COTSWOLDS CONSERVATION BOARD DRAFT POSITION STATEMENT



Housing

CONTEXT

The Cotswolds National Landscape¹ is a landscape whose distinctive character and natural beauty are so outstanding that it is in the nation's interest to safeguard it.² The statutory purpose of its designation is to conserve and enhance the natural beauty of the area.³

The Cotswolds National Landscape is also a living and working landscape in which the social and economic well-being of local communities are important considerations. Maintaining vibrant and thriving local communities is essential to the long-term future of the National Landscape.

However, as outlined in the Planning & Development Position Statement, securing the social and economic wellbeing of these local communities needs to be delivered in a way that is compatible with – and positively contributes to - the statutory purpose of designation.

In order to achieve this, the Planning & Development Position Statement advocates two overarching principles for development within the Cotswolds National Landscape and its setting:

- Development within the Cotswolds National Landscape and, where relevant, in its setting, should be 'landscape-led'.
- Development within the Cotswolds National Landscape should be based on robust evidence of local need arising within the National Landscape.

This Housing Position Statement is intended to complement the Planning & Development Position Statement by addressing these two over-arching principles specifically in the context of housing.

LANDSCAPE-LED APPROACH - CONTEXT

As indicated in the Board's Planning & Development Position Statement, a 'landscape-led' approach to development, in the context of the Cotswolds National Landscape, is one in which development is conceived, designed, budgeted, assessed and implemented in such a way that:

- it does not exceed the capacity of the landscape to accommodate it without adverse effects;
- it is consistent with, demonstrably contributes to and delivers net-benefits for the statutory purpose of Area of Outstanding Natural Beauty (AONB) designation (i.e. conserving and enhancing the natural beauty of the AONB).

The Planning & Development Position Statement makes a number of recommendations for how this landscape-led approach should be implemented. In the context of housing, this includes undertaking landscape and visual sensitivity and capacity studies for site allocations at the planning policy stage and / or landscape and visual impact assessments at the development management stage.

This Housing Position Statement does not seek to duplicate those recommendations so readers are recommended to refer to the Planning & Development Position Statement for further details.

However, there is additional, relevant guidance available that relates specifically to housing. For example, the Government's guidance on 'Housing and economic land availability assessment' provides some very useful guidance on how 'constraints', such as the AONB designation, should be addressed when determining housing land availability and housing requirements.⁴ Key extracts from this guidance are provided in Appendix 1.

LOCAL NEED ARISING WITHIN THE COTSWOLDS NATIONAL LANDSCAPE – CONTEXT

National planning policy clarifies that: the scale and extent of development within AONBs should be limited; national AONB policies may mean that objectively assessed needs (OAN) cannot be met in full; and AONBs are unlikely to be suitable areas for accommodating unmet needs arising outside the AONB. On this basis, it is logical to conclude that development in the Cotswolds National Landscape should be based on needs arising within the National Landscape.

This principle is reflected in Policy CE12 of the Cotswolds AONB Management Plan 2018-2023, which states that:

• Development in the Cotswolds AONB should be based on robust evidence of local need arising within the AONB.⁵

With regards to housing, specifically, Government guidance recognises that National Parks, at least, 'are not suitable locations for unrestricted housing'. ⁶ Similarly, the Government's Planning White Paper (2020) states that 'the whole purpose of National Parks would be undermined by multiple large scale housing developments'. ⁷ Instead, 'the expectation [in National Parks] is that new housing will be focussed on meeting affordable housing requirements, supporting local employment opportunities and key services' ⁸ with National Park Authorities working to 'ensure that ... affordable housing remains so in the longer term'. ⁹

AONBs have the same level of protection as National Parks, with regards to conserving and enhancing landscape and scenic beauty. They also face the same pressures in terms of being highly desirable places to live (because of their outstanding natural beauty), which, in turn, drives up house prices. As such, it is logical to apply the same principles, outlined above for National Parks, in AONBs.

This is particularly important given that many of the jobs that are essential to conserving and enhancing the natural beauty of AONBs – and to furthering the economic and social wellbeing of local communities within AONBs - are relatively low paid. These workers, especially young people, are being priced out of the housing market in the landscapes and communities that depend on them.

