statement²⁵ and our Renewable Energy Position Statement²⁶. However, these changes are likely to be relatively minor and would not alter the overall position that is set out in these documents. We will review this in the coming months.

DECISIONS REQUIRED

49. No decisions required.

NEXT STEPS

- 50. The new NPPF is likely to just be a temporary iteration as a more comprehensive overhaul of the NPPF is anticipated in 2025. It will be vitally important to engage in these future consultations, both as an individual national landscapes and as part of the wider national landscapes / protected landscapes family.
- 51. In addition, the Government is currently undertaking a number of planning-related consultations. These include:
 - English Devolution White Paper, for which there is no formal consultation deadline.²⁷
 - 'Planning Reform Working Paper: Development and Nature Recovery', for which there is no formal consultation deadline.²⁸

²⁵ Cotswolds National Landscape Board (2021) *Housing Position Statement* (<u>link 1</u>- main document; <u>link 2</u> - appendices).

²⁶ Cotswolds National Landscape Board (2023) Renewable Energy Position Statement (link).

²⁷ https://www.gov.uk/government/publications/english-devolution-white-paper-power-and-partnership-foundations-for-growth/english-devolution-white-paper

²⁸ https://www.gov.uk/government/publications/planning-reform-working-paper-development-and-nature-recovery

- Land Use Framework, for which the consultation deadline is 27 April 2025.²⁹
- 52. For the first two of these consultations, we will be feeding into responses being prepared on behalf of the National Landscapes Association. For the Land Use Framework consultation, it is anticipated that we will be submitting our own consultation response.

SUPPORTING PAPERS

• APPENDIX A (see below)

²⁹ https://consult.defra.gov.uk/land-use-framework/land-use-consultation/

APPENDIX A

Table of annual housing need figures (i.e. number of new dwellings per annum) derived from the Government's standard method for calculating housing need.

Local Authority	Average Annual Net Additions (2020/21- 2023/24) (i.e. actual delivery)	Previous standard method (i.e. before December 2024)	Proposed standard method in July 2024 NPPF consultation		New standard method (i.e. December 2024 NPPF)		% of LA area in CNL	% of CNL in LA area
		Annual housing need figure (number of dwellings)	Annual housing need figure (number of dwellings)	% increase between pre-December 2024 method and and proposed method	Annual housing need figure (number of dwellings)	% increase between pre- December 2024 method and new method		
Bath and North East Somerset	570	717	1,466	104.4	1,471	105.2	20.8	3.6
Cheltenham	234	545	833	52.8	824	51.2	21.5	0.5
Cherwell	1,096	706	1,095	55.0	1,118	58.3	0.8	0.2
Cotswold	358	504	979	94.1	1,036	105.4	76.7	43.8
South Gloucestershire	1,675	1,317	1,717	30.3	1,702	29.2	23.9	6.3
Stratford-on-Avon	1,343	553	1,098	98.6	1,126	103.6	10.6	5.1
Stroud	616	620	844	36.1	820	32.2	48.2	10.9
Tewkesbury	1,019	554	635	14.5	614	10.7	41.7	8.5
West Oxfordshire	811	549	889	61.9	905	64.8	33.9	11.9
Wiltshire	2,018	1,917	3,476	81.3	3,525	83.8	4.3	6.8
Wychavon	612	508	959	88.7	971	91.1	7.4	2.4
TOTAL	10,352	8,492	13,989	64.7	14,112	66.2		100.0

The average annual net additions, the previous standard method figure and the new standard method figure for each local authority is extracted from the Government's 'Indicative local housing need (December 2024 - new standard method spreadsheet'.

The proposed standard method figure (i.e. the July 2024 NPPF consultation figure) for each local authority is extracted from the Government's 'Outcome of the revised proposed method' spreadsheet.

Both of those spreadsheets can be found here:

<u>Proposed reforms to the National Planning Policy Framework and other changes to the planning system - GOV.UK</u>

The previous standard method figure for Wychavon is taken from Table 3 (page 9 / digital page 11) of the South Worcestershire Housing Land Supply Report August 2022 as this was not shown in the above spreadsheets.