



Council name	COTSWOLD DISTRICT COUNCIL
Name and date of Committee	COUNCIL MEETING – 20 SEPTEMBER 2023
Subject	REVIEW OF THE COTSWOLD DISTRICT LOCAL PLAN 2011-2031 HOUSING REQUIREMENT
Wards affected	All Wards
Accountable member	Cllr Juliet Layton, Cabinet Member for Planning and Regulatory Services Email: juliet.layton@cotswold.gov.uk
Accountable officer	Charlie Jackson, Assistant Director for Planning and Sustainability Email: democratic@cotswold.gov.uk
Report author	Matthew Britton, Principal Planning Policy Officer Email: democratic@cotswold.gov.uk
Summary/Purpose	To agree that Full Council should approve the Review of the Cotswold District Local Plan 2011-2031 Housing Requirement, which finds that the local housing need of the district has not changed significantly and that the minimum housing requirement provided by the Cotswold District Local Plan does not require updating.
Annexes	ANNEX A: Review of the Cotswold District Local Plan 2011-2031 Housing Requirement (CDC, August 2023) ANNEX B: Reviewing whether housing need has significantly changed (ORS, July 2023)
Recommendation(s)	<i>That subject to the agreement of Cabinet on 12th September 2023, that Council resolves to;</i> <i>1) Agree to recommend to Full Council to approve the review of the Cotswold District Local Plan 2011-2031 housing requirement.</i>
Corporate priorities	Making the Local Plan Green to the Core
Key Decision	No
Exempt	No
Consultees/ Consultation	Cotswold District Council Legal Services Team



1. EXECUTIVE SUMMARY

- 1.1 The review of the adopted Local Plan housing requirement has been undertaken. This concludes that the local housing need of the district has not changed significantly and the adopted Local Plan housing requirement does not require updating. The situation may change, for example when national policy and guidance are updated, so will be kept under review.

2. BACKGROUND

- 2.1 Policy DSI of the adopted Local Plan¹ sets a minimum housing requirement of 8,400 dwellings for the period 1 April 2011 to 31 March 2031 (the Local Plan period). In addition, there is a further requirement for 322 dwellings resulting from communal accommodation needs of Policy H4. Therefore, the combined requirement is 8,722 dwellings.
- 2.2 Since the adoption of the Local Plan in August 2018, national planning policies have been updated. Strategic policies, such as the housing requirement, now have to be reviewed at least once every five years to assess whether they need updating². The Government has also introduced a nationally prescribed 'standard method' for calculating housing need³.
- 2.3 A review of the housing requirement has been undertaken. This has considered whether the updated housing need over the Local Plan period, which is now calculated to be a minimum of 9,094 dwellings, has changed significantly. Taking consideration of a variety of relevant issues, the review also considers whether the adopted Local Plan housing requirement should be updated.

3. MAIN POINTS

- 3.1 The review concludes that:
- the local housing need of the district has not changed significantly; and
 - the adopted Local Plan housing requirement does not require updating.
- 3.2 The review has considered whether the housing requirement should be increased to respond to various issues – an executive summary of these is provided within Annex A.

¹ [Cotswold District Local Plan 2011-2031 \(adopted 3 August 2023\)](#)

² [National Planning Policy Framework \(July 2021\) paragraph 33](#)

³ As set out in the [Planning Practice Guidance for Housing and economic needs assessment \(DLUHC, last updated 16 December 2020\)](#)



Of particular note are that the extant requirement is able to fully deliver the updated housing need of 9,094 by delivering close to 10,000 dwellings over the 20 year plan period. The housing requirement is also working successfully in delivering the wider development strategy of the Local Plan.

- 3.3** The Local Plan is performing better than expected in terms of affordable (including social rented) housing delivery compared to when the Local Plan was examined in 2017/18. Housing affordability has got worse over the past few years but this is a multifaceted national issue, which increasing the housing requirement can do little to resolve. Additional sites can be allocated in the Local Plan Partial Update to provide additional affordable housing, if the Council wishes to, without increasing the adopted housing requirement.
- 3.4** The review provides a position at this point in time, which may change in future. For example, new housing need figures are published annually and new national planning policies and guidance are expected to be published in 2023, either of which may result in the housing requirement needing to be updated.

