Windfall Update Technical Paper 2024

Index

1 Introduction

1.1 In addition to our previous Windfall Allowance Technical Papers that formed part of the evidence base to support the City of York Local Plan through consultation and hearings held in 2022, this paper updates our evidence to 1st April 2024 and continues to support the justification for a windfall allowance within the future housing land supply calculations.

1.2 Where appropriate, reference is made to our previous Technical Papers to ensure this update is concise whilst it also aligns with current national policy and guidance.

2 Policy Context

NPPF Windfall Definition

2.1 As the City of York Local Plan is being examined under the transitional arrangements set out in Annex 1 to the revised National Planning Policy Framework, the policies in the previous version of the framework published in 2012 will continue to apply, as will any previous guidance which has been superseded since the new framework was published in July 2018.

2.2 Paragraph 48 of the 2012 NPPF and revision note to the NPPG of March 2014 provides clarity on the appropriateness in the use of windfalls, whilst paragraphs 2.1 to 2.5 of the City of York Council Local Plan Windfall Allowance Technical Paper (July 2016) expand on these details. (See link below)

https://www.york.gov.uk/downloads/file/11252/windfall_allowance_technical_paper_2016

2.3 The Revised National Planning Policy Framework (NPPF) of December 2023 and National Planning Policy Guidance (NPPG) both provide direction upon what constitutes a windfall and when it is appropriate to include an allowance within the future housing supply trajectory. It is confirmed in the Framework that a windfall allowance can be made for windfall sites in housing supply assumptions, subject to 'compelling evidence that they will provide a reliable source of supply'. It is further advised that any allowance 'should be realistic having regard to the strategic housing land availability assessment, historic windfall delivery rates and expected future trends'. For decision making purposes the most recent versions of the NPPF and PPG apply.

City of York Windfall Definition

2.4 Consistent with our earlier technical papers' windfall definition we have excluded all previously identified sites from our analysis and removed all historic garden infill sites. We have included changes of use brought about through relaxed permitted development rights (now made permanent), also known as 'prior approval' sites along with completions resulting from un-allocated off-campus privately managed student accommodation completions. Both Brownfield and Greenfield unidentified windfall sites are included within our calculations. A full explanation of this definition is included in

paragraphs 2.7 to 2.12 of our earlier 2016 Technical Paper and can be viewed via the link provided below.

https://www.york.gov.uk/downloads/file/11252/windfall_allowance_technical_paper_2016

3 Analysis of Windfalls in the City of York

Historic Windfall Delivery and Trends Experienced in York's Housing Market

3.1 Analysis of our historic housing completion figures indicates that a considerable element of York's housing supply has been provided through un-identified windfall sites.

3.2 Table 1, below, shows that of the 6,921 net additional homes[1] built in York during the last 10 years (2014-2024), a total of 3,185 homes have resulted from completions on windfall sites, representing over 46% of all completions over that period.

3.3 Over the last 10 years completions through windfalls averaged over 318 net new homes per year, peaking at 650 in 2015/16, whilst just 123 homes were added to the housing stock in 2021/22. Nearly 79% of all completions in 2020/21 were because of windfalls. However, just under 24% of completions in 2017/18 were through windfalls. Out of 528 net housing completions last year (2023/24) 176 (33.33%) were due to completions on windfall sites.

