

Housing Land Supply Position, Housing Trajectory and Windfall Allowance

Background Paper

Updated May 2022



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1. Introduction

- 1.1 In advance of the submission of the Bassetlaw Local Plan to the Secretary of State for Examination expected in July 2022, this background paper sets out the housing land supply position for Bassetlaw, and how the Council expects the housing requirement will be met. It also outlines the justification for the windfall allowance based on the historical evidence in the District.
- 1.2 The Publication Version of the Bassetlaw Local Plan is accompanied by an up to date local plan housing trajectory for the District, which has subsequently been updated in two Addendums of pre-submission changes in January 2022, and May 2022 following the deletion of the Garden Village proposal. There is a separate housing trajectory for the proposed Worksop Central Development Plan Document (DPD). The Local Plan trajectory contains a total figure for all sites expected to be delivered through the Worksop Central DPD, with detailed delivery on each of the allocated sites shown in that Document.
- 1.3 The Local Plan trajectory accompanying the Second Addendum updates previous versions taking account of ongoing housing monitoring to a 1 April 2022 base date.
- 1.4 To calculate the need for new Local Plan housing allocations it is important to consider factors such as the number of homes built (completions) since the Local Plan base date (1st April 2020), existing planning permissions, a windfall allowance and consideration of potential losses through change of use or demolition. The Local Plan can then allocate sufficient sites to meet the remainder of the housing requirement.
- 1.5 The Trajectory takes account of information on build-out rates provided by developers, and landowners in respect of sites with extant planning permissions, and sites that have been allocated for residential development in the Publication Local Plan as amended and in made neighbourhood plans. It fully updates previous versions to a 1st April 2022 base date.
- 1.6 The Local Plan housing trajectory covers the plan period 2020 to 2038. It compares the housing requirement target of 10,476 net additional dwellings (or 582 net additional dwellings per annum) as set out in Strategic Policy ST1 of the Local Plan. The updated Trajectory spreadsheet (Appendix 3 of the Local Plan) provides details of all the sites in the supply pipeline and their expected timescale for delivery. Sites with planning permission which have lapsed are excluded from the supply, and therefore no lapsed discount rate is applied.
- 1.7 In summary, the Trajectory shows a total supply over the plan period (including net completions in 2020-2022) of 12,551 dwellings compared to the housing requirement target of 10,476 dwellings. This housing supply background paper will be reviewed and updated alongside the ongoing preparation of the Local Plan.

2. The Housing Requirement

- 2.1 The Council uses the calculation recommended by the Government's standard methodology as its evidence basis for housing need. The standard method for assessing local housing need is set out in the Planning Practice Guidance (PPG) on Housing and Economic Needs Assessments Paragraph 004 (Reference ID: 2a-004-20201216). It is expected that local authorities will typically adopt such a methodology, unless there are exceptional circumstances to justify an alternative.
- 2.2 The details of the calculation are outlined in the Bassetlaw Housing and Economic Development Needs Assessment (HEDNA) published in November 2020 and updated

by an April 2022 Addendum. The HEDNA Addendum estimates that the Bassetlaw Local Plan needs to make provision for 582 dwellings per annum over the plan period. This establishes a requirement for 10,476 homes to be delivered between 2020 and 2038 in total.

3. Housing Land Supply

Comparison with recent delivery rates

- 3.1 The Council has considered how the proposed rates of housing provision compare with recent rates of delivery. Table 1 below illustrates that over the past five years, since 1 April 2017, 3219 dwellings have been delivered, averaging 644 per annum within the Bassetlaw plan area. This contrasts with an identified housing requirement of 582 dwellings per annum under strategic Policy ST1 of the Publication Local Plan Second Addendum, May 2022. Delivery over the last two years has been significantly higher. More details can be found in the Bassetlaw Annual Monitoring Reports for each year.

Table 1: Housing completions in Bassetlaw for the past five years

Monitoring Year	Net Completions
2017/18	551
2018/19	434
2019/20	693
2020/21	775
2021/22	766
Total	3219
Annual Average	644

Components of the supply

- 3.2 The Publication Local Plan as amended is based on the housing land supply position as of 1 April 2022. It reflects the most up-to-date position available.
- 3.3 The overall housing supply position is set out in Table 2 below. A more detailed overview of the components of the supply, ordered by settlement is shown in the trajectory.