The importance of affordable housing is reflected in Policy CE12 of the Cotswolds AONB Management Plan 2018-2023, which states that:

 Priority should be given to the provision of affordable housing, maintaining and enhancing local community amenities and services, and improving access to these amenities and services.¹⁰

These principles are also reflected in the Local Plans of some local authority areas that overlap with the Cotswolds National Landscape and in the Development Plan policies of other protected landscapes, including AONBs and National Parks. Case studies of some of these best-practice examples are provided in Appendix 2.

The starting point for local authorities in determining the level of housing provision within their areas is normally the assessment of objectively assessed needs. However, given the relevant national and local planning policy and guidance referred to above and the recommendations outlined below, objectively assessed needs do not necessarily have to be – and, arguably, in the context of the Cotswolds National Landscape, should not be – the over-riding consideration.

ACHIEVING THE RIGHT BALANCE

The Cotswolds Conservation Board recognises that achieving the right balance, in terms of the quantum and type of housing that should be delivered in the Cotswolds National Landscape and its setting, is a difficult challenge for local authorities, especially where a significant proportion of their area lies within the National Landscape.

Achieving the right balance is likely to become more challenging, given the pressure on local authorities to allocate and permit more and more homes, combined with a decrease in the number of suitable sites as more of these sites are developed over time. This pressure is demonstrated by the fact that the Cotswolds National Landscape has already experienced a three-fold increase in the average number of housing units being permitted per annum between 2012 and 2017. The Government's proposed planning reforms risk a further three-fold increase (i.e. a nine-fold increase since 2012) in housing provision in some parts of the National Landscape. 12

We also recognise that there may be exceptional circumstances in which housing development is permitted in the Cotswolds National Landscape, or its setting, that has the potential to have a significant adverse impact on the natural beauty of the National Landscape and / or meets needs arising elsewhere.

However, we hope that this Position Statement will help to ensure that the right balance is achieved across the whole of the Cotswolds National Landscape, with an appropriate quantum and type of housing being delivered in a way that is compatible with the purpose of AONB designation and which meets the needs local communities within the National Landscape.

STATUS OF THE POSITION STATEMENT

The Cotswolds AONB Management Plan 2018-2023 states that:

 Development proposals 'should ... be compatible with guidance produced by the Cotswolds Conservation Board, including the ... Cotswolds Conservation Board Position Statements'.¹³

As such, if a proposed development is not compatible with the Position Statement, it is also not compatible with the policies of the AONB Management Plan. On this basis, the Position Statement should carry the same weight as the AONB Management Plan as a 'material consideration' in both planning policy and development management.

RECOMMENDATIONS – LANDSCAPE-LED APPROACH

HOUSING NEEDS ASSESSMENT

Consideration should be given to whether the constraints relating to the Cotswolds
 National Landscape merit exceptional circumstances which justify an alternative approach
 to the standard method for assessing housing need.¹⁴

HOUSING & LAND AVAILABILITY ASSESSMENTS AND SUSTAINABILITY APPRAISALS

Constraints relating to the Cotswolds National Landscape, including all of the factors that
contribute to the natural beauty of the National Landscape, should be fully taken into
account (both individually and cumulatively) in 'Housing and Land Availability Assessments'
(HLAA), Sustainability Appraisals and related assessments.¹⁵

OBJECTIVELY ASSESSED NEEDS NOT BEING MET DUE TO AONB CONSTRAINTS

- It should be recognised that the implementation of national policies for protecting AONBs may mean that it is not possible to meet objectively-assessed needs in full through the plan-making process. ¹⁶
- If AONB-related constraints mean that objectively assessed needs can't be met in full, local authorities should seek to identify how these needs might be met in neighbouring authority areas. ¹⁷ If there is scope to accommodate these unmet needs elsewhere, then they should not normally be accommodated in the Cotswolds National Landscape. ¹⁸

