

Windfall Topic Paper

August 2016

1. Introduction

- 1.1 This brief paper will outline the Council's approach to the windfall allowance proposed to be included within the Eden Local Plan 2014-32.
- 1.2 The Council currently includes a windfall allowance in its calculation of its five year housing land supply, applied to the last three years only.
- 1.3 The development of windfall sites in Eden has been a significant contributor to housing supply, with over 50% of completions typically being provided on windfall sites.
- 1.4 The Council acknowledges that development of windfall sites is likely to reduce once the Local Plan is adopted, but we still expect it to make a significant contribution to our overall supply of housing, especially in the rural areas.

2. Housing Land Supply Windfall Allowance

- 2.1 The published five year land supply includes a windfall allowance, reflecting sites which come forward outside the allocation process.
- 2.2 The NPPF (paragraph 48) allows for the inclusion of windfall sites in the five year land supply, where compelling evidence can demonstrate that the supply of these sites will be maintained. As a largely rural authority, much of our housing has been developed on small sites or non-allocated sites.
- 2.3 Looking at past completions, we can estimate the likely windfall provision in the next five years. In previous years we have predicted our windfall allowance based on past permissions, however looking at evolving practice elsewhere it is now considered that the use of completions data provides a more robust methodology.
- 2.4 Following guidance in the NPPF, we have determined our past windfall trends by removing allocations from the 1996 Eden Local Plan, any site considered suitable in the 2009 or 2015 Strategic Housing Land Availability Assessment and sites developed in residential gardens.
- 2.5 The table below identifies the number of windfall completions recorded across the past five monitoring years:

	Windfall Completions	Non-Windfall Completions	Total Completions	% Windfall Completions
2011-12	104	17	121	86
2012-13	176	61	237	74
2013-14	82	93	175	47
2014-15	84	45	129	65
2015-16	88	170	258	34
Total	535	385	920	

- 2.6 To try to account for disparities across the past five years, namely the effects of the economic downturn, we use a mean average of the past five years to give us an annualised figure which we can incorporate into our supply. This figure is currently 107 units per annum, which represents 44% of our existing housing target of 239 units per annum¹.

¹ Established in the Adopted Core Strategy (2010)

3. LAA Windfall

- 3.1 The Land Availability Assessment published in October 2015 includes an assessment of future windfall provision.
- 3.2 Para 2.3.3 of the Land Availability Assessment (LAA) acknowledges that the adoption of the new Local Plan and publication of an up to date LAA should result in a considerable drop in the number of windfall site completions evidenced in Section 2 (above).
- 3.3 However, it is not considered that an up to date LAA and adopted Local Plan will impact on the number of small site² windfall completions, as neither of these documents identify any sites of this size.
- 3.4 Between 2010 and 2015, over 30% of Eden's housing supply was delivered on small sites. There was variance in this figure across the different settlements, in Penrith just 12% of supply was delivered on small windfall sites where as 70% of supply in the villages was delivered on small windfall sites. Para 2.3.5 considers a windfall approach based on past supply, and concludes an average annual supply figure of 49 units.
- 3.5 The Land Availability Assessment explains that the Housing Land Supply Statement 2013/14 projected an annual supply of 59.6 dwellings to be completed on small windfall sites between 2014 and 2019.
- 3.6 In the latest version of the Housing Land Supply Statement (2015/16) we can demonstrate an average annual supply of 55 units on small windfall sites, indicating that supply of small windfall sites is consistent in Eden.
- 3.7 The Land Availability Assessment concludes that a windfall allowance of 50 units per annum is appropriate which represents 25% of our overall annual housing requirement.

² Less than four units

4. Concluding Remarks

- 4.1 The Council therefore concludes that a windfall allowance of 50 units per annum will contribute to our annual housing target.
- 4.2 In calculating our future housing land supply, we will adopt our current approach of applying the windfall allowance to the last three years of the supply period only.
- 4.3 The Council has previously produced (for information purposes only), a Housing Land Supply Statement based upon the Eden Local Plan 2014-32 housing target.
- 4.4 The Council has further updated this assessment which will be submitted to the Inspector alongside this topic paper, this updated version includes the windfall allowance as discussed above.