



Rutland County Council

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Small Sites Windfall Housing Study  
September 2022

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## 1.0 Background

- 1.1 “Windfall development” is the term used for the development of land which has not been specifically identified as available in the local plan process. Windfall sites typically comprise previously-developed sites or infill sites which become unexpectedly available. These could include, for example, large sites resulting from the closure of a factory or small sites such as a barn conversion or a new flat over a shop’ or infilling of vacant land between existing buildings. Historically, small site windfall development has formed a significant part of the overall supply of past residential development in Rutland County.
- 1.2 The National Planning Policy Framework (NPPF) states that local planning authorities may make an allowance for windfall sites as part of their anticipated supply if they have compelling evidence that such sites have consistently become available in the local area and will continue to provide a reliable source of supply.
- 1.3 The policy framework requires any allowance to be realistic, having regard to the strategic housing land availability assessment, historic windfall delivery rates and expected future trends. The policy framework also states that such an allowance should not include inappropriate development of residential gardens, for example where development would cause harm to the local area.
- 1.4 The development plan for the county includes the Core Strategy and a Site Allocations and Policies DPD. The Core Strategy was adopted in July 2011. This document set out the vision, objectives, spatial strategy and policies for development in Rutland up to 2026. The Site Allocations and Policies Development Plan Document was adopted on 13 October 2014. This document allocates sites for development and sets out policies for determining planning applications. Both plans apply to the whole of the administrative area of Rutland County Council. In 2021 the Council began to prepare a new single Local Plan for the County which will cover a plan period of at least 20 years to 2041.
- 1.5 Rutland is a largely rural county with many small villages which have grown slowly and incrementally over hundreds of years. This pattern of slow change has continued, and a number of new homes are created each year by the development and redevelopment of small sites as “windfall development”.
- 1.6 Many of the villages in Rutland are not considered suitable for medium – large scale planned development which would be allocated in the Local Plan. Development in those areas identified as countryside is restricted, but national policy generally allows for small site and infill plots to come forward within most settlements.
- 1.7 There is strong evidence to show that small site windfall development will continue to form an important part of the overall housing supply in the county over the coming years.

## 2.0 Purpose of the Study

- 2.1 The purpose of the Small Site Windfall Housing Study is to provide evidence to support the inclusion of an allowance for small site windfall development in the calculation of housing supply for Rutland.
- 2.2 The study looks at the contribution small site windfalls (9 dwellings or less) has made to the County's housing supply since 2006 and assesses the scope for identifying small site windfall contributions that may come forward over the next 5 years (from 1<sup>st</sup> April 2022 – 31<sup>st</sup> March 2027). This is done by assessing a possible future rate of windfall site contributions, taking account of both historic rates of supply and being realistic about the opportunities for past rates to be sustained.
- 2.3 This study provides an update to the previous Small Windfall Housing Studies published in July 2020. The report provides a desktop assessment of possible future small windfall housing sites and the inclusion of the housing completions/commitments up until 31<sup>st</sup> March 2022.
- 2.4 This study does not include assessment of large (10 dwellings or above) sites. It is recognised that as the Council cannot (at the time of writing) demonstrate a five-year housing land supply, and therefore planning applications are being made for large unallocated sites which are in effect windfall development. However, this is not a trend which can be predicted and as it is being driven by a single set of circumstances which could change within the year the scope for large site windfall development will reduce over the coming years. As the new Local Plan takes shape an assessment will be made of sites suitable for allocation for development and policies will be developed to control the location of development, further reducing the scope for large windfall sites to come forward.

## 3.0 Looking Back

- 3.1 The NPPF states that any windfall allowance should be realistic having regard to historic windfall delivery rates. The 2020 small windfall housing study looked at past rates from 2006-2020. This study updates completions from 2017-2022 to provide a complete picture.