ACCOMMODATING UNMET NEEDS, ARISING ELSEWHERE, WITHIN THE COTSWOLDS NATIONAL LANDSCAPE

- It should be recognised that the Cotswolds National Landscape is unlikely to be a suitable area for accommodating unmet needs from adjoining (non-designated) areas, ¹⁹ including adjacent urban areas (particularly where the National Landscape boundary provides a clear delineation between the built environment of the adjacent urban area and undeveloped land within the National Landscape).
- In recognition of the above point, for local authority areas that overlap with the National Landscape, local authorities should endeavour to differentiate between the housing need arising within the National Landscape and the housing need arising outside the National Landscape.²⁰
- If a local authority that overlaps with the Cotswolds National Landscape is required to accommodate unmet needs arising in neighbouring local authority areas, these unmet needs should not be used in housing need calculations for the National Landscape.

DESIGN

- New housing in the Cotswolds National Landscape should:
 - respect the characteristics of the existing settlement; ²¹
 - respect the relevant 'special qualities' of the Cotswolds National Landscape;²²
 - be consistent with relevant policies of the Cotswolds AONB Management Plan;²³
 - be consistent with the guidelines in 'Cotswolds AONB Landscape Strategy and Guidelines';²⁴
 - be consistent with the guidelines in 'Cotswolds AONB Local Distinctiveness and Landscape Change'. ²⁵
- New affordable housing should be indistinguishable from market housing in character and design quality and should be fully integrated into the village fabric.²⁶

RECOMMENDATIONS – LOCAL NEED

PRIORITIES - AFFORDABLE HOUSING

- In the Cotswolds National Landscape, priority should be given to the provision of housing that is affordable in perpetuity and which genuinely meets the needs of households with a local connection that are most in need.
- The evidence base for housing provision within the Cotswolds National Landscape should include robust evidence of local affordable housing need arising within the National Landscape.²⁷ This evidence base should be based on the following hierarchy, taking into consideration the extent to which the National Landscape extends into the local authority area:
 - (i) the specific National Landscape settlement / parish where housing is being considered, primarily through an up-to-date housing needs survey;
 - (ii) relevant National Landscape 'sub-areas' within the local authority area (e.g. clusters of parishes based around a National Landscape market town or a geographically contiguous section of the AONB);
 - (iii) the whole of the National Landscape area that lies within the relevant local authority area.

WINDFALL HOUSING

 Windfall housing development proposals in the Cotswolds National Landscape should be required to provide robust evidence of local (affordable) housing need arising within the National Landscape, based on the above hierarchy.²⁸

HOUSING EVIDENCE BASE

- Local authorities should prioritise undertaking housing needs surveys in the Cotswolds National Landscape. Ideally, these surveys should be undertaken on a rolling five year programme within the National Landscape to ensure that this evidence base remains valid and up-to-date.²⁹
- Although data from choice-based lettings systems, such as Homeseeker Plus, provides some indication of potential take-up of affordable housing, this data should not be used explicitly as a measure of affordable housing need.³⁰ It may be appropriate to cross-reference this data with more robust evidence, such as housing needs survey data.
- Within the Cotswolds National Landscape, choice-based lettings systems should prioritise 'local connection' to the relevant settlement within the National Landscape (or, at least, to the local authority area within the National Landscape).

AFFORDABLE HOUSING PROVISION

• When local planning authorities are reviewing their Local Plans, they should give consideration to setting policies for affordable housing provision in the Cotswolds National Landscape that require:

- at least 50% affordable housing in market housing developments, with the majority of this affordable housing being affordable in perpetuity (for example, social rented housing);³¹
- 100% affordable housing on Rural Exception Sites, with the majority of this affordable housing being affordable in perpetuity, with a lower percentage only being permitted in exceptional circumstances and the absolute minimum being 75%;³²
- on-site affordable housing provision for housing developments of five units or fewer.³³

SECOND HOMES

• Consideration should be given to ensuring that new market housing is used as a principle residence rather than as a second home or holiday home.³⁴

LANDSCAPE-LED APPROACH v LOCAL NEED

- Where the housing need arising within the Cotswolds National Landscape (or the local authority's objectively assessed need), including affordable housing need, exceeds the landscape capacity of the National Landscape, the amount of housing that is allocated / permitted should not normally exceed the landscape capacity.
- Where the housing need arising within the Cotswolds National Landscape (or the local authority's objectively assessed need) is less than the landscape capacity of the National Landscape, development should be based on the housing need rather than on the landscape capacity.