4. ALTERNATIVE OPTIONS

- 4.1** The alternative is to not accept the findings of the review. The result would likely be that from 3 August 2023, the requirement against which the five year housing land supply of the District is measured would switch from the Local Plan residual requirement to the government's standard method. This would result in the Council not being able to demonstrate a five year housing land supply and / or failing the Housing Delivery Test.
- 4.2** If the Council cannot demonstrate a deliverable five-year housing land supply, national policy specifies that the housing policies which are most important for determining planning applications will be considered to be out-of-date. Instead, planning applications will be determined with a presumption in favour of sustainable development. This may result in developments in unplanned locations, which would otherwise be unsuitable. The principle of plan-led development could be circumnavigated to address a shortfall in plan-led housing supply.
- 4.3** It would also have implications for the partial update process and it would require the council to identify additional land to meet shortfalls. This would require additional evidence gathering and informal community engagement to ensure the most sustainable locations for development were identified.

5. CONCLUSIONS

- 5.1** Council should approve the Review of the Cotswold District Local Plan 2011-2031 Housing Requirement, which finds that the local housing need of the district has not changed



significantly and that the minimum housing requirement provided by the Cotswold District Local Plan does not require updating.

6. FINANCIAL IMPLICATION

- 6.1** There are no direct financial implications, although approving the Review of the Cotswold District Local Plan 2011-2031 Housing Requirement would enable the Council to continue to maintain a substantial five year housing land supply. This would reduce the risk of the Council's five year housing land supply being challenged at appeal, and the associated resource and costs that would otherwise be required.
- 6.2** The Review of the housing requirement may itself also be challenged at a test case appeal or in the courts, which could have associated financial implications for the Council.
- 6.3** The Review will also provide clarity and certainty to the Council's Development Management team. This will save officer time and resources when providing pre-application advice and determining planning applications. It will also enable the quicker determination of planning applications, which will be beneficial for applicants.

7. LEGAL IMPLICATIONS

- 7.1** The Council must undertake a Review of the Local Plan within five years of its adoption to establish if the policies remain up-to-date⁴.
- 7.2** The Council accepted the conclusions of a review of the Local Plan in May 2020. This found that the Local Plan should be updated partially to address three broad factors:
 - i. address the climate and ecological emergencies; and
 - ii. update the policies to ensure they are consistent with the latest national planning policies and guidance, including addressing the increased housing need resulting from the then new standard method for calculating housing need (often referred to as the standard method) and
 - iii. Economic Conditions, in particular needing to reflect the changing nature of the high streets and the need to update policy S3 Cirencester Central Area Strategy.
- 7.3** This current review of the housing requirement updates the position on whether the Council needs to update the adopted housing requirement, as well as assessing whether the local housing need has changed significantly.
- 7.4** This has wider implications beyond the plan making process and the scope of the Local Plan Partial Update. It also affects how the Council determines its 'five year housing land supply', which is a national planning policy mechanism designed to ensure a continual supply of housing within the district.

⁴ NPPF footnote 20 states, "Reviews at least every five years are a legal requirement for all local plans (Regulation 10A of the Town and Country Planning (Local Planning) (England) Regulations 2012).



- 7.5 This is an important consideration in the determination of planning applications. If the Council cannot demonstrate a five year housing land supply then in accordance with National Planning Policy Framework, (NPPF, 2021) clause 11(d), the 'presumption in favour of sustainable development', must be applied. This policy reduces the 'planning weight' the Council can apply to Local Plan policies involved in the provision of housing. For example, a Principal Settlement's development boundary (Local Plan Policy DS2) that restricts development beyond the boundary would attract less weight in the 'planning balance'. The policy would only achieve full weight once the Council could demonstrate a five year housing land supply.
- 7.6 The effect of accepting this Review is to notify the local community and those seeking to gain planning permission for new housing development that the Local Plan housing requirement remains up-to-date. Therefore, the Council will not use the standard method as the basis for calculating its five year housing land supply from the 3 August 2023.
- 7.7 This approach utilises and is consistent with the NPPF (2021) paragraph 33 and 74 and footnote 39.