### Housing Completions

- 3.2 The Core Strategy covers a plan period 2006 – 2026, and established an annual completion rate of 150 dwellings to meet the Objectively Assessed Need identified in the Strategic Housing Market Assessment. This equates to a requirement of 3000 homes over 20 years.
- 3.3 In the period 1<sup>st</sup> April 2006 to 31<sup>st</sup> March 2022, 2518 net additional dwellings were completed giving an average annual delivery figure of 161 dwellings per year. Therefore, despite the normal peaks and troughs of the housing market, housing delivery in the County has, overall, slightly exceeded the strategic requirement set out in the Core Strategy.

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3.4 Figure 1 shows the split between sites allocated within the adopted Local Plan, and sites which are considered windfall. The windfall sites are further split into small site windfall (9 dwellings or less); and large windfall (10 dwellings or more).

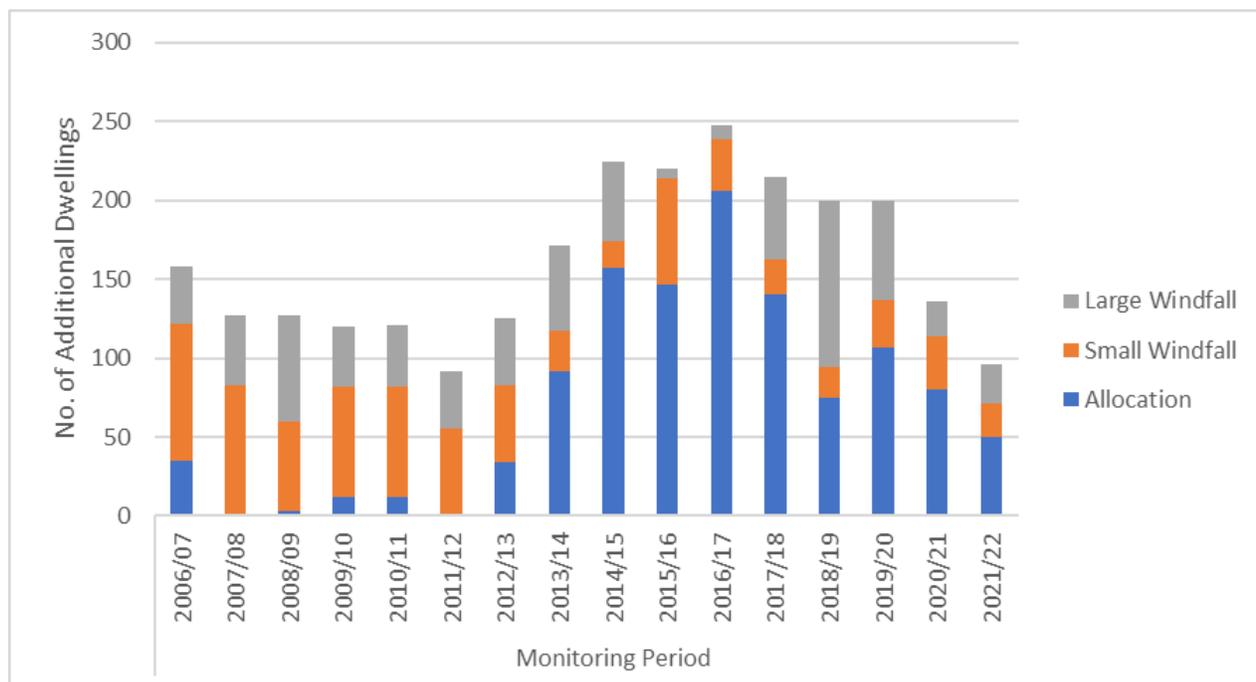


Figure 1: Total housing completions by type

3.5 Figure 1 shows an annual under delivery during the early part of the plan period (2006–2013) with an average of 117 dwellings per annum. This correlates with the national economic recession which began in 2007. More importantly, the graph depicts that almost 100% of completions in the first five years were on windfall sites, the majority of which were small site windfalls.