Table 2: Sources of housing supply

Category	Number of dwellings	%
Housing Completions (1 April 2020 to 31 March 2022)	1541	12.3

Category	Number of dwellings	%
Committed sites with outstanding planning permission on both large and small site as of 31 March 2022	5995	47.8
Outstanding 'made' NP allocations without planning permission	438	3.5
Proposed Local Plan Allocations	2742	21.8
Proposed Allocations in Worksop Central DPD	635	5.1
Windfall (small site allowance)	1200	9.6
Total supply for the full Plan period (1 April 2020 to 31 March 2038)	12551	100

- 3.4 It can be seen that the Local Plan provides for more than the housing requirement of 10,476. The Council considers this plus would provide a significant buffer in the supply allowing for future circumstances affecting the land supply. The circumstances allowed for by the contingency could also include unforeseen circumstances resulting in a delay in bringing sites forward to enable effective functioning of the market and a choice of sites. The supply provides for a total of 12,551 dwellings during 2020-2038. This is above the requirement of 10,476 dwellings or 582 dpa providing a 17% contingency.

Existing commitments

- 3.5 As can be seen from the table 2, 5995 dwellings almost half of the requirement to meet the identified need is on committed sites with planning permission. In the years 2020/21 and 2021/22 there were 280 completions on small site of 9 or less dwellings and the remainder 1261 on large sites of 10 or more dwellings. As at 31 March 2022 there were 739 dwellings with extant planning permission on small sites constituting about 13% of the commitments. This is considered in more detail in section 7.
- 3.6 About 3.5% of the supply will come from sites allocated in made neighbourhood plans. Windfalls will constitute about 10 percent of the supply (see section 7).

Proposed new allocations

- 3.7 This leaves about 27% of the requirement which needs to be identified. In order to meet this residual need the Local Plan and the Worksop Central DPD therefore propose new land allocations for a total of 3,377 dwellings in order to provide the 12,551 dwellings over the Plan period.
- 3.8 In accordance with the settlement hierarchy the amended Publication Local Plan focusses the remaining requirement on sites in Worksop and Retford in accordance with the settlement hierarchy. There will be no new allocations in Harworth & Bircotes as there are significant commitments there which will deliver 19% of the anticipated housing growth excluding future windfalls (Figure 8 of Bassetlaw Local Plan 2020-2038: Publication Version Second Addendum, May 2022).
- 3.9 Most of the growth in the rural areas will be met from existing commitments and from sites already allocated in made neighbourhood plans (see rural settlement study update paper).

- 3.10 There will therefore be no new allocations proposed in the rural areas except for the site proposed at south of Ollerton Road, Tuxford for 75 dwellings which will meet the specific growth requirements of that Large Rural Settlement.
- 3.11 Together with existing commitments, completions and proposed new allocations this should provide for a rolling 5 years of specific deliverable sites, and sufficient specific developable sites or broad locations for growth for years 6-10 and years 11 to 13, thus meeting the requirements of paragraph 68 NPPF, 2021.

4. Housing Delivery

- 4.1 As can be seen from the Trajectory most of the housing requirement for the early years of the Local Plan will be delivered on sites which already have planning permission.
- 4.2 The expected delivery rate for each of the strategic sites and other allocated housing site is set out in the housing trajectory in accordance with paragraph 74 of the NPPF, 2021. The delivery rates take account of anticipated lead-in times for each site, together with anticipated annual delivery. These have been informed by evidence from the 2022 Land Availability Assessment (LAA) and liaison with site promoters and developers over time.
- 4.3 To ensure the housing requirement is sufficiently balanced with jobs growth, contributes a fair proportion to the District's housing need and facilitates strategic infrastructure, in addition to commitments and the allocation of small scale brownfield and greenfield sites within the main towns, the Local Plan allocates two Sustainable Urban Extensions. These are on the northern edge of Worksop at Peaks Hill Farm to deliver 1080 dwellings, and at Ordsall South in Retford to deliver 890 dwellings during the plan period. The Land Availability Assessment concluded that these sites are those which would cause least harm to the environment, are suitable for development and would create a defensible urban edge. Both would also support infrastructure provision over the plan period and beyond, and deliver a mix of housing to meet affordable and specialist needs. Together these sites are considered to be the most appropriate and suitable locations for the future expansion of the towns.

Housing capacity of sites

- 4.4 Each housing site within the Local Plan has been assigned a housing capacity. This indicative housing capacity allows consideration of the contribution the site could make to the housing requirement, subject to phasing.
- 4.5 The indicative capacity has been determined based on the available information for each site. For sites with planning permission the number of approved dwellings has been used as the indicative site capacity. This represents a realistic assessment of the amount of housing the site is likely to deliver upon implementation of the permission. Where Local Plan housing options had no planning permission or capacity information from a site promoter an indicative capacity based on a standard site density assumption was applied. The assumptions are outlined more fully in the LAA.

5. Site Phasing

- 5.1 Once the indicative capacity has been established for each site, the anticipated timescale for the delivery must be considered to inform the phasing of sites and the

housing trajectory. Assumptions which affect the phasing of sites include the lead-in time, build rates, proximity of other sites and site constraints to determine when the indicative capacity for sites is likely to be delivered. The approach taken in considering each of these factors is set out below.