SETTLEMENTS THAT OVERLAP WITH THE BOUNDARY OF THE COTSWOLDS NATIONAL LANDSCAPE

• For settlements that overlap with the boundary of the Cotswolds National Landscape, the whole of the settlement should be considered as a National Landscape settlement for the purposes of the above recommendations.

SUPPORTING INFORMATION

In addition to the 'end notes' provided below, this Position Statement is supported by a number of appendices (as a separate document), which provide:

- Extracts from the Government's guidance on 'Housing and Economic Land Availability Assessment' (Appendix 1).
- Case studies of best-practice (Appendix 2).
- A flowchart of the extent to which 'Homeseeker Plus' data equates to convincing evidence of need within a specific settlement (Appendix 3).
- A sample extract from the Cotswolds AONB Landscape Strategy & Guidelines relating to housing development in Landscape Character Type 1 (Escarpment Outliers) (Appendix 4).

END NOTES

¹ Cotswolds National Landscape is the new name for the Cotswolds Area of Outstanding Natural Beauty (AONB). The new name takes forward one of the proposals of the Government-commissioned 'Landscapes Review' to rename AONBs as 'National Landscapes'. This change reflects the national importance of AONBs and the fact that they are safeguarded, in the national interest, for nature, people, business and culture.

'Exceptional circumstances' could potentially include a scenario in which AONB constraints mean that the amount of housing that could be provided without (significantly) adversely affecting the natural beauty of the Cotswolds National Landscape would fall well below OAN levels. In this scenario, it may be more appropriate to base housing need and housing provision on evidence of (affordable) housing need within individual parishes (such as Housing Need Surveys). This would be more in line with best-practice in National Parks and some other AONBs (for example, Arnside and Silverdale AONB) – see the case studies in Appendix 2 for further information.

² Section 82 of the Countryside and Rights of Way Act 2000 (<u>link</u>). See also Appendix 1 of the Cotswolds AONB Management Plan 2018-2023 for further information (<u>link</u>).

³ Defra (2019) Areas of Outstanding Natural Beauty: technical support scheme (England) 2019 to 2020 (link).

⁴ https://www.gov.uk/guidance/housing-and-economic-land-availability-assessment

⁵ Cotswolds Conservation Board (2018) Cotswolds AONB Management Plan 2018-2023 (link).

⁶ Defra (2010) English National Parks and the Broads – UK Government Vision and Circular 2010 (<u>link</u>). Paragraph 78.

⁷ Ministry of Housing Communities and Local Government (2020) *White Paper: Planning for the Future* (<u>link</u>). Paragraph 2.25.

⁸ Defra (2010) English National Parks and the Broads – UK Government Vision and Circular 2010 (<u>link</u>). Paragraph 78.

⁹ Defra (2010) English National Parks and the Broads – UK Government Vision and Circular 2010 (<u>link</u>). Paragraph 79.

¹⁰ Cotswolds Conservation Board (2018) Cotswolds AONB Management Plan 2018-2023 (link).

¹¹ Dixon, D., Sinden, N., Crabtree, T (2017) *An Independent Review of Housing In England's Areas of Outstanding Natural Beauty 20120-2017.* Table 4: pre-2012 = 217 units per year average; 2015-2017 = 635 units per year average. This data relates to development of 10+ dwellings (link).

¹² For example, the changes to the standard method for calculating housing need, as proposed in the Government's consultation document, 'Changes to the Current Planning System' (2020), would result in a three-fold increase in annual figures for new housing for Cotswold District (78% of which lies within the Cotswolds National Landscape), compared to the level of provision identified in the Cotswold District Local Plan (i.e. an increase from 420 homes per annum to 1,209 homes per annum) (link).