3.6 Following adoption of the Core Strategy in 2011, the Site Allocations and Policies DPD in 2014 and the Uppingham Neighbourhood Plan in 2016 housing delivery rates increase beyond the annual requirement of 150 homes per year and it is noticeable that a significant proportion of that development was located on allocated sites, reaching a peak in 2016/17 when 84% new homes were built on allocated sites. This highlights the role of an up-to-date local plan in directing and control the rates and locations of development.

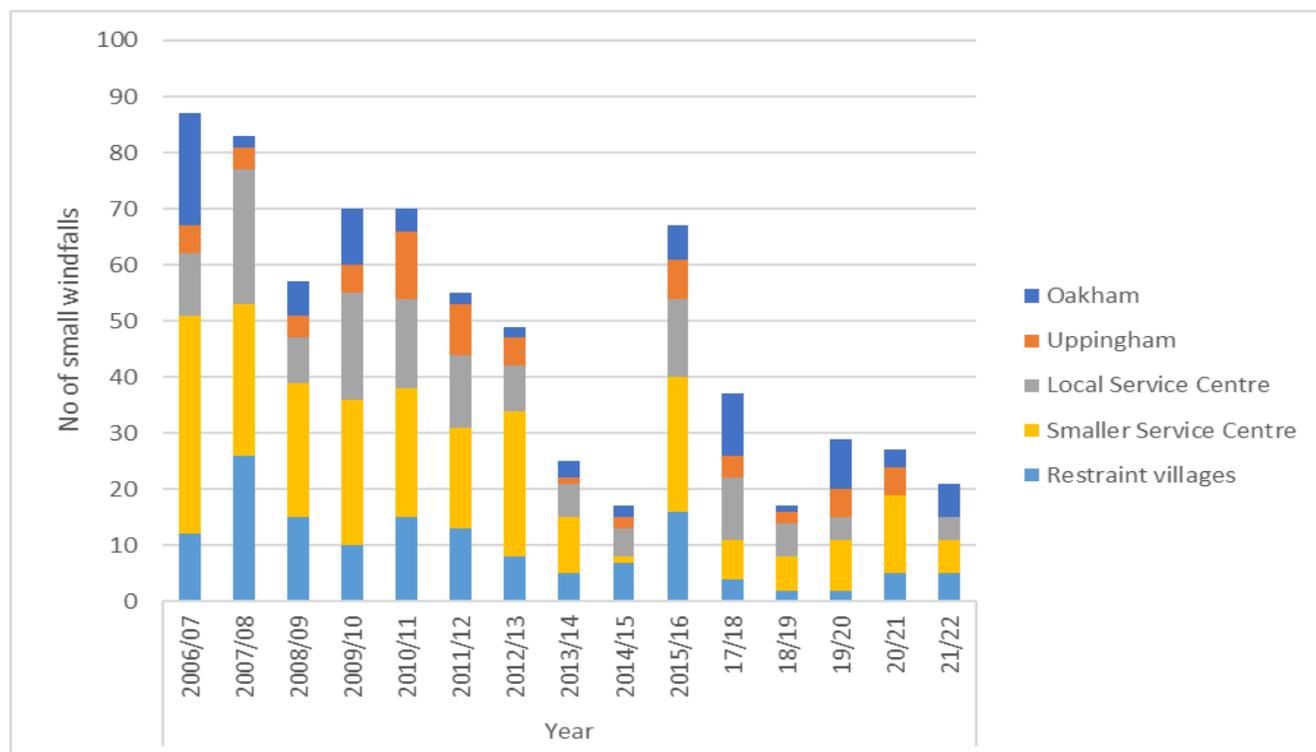
3.7 The graph demonstrates a significantly higher annual completion rate above the annual requirement of 150 dwellings per annum between 2013 to 2019 with a large proportion of completions being on allocated sites. This is attributable to the part completion of the Sustainable Urban Extension (Land to the north of Oakham), which was allocated within the adopted 2011 Core Strategy and more recently to the completion of homes in Uppingham on sites allocated in the Uppingham Neighbourhood Plan.