Paragraph 33: *"Policies in local plans and spatial development strategies should be reviewed to assess whether they need updating at least once every five years, and should then be updated as necessary [footnote 20]. Reviews should be completed no later than five years from the adoption date of a plan, and should take into account changing circumstances affecting the area, or any relevant changes in national policy. Relevant strategic policies will need updating at least once every five years if their applicable local housing need figure has changed significantly; and they are likely to require earlier review if local housing need is expected to change significantly in the near future.*

Footnote 20: *"Reviews at least every five years are a legal requirement for all local plans (Regulation 10A of the Town and Country Planning (Local Planning) (England) Regulations 2012)."*

Paragraph 74: *"...Local planning authorities should identify and update annually a supply of specific deliverable sites sufficient to provide a minimum of five years' worth of housing against their housing requirement set out in adopted strategic policies [footnote 38], or against their local housing need where the strategic policies are more than five years old [footnote 39]."*

Footnote 39: *"Unless these strategic policies have been reviewed and found not to require updating. Where local housing need is used as the basis for assessing whether a five year supply of specific deliverable sites exists, it should be calculated using the standard method set out in national planning guidance."*

8. RISK ASSESSMENT



- 8.1 There is a risk that planning applicants and agents will not agree with the Council's position on the housing requirement when applying for permission for new housing development.
- 8.2 The Council may be challenged on its position on the housing requirement through an appeal to a refused planning application. Similarly, the Council may be challenged during the process of updating partially its Local Plan, particularly at the Local Plan examination.

9. EQUALITIES IMPACT

- 9.1 The adopted Local Plan was accompanied by a Sustainability Appraisal⁵, which considered equalities impact. The Review of the housing requirement confirms that the adopted Local Plan housing requirement does not require updating, so the Sustainability Appraisal that supported the adopted Local Plan housing requirement remains fit for purpose.
- 9.2 An Integrated Impact Assessment was also produced for the Local Plan Partial Update (Regulation 18) Issues and Options consultation, which considered the issue of the housing requirement⁶. There is also a requirement to update the Integrated Impact Assessment at each stage of the production of the Local Plan Partial Update.

10. CLIMATE AND ECOLOGICAL EMERGENCIES IMPLICATIONS

- 10.1 When the Local Plan was examined, it was found sound on the basis that housing delivery in the later part of the plan period would decrease in order to rebalance the extremely high rates of delivery earlier in the plan period and, in so doing, the Local Plan would deliver sustainable levels of growth. Indeed, the District had not delivered anywhere near the average annual rate of growth prior to 2011. The Local Plan inspector considered that, "As the OAN assumes a population increase sufficient to fill all of the additional jobs expected to be created in the district, increasing the housing requirement further would be likely to lead to net out commuting and therefore longer journeys by private motor vehicles... Whilst the market in the district may be sufficiently strong to mean that adopting such an approach would be effective in driving up supply, a balance has to be struck in order to achieve sustainable development having regard to the high quality of the built and natural environment and the need to avoid long distance commuting."
- 10.2 Around 5,580 homes were delivered in the first half of the Local Plan period – 66% of the entire Local Plan housing requirement – with the annual delivery rate peaking at 911 dwellings in 2017/18. This compares to the average annual housing requirement of 420 homes a year.

⁵ <https://www.cotswold.gov.uk/planning-and-building/planning-policy/local-plan-2011-to-2031/>

⁶ [Interim Integrated Impact Assessment \(2022\)](#)



- 10.3** The development strategy has been effective and continues to work as planned. The average annual delivery rate between 2019 and 2023 is now 366 homes a year (including homes released to the market from communal accommodation developments). The development strategy is delivering a sustainable level of growth over the plan period.
- 10.4** If the housing requirement were to be increased, a situation would arise where the Council would likely to not have a five-year housing land supply and / or fail the Housing Delivery Test. In this situation, plan-led development can be circumnavigated by applications for housing development in otherwise unsuitable locations and where there is likely to be less opportunity to deliver benefits, particularly mitigating the impacts of climate change by locating housing in the most accessible locations. Applications would instead be determined in accordance with a ‘presumption in favour of sustainable development’, as set out in national policy.⁷

II. BACKGROUND PAPERS

- ANNEX A: Review of the Cotswold District Local Plan 2011-2031 Housing Requirement (CDC, August 2023)
- ANNEX B: Reviewing whether housing need has significantly changed (ORS, July 2023)

(END)

⁷ NPPF (2021) paragraph 11