¹³ Cotswolds Conservation Board (2018) Cotswolds AONB Management Plan 2018-2023 (link). Policy CE10.

¹⁴ Paragraph 60 of the NPPF states that 'strategic policies should be informed by a local housing need assessment, conducted using the standard method in national planning guidance - <u>unless exceptional circumstances justify an alternative approach</u> which also reflects current and future demographic trends and market signals' (N.B. Underlining added for emphasis). The Government's guidance on 'Housing and economic needs assessment' (<u>link</u>) (paragraph 003) adds that the use of the standard method is not mandatory 'if it is felt that circumstances warrant an alternative approach'. However, it reiterates the point that this should only apply in exceptional circumstances and adds that any such alternative approach 'can expect to be scrutinised more closely at examination'.

- points made in the previous endnote;
- the major development tests set out in paragraph 172 of the NPPF;
- relevant case law (for example, R (Advearse) v Dorset Council v Hallam Land Management Ltd [2020] EWHC 807 (<u>link</u>), paragraph 35: 'No permission should be given for major development save to the extent the development ... met a need that could not be addressed elsewhere').

²⁰ For example, a starting point could be to identify the objectively assessed need (OAN) on a settlement-by settlement basis (i.e. the OAN for each settlement, before any constraints are taken into account). This could potentially be based on a proportionate split of the local authority's overall OAN figure, taking into account the baseline number of dwellings in each settlement. The settlement-specific OAN could potentially be weighted according to factors such as the settlement's position in the settlement hierarchy, etc. When disaggregating the OAN in this way, the calculations should not include the unmet needs arising from neighbouring local authorities.

An example of this approach is provided in Tewkesbury Borough Council's Housing Background Paper, which formed part of the evidence base for the Pre-Submission Tewkesbury Borough Plan (link). Appendix J (Housing supply overview table) of that document identifies an 'indicative requirement' for housing in each settlement (i.e. the housing 'requirement' before constraints are taken into account).

In parallel with these OAN considerations, consideration should also be given to evidence of (affordable) housing need arising in individual parishes (for example, Housing Need Surveys), particularly where a local authority area only includes a limited number of settlements within the Cotswolds National Landscape.

- ²¹ The relevant 'characteristics', in this context, are those characteristics that merit the settlement's inclusion within the Cotswolds National Landscape (for example, characteristic historic features in Conservation Areas). It does not relate to 'suburban' features, for example, that may exist within these settlements.
- ²² The 'special qualities' of the Cotswolds National Landscape are listed in Chapter 2 of the Cotswolds AONB Management Plan 2018-2023 (link). Relevant special qualities include: the unifying character of the limestone geology its visible presence in the landscape and use as a building material; distinctive dry stone walls; variations in colour of the stone from one part of the AONB to another which add a vital element of local distinctiveness; distinctive settlements, developed in the Cotswold vernacular, high architectural quality and integrity.
- ²³ Cotswolds Conservation Board (2018) *Cotswolds AONB Management Plan 2018-2023* (<u>link</u>). Relevant policies, in the context of design, include Policy CE3 (Local Distinctiveness).

¹⁵ See the recommendations relating to Landscape and Visual Sensitivity and Capacity Studies in the Planning & Development Position Statement for additional, related recommendations.

¹⁶ This is consistent with the Government's planning practice guidance relating to 'Natural Environment' (paragraph 041) (link).

¹⁷ This is consistent with the Government's planning practice guidance relating to 'Natural Environment' (paragraph 041) (link) and 'Housing and Economic Land Availability Assessment' (paragraph 025) (link).

¹⁸ This is consistent with:

¹⁹ This is consistent with the Government's planning practice guidance relating to 'Natural Environment' (paragraph 041) (link).

²⁴ Cotswolds Conservation Board (2004) *Cotswolds AONB Landscape Strategy and Guidelines* (<u>link</u>). See Appendix 4 for an example of relevant extracts.

²⁵ Cotswolds Conservation Board (2003) Cotswolds AONB Local Distinctiveness and Landscape Change (link).

 $^{^{26}}$ This reflects best practice in protected landscapes – see the case studies in Appendix 2 for further information.