- 3.8 In the two years 2020-21 - 2021-22 the rate of completions has dropped below the annual requirement of 150 as the development of Land north of Oakham slows and the supply of other allocated sites in the adopted Local Plan runs out.
- 3.9 In relation to windfall sites the graph shows that both large and small windfall sites have continued to contribute a significant number of new homes in Rutland. Over the last 10 years (2012/13 – 2021/22), even though development on allocated sites has significantly increased completions of windfall sites have still contributed more than a third (38%) of total completions.
- 3.10 Further analysis of this data shows that 23% of new homes in the last 10 years have been on large windfall sites – mostly those which gained planning consent the last time the Council did not have a five year housing land supply prior to adoption of the Site Allocations and Policies DPD in 2014 (for example the development at Spinney Hill, Oakham) and 16% were on small sites.

### Settlement Hierarchy

- 3.11 For the purpose of forecasting a small site windfall allowance, it is helpful to know more precisely where in the County these completions occurred. This will make it possible to more robustly assess whether housing delivery is likely to take place in similar areas in the future, and at a similar rate, or whether any current conditions indicate that delivery is likely to increase or decrease in particular areas.
- 3.12 Policy CS3 of the Core Strategy set out a Settlement Hierarchy of: Main Town, Small Town, Local Service Centres; Smaller Service Centres; Restraint Villages; and Countryside. Windfall completions shown in the graphs below are set out in these categories.
- 3.13 Figure 2 sets out completions of small windfall sites by settlement hierarchy (as in the adopted Core Strategy). The NPPF states that Local “Plans should consider the case for setting out policies to resist inappropriate development of gardens ...” (NPPF 2021 paragraph 71). As such, figure 2 does not include development on garden sites.
- 3.14 Figure 2 demonstrates that most of the windfall completions over the plan period have occurred in the villages of Rutland, (77%), mostly within smaller service centres (36%). On average, 13% of windfall completions took place in Oakham and 11% in Uppingham.

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**Figure 2: Small windfall completions by Settlement Hierarchy**

### Greenfield vs. Brownfield

- 3.15 Unidentified previously developed land (PDL) and unidentified greenfield sites can both correctly be defined as windfall sites and both types have delivered housing in the County in the past. The definition of windfall sites in the NPPF glossary states that they are “Sites not specifically identified in the development plan”.
- 3.16 Figure 3 sets out completions by type of small windfall. Between 2006- 2022 on average 50% of completions were on previously developed land with 50% on greenfield. Of the greenfield total, 20% completions were on land which was previously a residential garden. These rates have remained unchanged since the 2020 report. The NPPF specifically precludes the inclusion of ‘residential gardens’ in the windfall allowance and its wider stance towards the development of residential gardens is restrictive. On this basis development on residential gardens is shown in the figure for information only and will be specifically excluded from data analysis for future trends.
- 3.17 Figure 3 shows that overall there appears to be a declining trend in the number of small windfall completions (although 2015/16 was an exception to this). On average there were 37 small site windfall completions per annum (excluding

gardens) between 1<sup>st</sup> April 2006 and 31<sup>st</sup> March 2022. But this decreases to 31 per annum when looking at the last 10 years 2012-2022.