Lead-in times

- 5.2 When considering the timescales for housing delivery on sites it is important to consider the stage in the planning process a site has reached and the likely timescale for the delivery of dwellings. Lead-in times are therefore applied to site phasing calculations to reflect the time taken to achieve planning permission and start the development.
- 5.3 An assessment of past housing delivery rates from 2016 to 2020 has been undertaken for Bassetlaw. This demonstrates that lead in periods are relatively short in the District. On average it takes 27 months from grant of outline permission to first completion, and 20 months from grant of full permission to completion. This is outlined in more detail in the LAA May 2022.
- 5.4 The promoters of some sites have indicated that a site will come forward within a specific timescale. This includes some sites where the site promoter has specified the site will not be available until later in the plan period. Where site specific evidence has been received, this has been considered in the phasing of sites

Build rates

- 5.5 To inform the housing trajectory, build rates must also be applied to sites. Build rates indicate the number of dwellings expected to be built on each site each year. Large scale sites developed by a single volume house builder will have an average build rate of 30-35 dwellings per annum. Therefore, the Council has taken a prudent approach in assuming a delivery rate of 30 dwellings per annum unless written evidence is provided by an agent or developer. It is assumed that larger sites would have a higher rate of delivery each year because their size would allow more than one developer to build the site. These assumptions are outlined in more detail in the LAA May 2022.

6. Supply from Small Sites

- 6.1 The NPPF requires that 10% of the identified housing supply should come from sites no larger than one hectare. With the identified housing requirement of 10,476 dwellings over the proposed lifetime of the Local Plan, this would require sites to be identified for about 1047 dwellings to come forward on sites of 1 hectare or less in size. As can be seen from the trajectory since 1 April 2020 280 dwellings have been completed on sites with a capacity of less than 9 dwelling, There are 739 existing permissions for dwellings on small sites of less than 9 dwelling. All sites with a capacity of less than 10 dwellings are less than 1 hectare in size.
- 6.2 Also proposed are small site allocations in neighbourhood plans, the Local Plan and the Worksop Central DPD, which together with policies supporting the redevelopment of previously developed land, infilling within built up areas and future expected windfalls would provide a good mix of small and medium sized sites. Sites of less than 1 hectare would therefore contribute significantly more than the required 10% towards meeting the housing need of Bassetlaw.

7. Windfall Allowance

- 7.1 The Glossary of the NPPF, 2021 on page 73 defines windfall as those “sites not specifically identified in the development plan”.
- 7.2 The NPPF in paragraph 71 sets out that where an allowance is to be made for windfall sites as part of anticipated supply in a local plan, there should be compelling evidence that they will provide a reliable source of supply.
- 7.3 Paragraph 14 of the PPG: Housing supply and delivery (Reference ID: 68-014-20190722) also requires annual position statements of five-year land supply to assess the permissions granted for windfall development by year and how this compares with the windfall allowance.
- 7.4 This section reviews and provides justification for the windfall allowance for inclusion in the housing trajectory. There will be no windfall allowance included in the Worksop Central DPD as the local plan allowance is based on evidence across the whole District.
- 7.5 The windfall allowance can also be used in calculating the five year housing land supply (5YHLS). This includes ensuring that the windfall allowance is realistic having regard to the strategic housing land availability assessment, historic windfall delivery rates and expected future trends.
- 7.6 Analysis of historic trends and consideration of future windfall sources has been undertaken to assess what the appropriate level of allowance should be. There is a strong track record of windfall delivery in Bassetlaw and the Council considers that this is an aspect of future housing delivery that should be taken into account in the housing trajectory for the emerging local plan period to 2038.
- 7.7 The housing trajectory includes a windfall allowance, in accordance with paragraph 71 of the NPPF. The trajectory provides for a total of 1200 dwellings during the plan period (100 pa from 2026/27 (see 7.15). The forecast of delivery on windfall sites takes account of past rates of delivery and excludes residential gardens.
- 7.8 Windfall development comprise sites that have unexpectedly become available over time, and which were not anticipated by the Authority as part of a local plan. Windfall completions and commitments can vary in size and type of development. They may arise from the demolition and redevelopment of existing uses; infill development; conversion of existing buildings to residential; sub-divisions of existing residential units or the bringing back into use of empty or derelict buildings and sites.
- 7.9 The windfall methodology is based upon an analysis of windfall delivery rates for years 2011 to 2022 for which the council has detailed monitoring records. The windfall assessment figures reflect net completions on sites.
- 7.10 Monitoring records show that since 2011 windfalls have consistently delivered a significant proportion of Bassetlaw’s housing completions. Table 3 below shows historic windfall rates broken down by small sites (nine or fewer dwellings) and large sites (10 or more dwellings). This allows for an analysis of historic trends based on different scales of development.