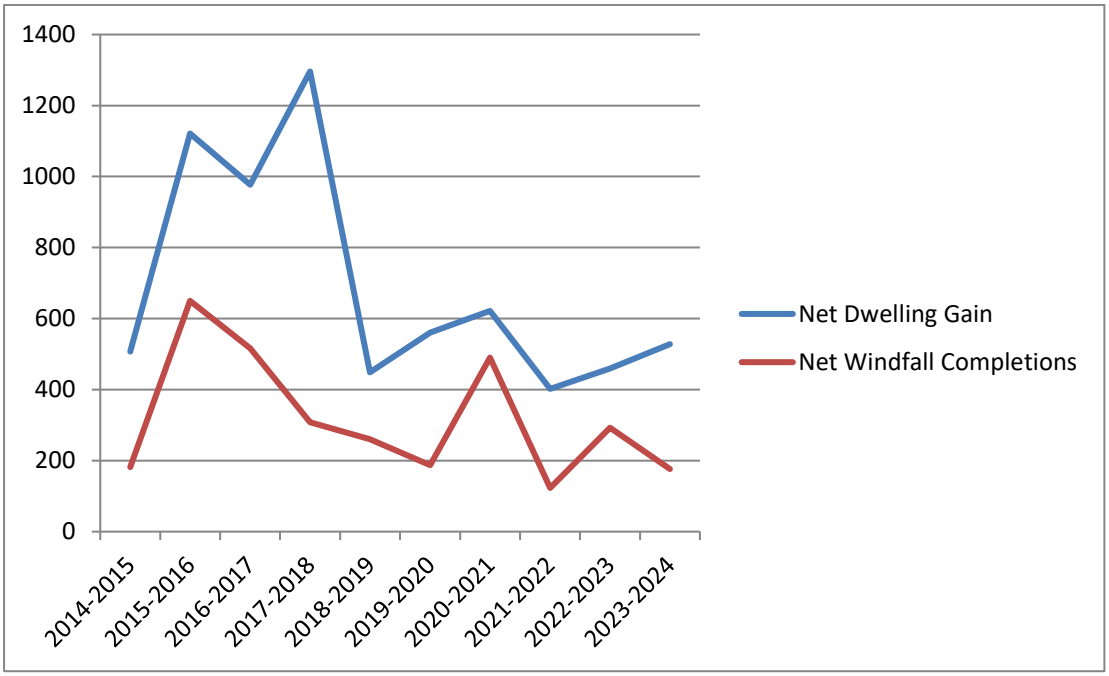
Table 1: Historic Annual Windfall Completions

Year	Net Dwelling Gain	Net Windfall Completions	Windfalls as a % of all Net Completions
2014-2015	507	182	35.90%
2015-2016	1121	650	57.98%
2016-2017	977	516	52.81%
2017-2018	1296	308	23.77%
2018-2019	449	260	57.91%
2019-2020	560	187	33.39%
2020-2021	622	490	78.78%
2021-2022	402	123	30.60%
2022-2023	459	293	63.83%
2023-2024	528	176	33.33%
2014-2024	**6921**	**3185**	46.02%

[1] For the purposes of this paper, we have excluded equivalent homes provided through communal establishments such as care homes and on campus student accommodation that are based upon bedspaces and calculated using a national ratio based upon census results.

3.4 Graph 1 below shows how windfalls have generally mirrored overall trends of housing completions over the last ten years reflecting both periods of growth and recession. This has largely been true other than during 2017/18 when significant levels of housing development was carried out on allocated sites with 958[2] homes resulting from this source – none of which, by definition, can be counted as windfalls.

Graph 1: Historic Housing Completions Compared to Windfall Completions



3.5 In general, other Local Authorities use a larger threshold of around 0.4 ha for site identification within their urban capacity studies. City of York Council has adopted 0.2 ha as its threshold, which recognises that the supply of housing from this type of site has provided a significant contribution to past housing completions.

3.6 Using the last ten-year monitoring period to estimate the future supply of windfall delivery should ensure that neither an overly optimistic nor pessimistic projection for windfalls will be applied. As this document updates our previous technical papers with the inclusion of our 2023/24 completions it reflects the most recent

[2] The most significant allocated sites providing homes during 2017/18 were St Joseph's Convent, Lawrence Street (526) Hungate (195) Former Terry's Factory Site Bishopthorpe Road (88) and Former Grain Stores Water Lane (82)

market trends to ensure the most robust evidence base has been used.

3.7 Historic housing windfall rates for the entirety of City of York Council area have been recorded for several years and form a subset of the housing completions figures that have appeared within our Annual Monitoring Reports. The tables provided below show evidence of historic windfall completions based on size of site and type and have been compared against overall housing completion figures by way of context.

3.8 All past completions that appear in the tables have been based on;

- Development Management housing consents – a record of decisions on planning applications is updated monthly
- Completions returns provided by our Building Control team
- Site visits carried out on a 6 monthly basis to check completions
- Contact with applicants, developers, and agents at regular intervals to confirm both completion and predicted completion levels, and
- Monitoring of extant consents, new permissions and inclusion of development given lawful use through certificates of lawful development (previously not included within housing returns).
- Council tax records

3.9 Table 2 below provides details of the number of housing windfall completions over the ten-year period from April 2014 to March 2024, split by size and type. It should be noted that two of the main contributors to net additions to the housing windfall supply over that period came from conversions (inclusive of changes of use) with 1,469 and from sites below 0.2 hectares (very small windfall sites) with 512. These totals are significant in as much as they fall outside the threshold used to identify potential housing allocation sites in our emerging Local Plan and will not be identified in future years.