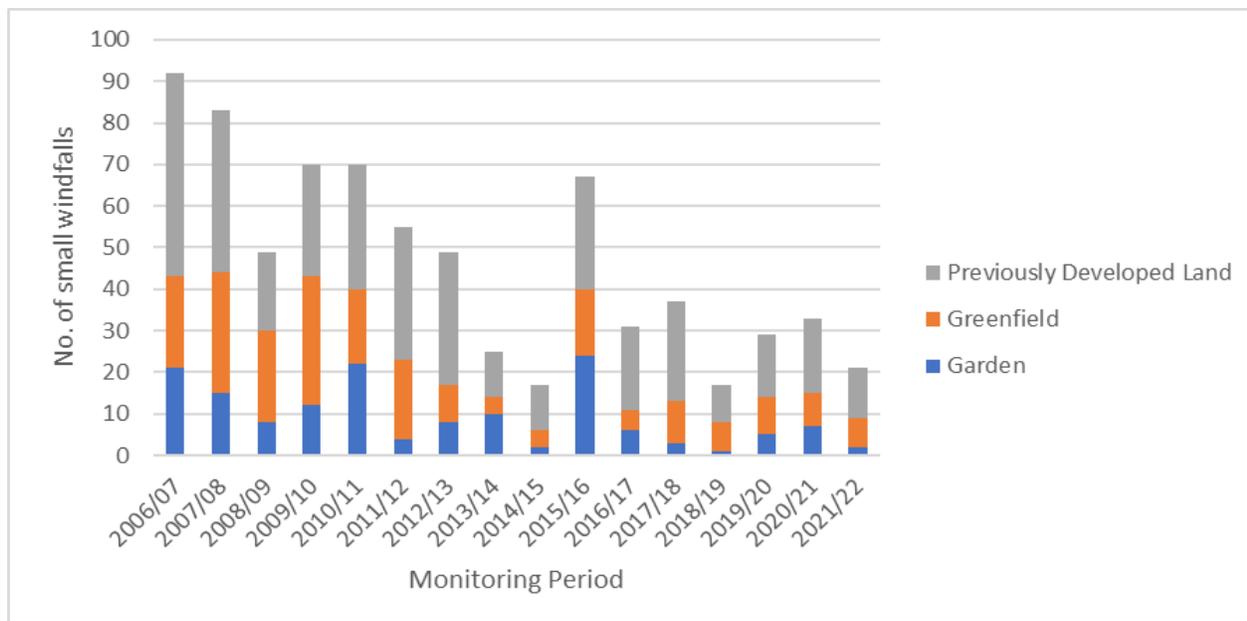


Figure 3: Brownfield & Greenfield Small Site Windfall Completions

## 4.0 Moderating past trends

- 4.1 The evidence set out in section 3 proves that although the contribution of small windfall sites has generally decreased over the plan period, both brownfield and greenfield, sites have consistently become available annually. This section identifies factors that have arisen which may change windfall development rates in the future.
- 4.2 A small site allowance was calculated as evidence for the 2014 Site Allocations & Policies DPD. The allowance was based on historic rates of actual delivery over the 7-year period since 2006/07. For Oakham, Uppingham and the 7 Local Service Centres at that time the allowance was simply calculated as the average annual delivery multiplied by the remaining plan period. For the Other Villages a reduced allowance was presented recognising that the policy of managing increased restraint on the circumstances allowing for additional residential development would reduce delivery rates by 50%. In all cases outstanding commitments were deducted to avoid double counting inflating the small site windfall allowance.
- 4.3 The National Planning Practice Guidance (NPPG) requires Local Plans to be based upon and reflect the presumption in favour of sustainable development and recognises the importance of issues facing rural areas in terms of housing supply and affordability, and the role of housing in supporting the broader sustainability of

villages and smaller settlements. The section on Rural Housing in the PPG goes further and states that all settlements can play a role in delivering sustainable development in rural areas by avoiding blanket policies restricting housing development in some and preventing other settlements from expanding unless their use can be supported by robust evidence.

