
Windfall Allowance

Topic Paper

October 2025

Contents

Section	Page
1. Introduction	1
2. Methodology	2
3. Windfall Projections	5
4. Conclusion	5

1. Introduction

- 1.1 In December 2024 the Standard Method was revised by national Government and based on the most recent housing stock and affordability data it now shows a housing need for Tonbridge and Malling of 1097 dwelling per annum (19 746 dwellings in the plan period).
- 1.2 The purpose of this Windfall Topic Paper is to set out the proposed methodology and provide a justification for inclusion of a windfall allowance in the Authority's housing trajectory, as well as the Authority's five-year housing land supply.
- 1.3 A "windfall" site is defined in Annex 2 of the revised National Planning Policy Framework (NPPF) as '*Sites not specifically identified in the development plan*'. This revised definition is noticeably broader than that in the 2012 NPPF which was as follows: 'sites which have not been specifically identified as available in the Local Plan process. They normally comprise previously developed sites that have unexpectedly become available'.
- 1.4 Paragraph 75 of the NPPF supports local authorities in the development of windfall sites through their policies and decisions. However, local authorities may only make an allowance for windfall if they have "compelling evidence that they will provide a reliable source of supply". In addition to this, any windfall allowance should be "*realistic having regard to the strategic housing land availability assessment, historic windfall delivery rates and expected future trends*".
- 1.5 The National Planning Policy Framework (NPPF) requires any allowance to be realistic, having regard to the strategic housing land availability assessment, historic windfall delivery rates and expected future trends. The 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.
- 1.6 There is a strong track record in Tonbridge and Malling Borough of windfall sites being delivered. The Local Planning Authority strongly believes 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 2024 to 2042, as well as for the purposes of monitoring five-year housing land supply.
- 1.7 The paper illustrates what the outcomes are for the windfall allowance for the Local Plan period up to 2042 considering advice on windfall development contained in the National Planning Policy Framework December 2024 (NPPF) and Planning Practice Guidance (PPG).

2. Methodology

- 2.1 In accordance with the current NPPF's requirement for an evidence-based approach, the anticipated windfall allowance is based on past trends, with the application of reasonable assumptions to ensure the resulting figures are appropriate, justified and not overly optimistic.
- 2.2 Windfall completions and commitments can vary in size and type of development, the data explores an allowance from small (a yield of fewer than ten dwellings) and an allowance for large windfall sites (a yield of ten dwellings or more) which are not allocated in the Council's adopted development plan.
- 2.3 The estimated rate of windfall development is based on past completion rates, using the detailed net housing completion figures as part of TMBC annual monitoring. This includes information on the location and type of development, as well as the detailed planning application description.
- 2.4 The Framework and the Planning Practice Guidance have been used to undertake this windfall topic paper. The four steps used are:
 1. Record historic windfall completion rates;
 2. Examine the results over the study period;
 3. Analyse historic trends; and
 4. Estimate future housing delivery from windfall sites
- 2.5 The NPPF requires that when calculating windfall allowance, consideration must be given to the Strategic Housing Land Availability Assessment (this is the Land Availability Assessment (LAA) in TMBC). It should be noted that revisions to the NPPF no longer refer to windfall sites being on previously developed land or considers exclusions should be made to development in residential gardens. Therefore, the windfall analysis throughout this report will consider all development that was not anticipated by the local planning authority and all figures referred to throughout this report reflect the total net completions as windfall, therefore, all losses/demolitions have been accounted for.

Record historic windfall completion rates

- 2.6 This paper considers the detailed housing completion data between 2008/09 and 2023/24 for both small and large windfall sites. This extensive period has been chosen as it incorporates respective periods of stronger and weaker economic performance including a period of national economic depression. There was also a period during the Covid-19 pandemic when inactivity in construction during the initial March/April 2020 'lock-down', which would have resulted in less completions and infrastructure provision than originally intended.
- 2.7 In order to have a complete historic trend, the data used 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 allows a reasonable analysis of an extensive period to better understand the latest economic cycle of TMBC.

Examine the results over the study period

- 2.8 Over the period of time during which this windfall allowance has been assessed there have been significant changes to national policy. The latest version of the NPPF has allowed increased flexibility provided by policies that have encouraged windfall through a variety of sources. In particular, there is a more lenient approach regarding change of use from commercial to residential through the introduction of Prior Approval. Prior Approval also applies for the conversion of agricultural buildings to residential. These changes, alongside changes to Permitted Development Rights has encouraged

more landowners to pursue residential development, with the result of increasing the number of windfall completions. There have been more recent changes made to national planning policy, regulations and guidance, notably in the form of the most recent revised National Planning Policy Framework 2024, which have sought to boost housing supply.

- 2.9 The Change of use classes was also amended in September 2020, which introduced 'Class E' in order to allow a building to be used flexibly by having a number of uses taking place concurrently or by allowing different uses to take place at different times of the day. As of August 2021, commercial buildings associated with 'Class E' could be granted permission for residential use via a fast-track prior approval process. All these changes are likely to increase windfall development.

Analyse historic trends

- 2.10 This evidence demonstrates a consistent history of small and large windfall sites becoming available and a reasonable expectation of future delivery. Table 1 analysis shows an annual average of 95 dwellings for small windfall sites and Table 2 analysis shows an annual average of 437 dwellings for large windfall sites.

