

Local Plan

TMBC Windfall Allowance

Methodology, Justification and Calculation

1. Introduction

- 1.1. The purpose of this note is to set out the proposed methodology for the windfall allowance in the Local Plan. As well as describing and justifying the methodology, in the context of national policy and recent practice that has been found sound, it illustrates what the outcomes are for the windfall allowance for the Local Plan period up to 2040.

National Planning Policy Framework (NPPF)¹

- 1.2. Para. 71 in the NPPF (July 2021) provides national planning policy on windfall allowances:

71. Where an allowance is to be made for windfall sites as part of anticipated supply, there should be compelling evidence that they will provide a reliable source of supply. Any allowance should be realistic having regard to the strategic housing land availability assessment, historic windfall delivery rates and expected future trends. 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.

- 1.3. The following section of this paper sets out how the windfall methodology is consistent with this policy, highlighting compelling evidence for the inclusion of a windfall supply, and how the process is realistic and reasonable.

2. Methodology – Trend data and current practice

Historic trend period

- 2.1. This focuses on a long timeframe dating back to 2008/09. This is considered reasonable because it is an extensive period that covers the troughs and peaks of the last economic cycle. Furthermore, it corresponds to the early years post the adoption of the Council's Core Strategy (2007), Development Land Allocations DPD (2008), and Tonbridge Central Area Action Plan (2008). This enables compelling local evidence to be gathered to inform the windfall allowance.

¹ [National Planning Policy Framework - GOV.UK \(www.gov.uk\)](https://www.gov.uk)

Trend data

- 2.2. The focus is on the supply from small (a yield of fewer than five units) and large windfall sites (a yield of five units or more). These are sites which have been delivered that do not feature in the Council's adopted development plan. Excluded from the data is windfall supply from garden developments in built-up areas, in response to the expectations of national policy (NPPF, para.71 – see above extract).
- 2.3. In addition, the supply from the three major sites of Kings Hill (phase 2: 750 units), Holborough Quarry (938 units) and Leybourne Chase (723 units) has been excluded from the trend data. These were determined in November 2004 by the Secretary of State who supported the Borough Council in granting planning permission for the development of the three major sites. This means they are not allocations in the Council's adopted LDF. Given this unusual set of circumstances that we do not anticipate happening again, the supply from these three sites has been excluded because it significantly skews the trend data. This ensures a reasonable, proportionate approach to the gathering of compelling local evidence.

Current practice

- 2.4. The methodology has been informed by current practice deployed by a neighbouring authority (Maidstone Borough Council) that has been found to be reasonable by an examination inspector²:

225. The Borough Council has provided suitable evidence to support its estimate of the contribution to housing supply of windfall development on brownfield sites. It has reasonably excluded a windfall allowance for the early years of the plan as this would risk double counting with existing commitments. It has also reasonably concluded that the number of anticipated windfalls should be reduced in the middle years of the plan period as many sites which in the past could have come forward as windfall development have already been identified through the SHEDLAA and subsequent allocation processes.

- 2.5. It is appropriate to take this into account because the soundness of the methodology has been examined and it relates to recent practice in a neighbouring authority that falls within a Housing Market Area (HMA) that covers an extensive area of Tonbridge & Malling borough (Maidstone HMA).

² Report on the Examination of the Maidstone Borough Local Plan, 27 July 2017

3. Methodology - Small and large windfall sites

- 3.1. We propose to include an allowance for small sites (fewer than 5 units) as well as an allowance for large sites (5 units or more). The rationale for this distinction is derived from the Government's planning practice guidance on housing and economic land availability assessments³, with five units being the minimum yield of a site for its consideration as a potential housing allocation in the Local Plan. It is considered reasonable to apply the same distinction for the purposes of calculating the appropriate windfall allowance.

Small sites windfall allowance

- 3.2. The average annual supply during the trend period (see Table 1) has been included from year 4 of the plan period (2025/26, if you take 2022/23 as year 1 for the purposes of this exercise) to avoid double counting of commitments during the early years. The Council is mindful that the majority of the supply in the first three years from small sites will already enjoy planning permission at the base date of the projection period, i.e. it will be a commitment which has already been calculated and has been counted against the overall assessed need for housing.
- 3.3. The small sites windfall allowance is 70 units pa or **1,050 units** across the plan period (up to 2039/40).
- 3.4. Historic delivery rates from small windfall sites are set out in Table 1 (below). There is no evidence that supply from this source is diminishing. The historic delivery of windfalls from small sites over a lengthy period provides compelling evidence that they will continue to provide a reliable source of supply. The allowance is realistic having regard to an annual average windfall supply from small sites over that period.