- 4.4 The category of ‘Restraint Villages’ is therefore, now considered too restrictive and no longer in alignment with National Planning Practice Guidance (NPPG) section on rural housing. This element of the adopted policy is therefore considered out of date and superseded by national policy. As a result it is no longer considered appropriate to reduce the rate of small site windfall delivery in smaller service centres and restraint villages by 50%.
- 4.5 At the time of preparing this update, the Council is not able to demonstrate a robust five-year supply of housing as required in national policy. In September 2021, the Council withdrawn the local plan it had been preparing and committed to producing a new Local Plan. This, when adopted, will replace the documents set out in paragraph 1.4 above. The new Local Plan will provide for housing needs in accordance with paragraph 11 of the NPPF and ensure that the Council will identify deliverable sites sufficient to provide a minimum of five years’ worth of housing in accordance with paragraph 68 of the NPPF (2021).
- 4.6 As a consequence, those policies in the adopted plan concerning new housing development must now be considered out of date and decisions on planning applications involving the provision of housing will be tilted in favour of sustainable development, in accordance with Paragraph 11 of the NPPF. This means that planning permission should be granted unless any adverse impacts of doing so would significantly and demonstrably outweigh the benefits, when assessed against the policies in the NPPF taken as a whole.
- 4.7 The impact of this on the supply of small site windfalls is not yet clear. Table 1 below shows that the number of applications for large site proposals has doubled since September 2021, but the number of small site applications does not seem to have been significantly impacted yet. However, it seems prudent at this point in time to conclude that the rate of such sites coming forward in the period before the new Local plan is adopted will be in line with past trends if not higher.

Table 1: Numbers of applications received in 6month periods

6 months periods	Applications received for less than 10 houses	Applications received for 10 or more houses
1 Oct 20 – 31 Mar 21	<b>14</b>	<b>5</b>
1 Apr 21- 30 sept 21	<b>23</b>	<b>5</b>
1 Oct 21 – 31 Mar 22	<b>17</b>	<b>11</b>

4.8 The introduction of Permitted Development Rights in 2014 has resulted in an increase the number of conversions of agricultural buildings into dwellings. In 2018 the number of homes that could be constructed from an agricultural building was extended from 3 to 5 dwellings which in theory could further increase the impact of Class Q conversions on the number of small windfall development sites in Rutland, although in practice this does not seem to have been the case.

4.9 Table 2 shows the number of dwellings completed in Rutland through Class Q Permitted Development Rights since the introduction of this in 2014. There had been minimal impact on the number of small windfall sites until the 2018-19 monitoring period when the 6 dwellings out of 16 dwellings completed on small windfall sites were completed due to Class Q (38%), however since that monitoring year the contribution from Class Q developments has been minimal. Going forward this trend is expected to continue.

**Table 2: Number of Class Q permitted Development Rights Dwelling Completions**

<b>Monitoring Period</b>	<b>2014-15</b>	<b>2015-16</b>	<b>2016-17</b>	<b>2017-18</b>	<b>2018-19</b>	<b>2019-20</b>	<b>2020-21</b>	<b>2021-22</b>	<b>Total</b>
<b>No. of Dwellings</b>	0	1	1	1	6	2	1	2	<b>14</b>

## **5.0 Looking forward – calculating future windfall**

5.1 The approach to setting a small site windfall allowance has previously been based on the average annual rate over the preceding 10 years continuing throughout the remaining plan period. Over time it is recognised that the availability of small windfall sites will decrease, however, policy changes such as those set out in paragraph 4.7 above means that new opportunities for windfall development will continue to arise.

5.2 Table 3 sets out the number of new homes which have been delivered on small sites in each of the settlement categories of the adopted Core Strategy settlement hierarchy over the whole of the current Local Plan reporting period 2006-2022. This shows that an annual average of 37 homes have been built on small site windfall sites over the 16 year monitoring period.