Table 3: Completions on large and small sites

Monitoring Year	Windfall Net Completions on Small Sites (1 - 9 dwellings)	Windfall Net Completions on Large Sites (≥10 dwellings)
2011/2012	142	161
2012/2013	96	130
2013/2014	111	138
2014/2015	65	176
2015/2016	89	249
2016/2017	139	323
2017/2018	119	432
2018/2019	93	341
2019/2020	139	554
2020/2021	156	619
2021/2022	124	642
Total	1273	3765
Annual average, 2010/11 - 2021/22	116	342

7.11

Under the NPPF definition of windfall as 'sites not specifically identified in the development plan'. All sites delivered since

2011 in Bassetlaw have been on unallocated sites as the Bassetlaw Core Strategy which was adopted in 2011 did not allocate sites for residential development. This situation is however, not expected to continue, once the new local plan is adopted with site allocations. It would therefore not be appropriate to take the historical windfall delivery rate and simply project it forward.

- 7.12 Although the windfall completions have fluctuated over the period there is no evidence that the supply is diminishing from any of the two size threshold categories. The figures provide historical evidence of consistent and reliable windfall gains particularly from large sites. As national policy seeks to boost housing delivery from all sources there is no reason why delivery at such high rates should not be expected to continue in the future. Also policies in the amended Publication Local Plan support redevelopment and use of brownfield land in the main towns and eligible rural settlements.
- 7.13 In accordance with the PPG: (Paragraph: 009 Reference ID: 3-009-20190722) the LAA uses a site size threshold of five or more homes (gross). It therefore does not identify suitable, available and deliverable sites that are capable of delivering new homes fewer than 5 dwellings. These are therefore expected to continue to come forward from the different sources identified as windfall.
- 7.14 New permitted development rules allowing residential blocks of flats to be extended upwards by two storeys to create new homes without the need for planning permission came into force in August 2020. Also new permitted development rights which came into force on the 1 August 2021 allows for changes of use from the new use Class E (Commercial, business and services) to C3 residential. It is expected that these changes will be a new source of windfall likely to increase contributions.
- 7.15 There is compelling evidence for a reasonable windfall allowance to be included in the housing trajectory over the plan period. This includes the first five years, as small sites under the site size threshold are likely to continue coming forward. However, as some of the sites that are expected to be delivered as windfall from 2022/23 to 2026/27

already have planning permission, to avoid double counting, any windfall allowance in those five years would be reduced. It is therefore proposed that the windfall allowance will not be included in the first 6 years of the housing supply trajectory.

- 7.16 Analysis of past completions shows that, over the past 11 years, 1273 new dwellings have been built on sites of 9 or less dwellings, that have not been allocated but may have been identified in previous LAAs in or adjoining the settlements.
- 7.17 These homes have been built on sites that are too small to be addressed through a site allocations process. Nonetheless they have made a significant contribution to meeting housing needs in Bassetlaw and can be expected to continue to do so in the future.
- 7.18 This gives an average of 116 dwellings per annum completions on small sites. The Council therefore considers that on balance based on the evidence the figure of 100 dwellings allowance to be made for windfall sites as part of anticipated supply in a Local Plan would represent a modest and realistic contribution.
- 7.19 There is compelling evidence as set out above that delivery of homes on windfall sites is likely to continue to provide a reliable source of supply during the plan period, with a particular focus on small sites delivery, and that the windfall allowance is realistic.
- 7.20 Delivery will be monitored and reported in the AMR, in accordance with the monitoring framework set out in the Local Plan, and where necessary stated remedial action will be taken. The trajectory will be regularly updated with the latest information.

8. Concluding Remarks

- 8.1 The housing delivery approach reflects the most up-to-date position available. The proposed Publication Local Plan as amended by the May 2022 Second Addendum present the latest available housing land supply data available.
- 8.2 The overall housing supply position is set out in Policy ST1 of the Publication Local Plan as amended. A detailed overview of the components of supply, ordered by settlement can be seen from the Trajectory.
- 8.3 Strategic Policy ST1 together with the housing elements of Policy ST15 provide a positive strategy for meeting both Bassetlaw's housing needs and contributing to meeting the needs of the North Derbyshire and Bassetlaw Housing Market Area as a whole. The policies provide land for 17% more dwellings than needed to meet the locally derived housing need, as set out in the May 2022 Addendum to the Bassetlaw HEDNA (2020). This provides a contingency to deal with unexpected issues affecting the delivery of housing land.
- 8.4 The Plan is based on clear evidence from the HEDNA in relation to housing needs; from the LAA in relation to housing land availability; from the Viability Assessment in demonstrating the viability of all policies; the Sustainability Appraisal and Landscape Character Assessment in relation to the choice of housing sites and distribution of housing development to settlements.
- 8.5 Policies have been informed by formal consultation and ongoing liaison with a number of neighbouring authorities, site promoters, and parish councils preparing neighbourhood development plans.