Table 1: Small Sites Windfall data (2008/09 – 2020/21)

Year	Total (net)
2008-09	60
2009-10	33
2010-11	46
2011-12	28
2012-13	94
2013-14	95
2014-15	52
2015-16	101

³ [Housing and economic land availability assessment - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/414242/Housing_and_economic_land_availability_assessment_-_GOV.UK_(www.gov.uk).pdf), Paragraph: 009 Reference ID: 3-009-20190722, Revision date: 22 07 2019

Year	Total (net)
2016-17	95
2017-18	117
2018-19	52
2019-20	72
2020-21	71
Annual Average	70

Large sites windfall allowance

3.5. Historic delivery rates from large windfall sites are shown in Table 2 below:

Table 2: Large Sites Windfall Data (2008/09 – 2020/21)

Year	Total (net)
2008-09	502
2009-10	175
2010-11	167
2011-12	185
2012-13	75
2013-14	257
2014-15	163
2015-16	283
2016-17	293
2017-18	445
2018-19	114
2019-20	95
2020-21	206
Annual Average	228

3.6. The consistent and significant delivery of large windfall sites over a lengthy period, together with the amount of sites identified during the Call for Sites and Urban Capacity assessments (350+), provides compelling evidence to justify the inclusion of a windfall allowance for large sites.

3.7. The Council is mindful that the majority of the supply in the first five years from large sites will already enjoy planning permission at the base date of the projection period, i.e. it will be a commitment which has already been calculated and has been counted against the overall assessed need for housing. For the large windfall sites allowance it is reasonable to exclude an allowance for the first five years because that will allow for the implementation of those commitments at the base date,

which may involve outline planning permissions and subsequent reserved matters approvals. Accordingly, the large site windfall allowance has only been included from year 6 (2027/28, if you take 2022/23 as year 1 for the purposes of this exercise) to reflect the typical lead-in times for larger developments in order to avoid double counting of commitments during the early years.

- 3.8. Furthermore the average annual supply during the trend period (228dpa - see Table 2) has been discounted by 50% in the middle years (2027-28 to 2034/35) to reflect the fact that the Council will have considered and identified many opportunities for development of large sites during this time through the Call-for-Sites and Urban Capacity Study exercises and the plan-making process. This approach to discounting the allowance in the middle years of the plan period was considered reasonable by the inspector examining the Maidstone Borough Local Plan (2017) – see above extract.
- 3.9. During the last five years (2035/36 – 2039/40), the average annual supply during the trend period (228 units pa) is factored in. This approach to the last five years of the plan period is reasonable and realistic because we know from the trend data and the strength of the local housing markets that there is a reasonable prospect of large windfall developments continuing to come forward, especially at this distant point in time. The pool of large windfall sites is not finite; it will continue to be replenished over the years as new unforeseen opportunities, particularly in the long-term, present themselves. We can point to the Call-for-Sites exercise and the Urban Capacity Study which generated the submission and assessment of over 350 sites to highlight the significant interest in developing housing in Tonbridge & Malling. There is no reason to doubt that this interest will diminish. A similar approach was found to be sound by the Inspector examining the Maidstone Local Plan 2017 (see earlier extract from the Inspector’s report). This means that the total windfall allowance for large sites (5 units or more) across the plan period is **2,052 units**.

4. Conclusions: Total windfall allowance (up to 2039/40)

- 4.1. Based upon the methodology outlined above, the total windfall allowance during the plan period is **3,102 units**. This is summarised in table 3 below and illustrated in Figure 1.
- 4.2. The methodology for calculating this is considered to be realistic and reasonable, being based upon compelling local evidence, an understanding of the strength of the local housing markets and taking account of practice that has been found sound

by an examination inspector in a neighbouring authority which falls within the same Housing Market Area as an extensive area of Tonbridge & Malling borough.

Table 3: Windfall Allowance (2022/23-2039/2040)

Year	Small Sites	Large Sites	Combined
2022-23	0	0	0
2023-24	0	0	0
2024-25	0	0	0
2025-26	70	0	70
2026-27	70	0	70
2027-28	70	114	184
2028-29	70	114	184
2029-30	70	114	184
2030-31	70	114	184
2031-32	70	114	184
2032-33	70	114	184
2033-34	70	114	184
2034-35	70	114	184
2035-36	70	228	298
2036-37	70	228	298
2037-38	70	228	298
2038-39	70	228	298
2039-40	70	228	298
Total	1,050	2,052	3,102

Figure 1: Windfall Allowance 2022-2040