**Table 3: Small Site Windfall Completions as per the Adopted Core Strategy Settlement Hierarchy**

Year	Oakham	Uppingham	Local Service Centres	Smaller Villages	Restraint Villages	Annual Total in Rutland
2006/07	19	4	7	20	6	56
2007/08	1	4	15	26	22	68
2008/09	5	3	8	21	12	49
2009/10	8	4	13	25	8	58
2010/11	3	11	9	15	10	48
2011/12	2	8	12	17	12	51
2012/13	2	4	5	23	7	41
2013/14	2	1	4	6	2	15
2014/15	2	2	4	1	6	15
2015/16	2	7	10	14	10	43
2016/17	3	0	10	9	4	26
2017/18	11	4	10	7	4	36
2018/19	1	2	6	5	2	16
2019/20	8	5	3	6	2	24
2020/21	1	4	5	11	5	26
2021/22	6	0	3	6	4	19
<b>Total</b>	<b>76</b>	<b>63</b>	<b>124</b>	<b>212</b>	<b>116</b>	<b>591</b>
<b>Average</b>	<b>5</b>	<b>4</b>	<b>8</b>	<b>13</b>	<b>7</b>	<b>37</b>

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**Table 4: 5 year average Windfall Rates (2006-2021)**

<b>Year</b>	<b>Oakham</b>	<b>Uppingham</b>	<b>Local Service Centres</b>	<b>Smaller Villages</b>	<b>Restraint Villages</b>	<b>Rutland</b>
<b>2006/07</b>	19	4	7	20	6	56
<b>2007/08</b>	1	4	15	26	22	68
<b>2008/09</b>	5	3	8	21	12	49
<b>2009/10</b>	8	4	13	25	8	58
<b>2010/11</b>	3	11	9	15	10	48
<b>5 year total</b>	36	26	52	107	58	279
<b>Annual average 2006-2011</b>	<b>7</b>	<b>5</b>	<b>10</b>	<b>21</b>	<b>12</b>	<b>56</b>
<b>2011/12</b>	2	8	12	17	12	51
<b>2012/13</b>	2	4	5	23	7	41
<b>2013/14</b>	2	1	4	6	2	15
<b>2014/15</b>	2	2	4	1	6	15
<b>2015/16</b>	2	7	10	14	10	43
<b>5 year total</b>	10	22	35	61	37	165
<b>Annual average 2011-2016</b>	<b>2</b>	<b>4</b>	<b>7</b>	<b>12</b>	<b>7</b>	<b>33</b>
<b>2016/17</b>	3	0	10	9	4	26
<b>2017/18</b>	11	4	10	7	4	36
<b>2018/19</b>	1	2	6	5	2	16
<b>2019/20</b>	8	5	3	6	2	24
<b>2020/21</b>	1	4	5	11	5	26
<b>5 year total</b>	24	15	34	38	17	128
<b>Annual average 2016-2019</b>	<b>5</b>	<b>3</b>	<b>7</b>	<b>8</b>	<b>3</b>	<b>26</b>