The Conservation Board recognises that maintaining and updating a comprehensive set of HNG is potentially more challenging local authority areas where there are numerous settlements within the Cotswolds National Landscape. In such local authority areas, priority should be given to undertaking HNS in parishes where potential housing allocations are being considered or where housing development proposals are being put forward.

³⁰ Data from choice based lettings systems, such as Homeseeker Plus, can potentially be manipulated to present inflated affordable housing need figures. For example, households can express a preference for up to three locations, which could lead to double, or even triple, counting of housing need. The flowchart in Appendix 3, provides some additional context on this issue to help clarify what should actually be considered as 'need'.

In addition, households don't necessarily have a local connection to the settlements that they have expressed a preference for. The Conservation Board regards 'local connection' (i.e. living, working or having a family connection in the area / settlement) as an essential consideration.

³¹ The definition of 'affordable housing' in Annex 2 of the NPPF is quite broad. However, in the context of the Cotswolds National Landscape, the Conservation Board considers that priority should be given to housing that is affordable in perpetuity, in particular, social rented housing. This prioritisation should help to ensure that housing remains affordable for those who live, work or have a local connection to the National Landscape and those whose work helps to conserve and enhance the natural beauty of the National Landscape.

A target of 50% affordable housing in market housing developments reflects the priority that should be given to such housing. It would also help to ensure that housing delivery in the Cotswolds National Landscape complies with relevant national planning and policy (for example, the requirement to limit the scale and extent of development) and to ensure that it does not undermine the purpose of designation.

³² This reflects best practice in other protected landscapes – see the case studies in Appendix 2 for further information. The Conservation Board is aware of Rural Exception Sites (RES) that have been permitted in the Cotswolds National Landscape where the proportion of affordable housing is as low as 51%. We consider that 51% is closer to the level of affordable housing provision should be provided in market housing schemes. This level of affordable housing provision in a RES undermines the purpose of allowing such development, on sites where housing would not normally be permitted, which is to meet locally identified affordable housing needs. It also allows for excessive levels of market housing, which would not be appropriate in a protected landscape.

³³ This is consistent with paragraph 63 of the NPPF, in relation to affordable housing provision in designated rural areas (which include AONBs). This principle is reiterated in the Government-commissioned 'Landscapes Review Final Report' (link) which specifies that 'local planning authorities in AONBs should make use of the provision that allows them to demand on-site affordable housing contributions on all sites, including development of five homes or fewer' (page 110). It is also consistent with best practice in other protected landscapes – see Appendix 2 for relevant case studies. For example, the Arnside & Silverdale AONB Development Plan Document (link) requires 50% affordable housing provision on developments of two or more dwellings.

²⁷ This reflects best practice in protected landscapes – see the case studies in Appendix 2 for further information.

²⁸ This reflects best practice in protected landscapes – see the case studies in Appendix 2 for further information.

²⁹ As identified within the Housing Position Statement, Housing Need Surveys (HNS) should be a key component of the evidence base for deciding how much housing should be allocated in AONBs and for deciding whether the quantum of housing being proposed in windfall developments is appropriate. However, the validity of these HNS partly depends on how old they are. Therefore, it is vitally important to have a comprehensive set of HNS for settlements in the Cotswolds National Landscape and for these HNS to be updated on a regular basis on a rolling programme.

³⁴ As stated in Cotswold District Council's response to the autumn 2020 consultation on the Government's Planning White Paper (Question 8b) (<u>link</u>), 'second home ownership and buy to let have removed housing from

the market that could otherwise be made available to first home owners, and the resulting increased demand within a reduced pool of housing stock inflates house prices and worsens affordability'. This issue can be particularly challenging in protected landscapes, such as the Cotswolds National Landscape, whose outstanding natural beauty makes them very desirable places to visit and holiday in. This issue is recognised as being sufficiently significant in some protected landscape areas that it is explicitly addressed in Local Plan policies. For example, Policy HC-S4 of the Exmoor National Park Local Plan requires new market housing to be 'principal residence' housing (link, page 153).