Table 1: Small site windfalls

Year	Completions (gross)	Garden developments	Completions (gross, excluding garden development)	Demolitions	Totals (net)
2008-09	101	-6	95	-10	85
2009-10	49	-8	41	-8	33
2010-11	105	-6	99	-13	86
2011-12	88	-5	83	-22	61
2012-13	137	-30	107	-35	72
2013-14	199	-14	185	-28	157
2014-15	124	-27	97	-34	63
2015-16	191	-38	153	-27	126
2016-17	182	-24	158	-22	136
2017-18	203	-24	179	-23	156
2018-19	110	-10	100	-22	78
2019-20	117	-19	98	-18	80
2020-21	127	-18	109	-9	100
2021-22	148	-20	128	-31	97
2022-23	120	-13	107	-16	91
2023-24	117	-5	112	-14	98
2024-25	111	-6	105	-9	96
Annual Average	131.1176471	-16.05882353	115.0588235	-20.05882353	95

Table 2: Large site windfalls

Year	Completions (gross)	Garden developments/H1 /H2/H3 sites	Completions (gross, excluding garden development)	Demolitions	Totals (net)
2008-09	823	-6	817	0	817
2009-10	331	0	331	0	331
2010-11	261	0	261	-2	259
2011-12	378	-14	364	0	364
2012-13	292	0	292	0	292
2013-14	511	0	511	-74	437
2014-15	402	-43	359	-5	354
2015-16	748	-94	654	0	654
2016-17	670	-144	526	0	526
2017-18	853	-74	779	-1	778
2018-19	334	-28	306	0	306
2019-20	386	0	386	-14	372
2020-21	326	0	326	0	326
2021-22	382	0	382	0	382
2022-23	388	0	388	0	388
2023-24	332	0	332	-58	274
2024-25	569	0	569	0	569
Annual Average	469.7647059	-23.70588235	446.0588235	-9.058823529	437

Estimate future housing delivery from windfall sites

- 2.11 Due to the uncertainty associated with future housing provision on large windfall sites allowance in the anticipated supply, 5% of the annual average of the large windfall sites has been used in the assumption. There is more certainty that the small windfalls can consistently become available, so the annual average of 95 dwellings per annum allowance is included. For the purposes of the windfall allowance (as part of both the five-year housing land supply calculation and Local Plan trajectory), the windfall allowance for the first two years of the sites have been excluded in the supply projections to avoid distortion and ensure a realistic projection.

3. Windfall Projections

- 3.1 For the purposes of the windfall allowance (as part of both the five-year housing land supply calculation and Local Plan trajectory), the windfall allowance will not be included in the first two years of the housing supply. This is because it is assumed that all windfall sites likely to be completed in the first two years will have already been through the planning application process and would therefore result in double counting.
- 3.2 The methodology for calculating the projections shown in Table 1 and 2 is considered to be realistic and reasonable, being based upon compelling local evidence and an understanding of the strength of the local housing markets.
- 3.3 At the current time, TMBC is unable to demonstrate five-years' worth of supply of deliverable housing. As a result, it is likely that potential large and small windfall sites will come forward. The evidence shows that both large and small sites are relatively consistent. However larger sites take longer to deliver and to avoid double counting sites which would most likely be a commitment or could be identified by a land availability assessment, an assumption of 5% of the large windfall contributions are included in the land supply projections. Moving forward, large windfall completions are likely to increase further as a result of recent national policy changes particularly in terms of Permitted Development Rights so assuming 5% of the annual average is a reasonable assumption. The small sites data of the annual average of 95 dwellings is included in the land supply projections. At a local level, policies in the adopted and emerging Local Plans promote the best use of land, especially in existing settlements, so small site windfall is expected to continue into the future. Therefore, for robustness the windfall assumptions for the plan period are as follows:

Table 3: Windfall allowance in the plan period to 2042

	Dwellings per annum	Dwellings during the plan period (x16 years)
Small windfalls	95	1520
Large windfalls	5% of 437	350
Total windfalls		1870

4. Conclusions

- 4.1 The evidence shown in this topic paper demonstrates that based on historic windfall rates, good levels of windfall sites have consistently come available within TMBC even during a time of economic recession. It is also considered that in the light of both national and local planning policy, windfall sites will continue to be permitted and delivered in the future.
- 4.2 Therefore, failure to include an allowance for this consistent stream of supply within the housing land supply for the Authority would result in an under-estimate in the capacity of TMBC.
- 4.3 To further ensure a cautious approach when calculating windfall projections, windfall delivery for small sites and large sites has been projected to commence from year 3 of the plan period. This is because it is assumed that prior to these dates, most of the likely housing completions will already be known through planning permissions, and as such are not therefore windfall/unexpected. Therefore, a windfall allowance of **1870 dwellings** across the plan period is considered both realistic and achievable (see Table 3 for calculations).
- 4.4 In terms of monitoring, the level of windfall delivery will be monitored over the course of the Local Plan period alongside overall housing delivery using the above methodology. This will help to inform the Council of whether the windfall allowance is considered accurate.

TMBC.GOV.UK

Serving our community

Tonbridge and Malling Borough Council
Gibson Building
Gibson Drive
Kings Hill
West Malling
Kent
ME19 4LZ