

**DRAFT TEXT FOR LETTER TO THE SECRETARY OF STATE (MINISTRY OF HOUSING, COMMUNITIES AND LOCAL GOVERNMENT) AND TO THE MEMBERS OF PARLIAMENT WHOSE CONSTITUENCIES OVERLAP WITH THE COTSWOLDS NATIONAL LANDSCAPE**

I am writing to you on behalf of the Cotswolds National Landscape Board regarding the Government's standard method for calculating housing need.

The Cotswolds National Landscape (CNL) is one of England's most outstanding and iconic landscapes. It is also a living and working landscape, so we acknowledge that some degree of development may be appropriate to maintain thriving and vibrant local communities. However, the CNL and other National Landscapes are facing an unprecedented level of development pressure, which is starting to have a catastrophic impact on the natural beauty of these areas.

The root cause of this unprecedented pressure is the changes that were made, in December 2024, to the Government's standard method for calculating housing need.

These changes are driving development towards National Landscapes rather than focussing development where it is most needed and where it would be most sustainable (i.e. in towns and cities). For example, the housing need figure for the local authorities that overlap with the CNL has increased by an average of 67%. This is three times larger than the average increase in housing need across England as a whole (which has increased by only 23% from 300,000 dwellings per annum to 370,000 dwellings per annum).

The significant increase in these housing need figures has, in turn, resulted in a significant decline in the housing land supply status of the local authorities that overlap with the CNL. For example, before December 2024, 82% of these local authorities had a housing land supply in excess of four years, whereas now, only 9% do. 18% now have a housing land supply of less than two years, whereas, before December 2024, that figure was 0%.

The most immediate impact of these changes is that the significant shortfall in housing land supply is making it much easier for developers to secure permission for development, in the CNL and its setting, that is of an inappropriate scale and / or in inappropriate locations. It is also undermining the plan-led planning system and is leading to development that does not provide, or facilitate, the necessary infrastructure, services and facilities or a locally distinctive sense of place.

Longer term, these changes will result local plans that accommodate an unprecedented level of development, including in the CNL. For Cotswold District, for example, meeting their housing need figure, in full, would result in multiple settlements in the CNL and its setting doubling, tripling or even quadrupling in size.

In theory, there is scope for local authorities to set a local plan housing requirement figure that is lower than their housing need figure. For example, Cotswold District Council is proposing to set a local plan housing requirement figure that is only 79% of their housing need figure. This is largely in recognition of the fact that meeting their housing need figure in full would result in significant harm to the natural beauty of the CNL. However, this would still be a 60% increase compared to their pre-December 2024 housing need figure and would still result in disproportionate levels of growth in multiple settlements in the CNL and its setting.

Based on the above points, we consider that the revised standard method is in direct conflict with:

- the purpose of National Landscape designation, which is to conserve and enhance the natural beauty of these areas; and
- the statutory duty, on relevant authorities, including Government departments and Government Ministers, to seek to further this purpose.

The increase in housing need, outlined above, primarily results from two key changes to the methodology that is used in the standard method.

Firstly, the revised standard method is based on the existing housing stock in a local authority area, whereas the previous iteration was based on projected growth. As such, the revised housing need figures do not necessarily correlate with anticipated economic growth. From a National Landscapes perspective, using the existing housing stock as the baseline can be particularly problematic where relatively large urban areas are located adjacent to a National Landscape and / or where sizeable market towns are located within a Protected Landscape (such as in the CNL).

Secondly, the revised standard method makes a larger adjustment for affordability than the previous iteration. This is particularly problematic in National Landscapes. This is because National Landscapes are, by virtue of their outstanding natural beauty, very desirable places to live. This brings with it a higher price tag, which makes housing in these areas relatively unaffordable. By making a larger adjustment for affordability, the standard method makes local authority areas that overlap with Protected Landscapes a focal point for new housing development. This is despite the fact that the adjustment for affordability makes very little, if any, difference to actual house prices within the affected area.

To address this issue, we recommend that the methodology that is used in the standard method should be amended in a way that would result in a less significant increase in housing need in local authority areas that overlap with National Landscapes. In particular, consideration should be given to reducing the extent to which affordability is factored into the standard method.

It is important to note that we are not asking the Government to reduce the overall housing need figure for England. We are simply asking for the distribution of development to be more in line with the purpose of the planning system, which is to contribute to the achievement of sustainable development.

We look forward to having the opportunity to discuss this issue within you further in the near future.