- 5.3 4 shows the average number of new dwellings on small windfall sites over the successive five year periods (from 2006/7- 2010/11; 2011/12- 2015/16 and 2016/17- 2020/21). This demonstrates that the annual windfall rate has decreased over the 16 years of the current Local Plan period. Reducing from an annual average of 58 per annum over the first five years down to an annual rate of 26 per annum over the most recent five year period.
- 5.4 Projecting this trajectory forward for the next five years (to support the five-year housing land supply calculation) would indicate a continuing decrease in the supply of windfall sites, recognising that there must be a finite supply of such sites.
- 5.5 However taking account of the current lack of five year housing land supply and the impact this has on adopted local plan policies concerning housing development and the use of the tilted balance in favour of sustainable development, together with national policy guidance that all settlements can play a role in delivering sustainable development in rural areas has the potential to create more opportunities for small scale windfall development sites to come forward which might have been restricted by the policies in the current adopted plans. This is expected to impact on in the short term supply of small site windfalls. Added to this it is assumed that there will continue to be a small supply of new homes provided by the Class Q regime.
- 5.6 It is therefore considered reasonable to assume that the rate of supply from windfall sites will continue at the most recent level of about **25 houses per annum**. If we apply the % split of windfall developments by settlement set out in paragraph 3.10 this would result in an annual average of 3 dwellings in each of the two towns and the remaining annual average of 19 dwellings being built across the villages.
- 5.7 25 dwellings per annum is just under 18% of the minimum annual housing requirement of 142 dwellings for Rutland, calculated using the governments standard methodology.
- 5.8 This predicted windfall rate will be used to calculate the annual Five-Year Housing Land Supply Statement and will be reviewed again as preparation of the new Local Plan progresses. It is important that the windfall allowance is reviewed as part of the plan making process so that consideration can be given to the impact new policies and proposals may have on future supply.
- 5.9 The annual five-year housing land supply statement recognises that there are already a number of small site windfalls included within the supply by virtue of sites with planning permission at 31<sup>st</sup> March 2022. To avoid double counting the annual windfall rate of 26 will only be applied to years 3, 4 and 5 in the first five year period, to ensure there is no double counting with existing commitments on small sites. This aligns with the assumptions for delivery rates on small site set out in the Five-Year Housing Land Supply Statement which suggest that all small sites will be delivered within years 1 and 2 of the 5 year supply. These figures are also subject to a lapse rate which is applied to the total number of small sites.
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5.10 Table 5 summarises this predicated annual windfall rate alongside the supply of existing small site commitments annual Five-Year Housing Land Supply Statement as at 1 April 2022.

**Table 5: Anticipated 5 year supply of Small Site Windfall**

	<b>2022-23</b> <i>(site with planning permission)</i>	<b>2023-24</b> <i>(site with planning permission)</i>	<b>2024-25</b> <i>(annual windfall rate)</i>	<b>2025-26</b> <i>(annual windfall rate)</i>	<b>2026-27</b> <i>(annual windfall rate)</i>	<b>Total small site windfall supply</b>
<b>Supply</b>	<b>42</b>	<b>77</b>	<b>25</b>	<b>25</b>	<b>25</b>	<b>194</b>

**Table 6: Anticipated 5 year supply of Small Site Windfall (excluding residential gardens) by Settlement Category**

<b>Settlement Category</b>	<b>Existing Commitments</b>	<b>Average Annual Rate of Delivery for five years 2015-2020</b>	<b>Total Anticipated Small Site windfalls (over 3 years)</b>	<b>Total Anticipated Small Sites supply five years 1/04/22 – 31/03/27</b>
Oakham (excluding Barleythorpe)	6	3	9	15
Uppingham	16	3	9	25
Local Service Centres	32	5	15	47
Other villages	65	14	42	107
Rutland	119	25	75	194

*Figures rounded up.*

## 6.0 Conclusion

6.1 The evidence set out in section 3 proves that small windfall sites, both brownfield and greenfield, have consistently made an important contribution to housing supply in Rutland since 2006.

6.2 Garden sites have constituted a proportion (20%) of past small site greenfield windfall completions. However, in line with the NPPF garden sites have not been included within the windfall allowance. “Plans should consider the case for setting

out policies to resist inappropriate development of residential gardens, for example where development would cause harm to the local area.”

- 6.3 National policy changes which allow a more permissive approach to the conversion of agricultural and office buildings to form homes, together with the proposed removal of restraint policies in the Local Plan review will increase the opportunities for small site windfall development over the plan period.
- 6.4 Annual monitoring of small site windfall development shows that the average annual rate over the past 16 years has decreased gradually. Assuming that this rate will continue to reduce over the new plan period and adding an allowance for significant national and local changes in policy approach it is considered appropriate to include an allowance within the local plan review of 25 homes per annum for small site windfall development.
- 6.5 The total anticipated annual small site windfall allowance is therefore 25 homes. Over 5 years, the windfall allowance for small site completions is 125. This is considered to be an appropriate allowance supported by robust evidence in line with paragraph 71 of the NPPF (2021).