3.12 This analysis of previous windfalls is carried out using the following categories;-

- **Very small windfalls** – on sites less than 0.2 hectares
- **Small windfalls** – on sites between 0.2 and 0.4 hectares
- **Medium windfalls** – on sites between 0.4 and 1.0 hectares

- **Large windfalls** – on sites over 1.0 hectares

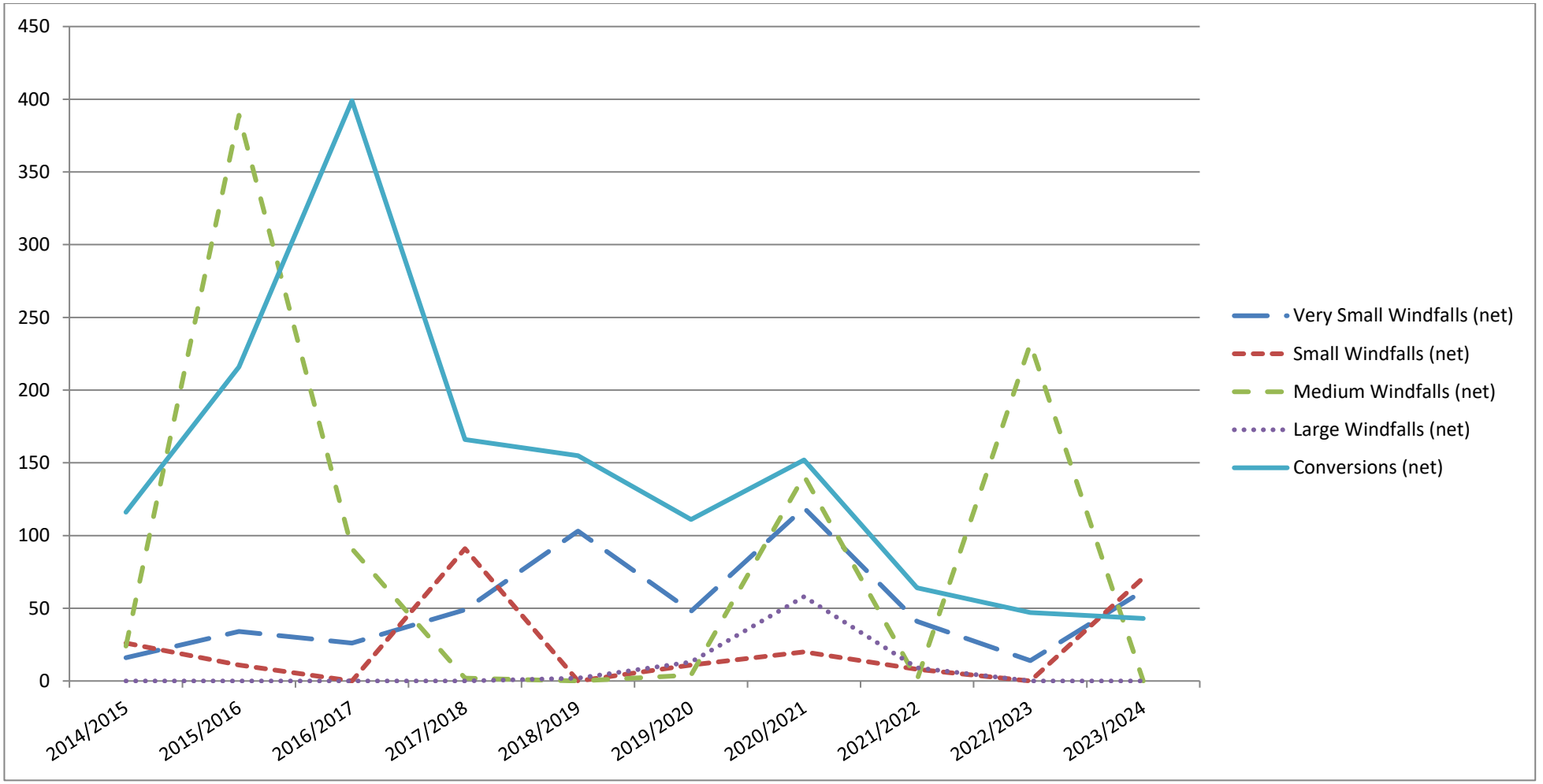
- **Windfalls resulting from changes of use to residential properties and conversions to existing residential units**

Table 2: Historic Annual Windfall Completions Separated into Size and Type

Year	Very Small Windfalls (Net)	Small Windfalls (Net)	Medium Windfalls (Net)	Large Windfalls (Net)	Conversions (Net)	Total (Net)
2014/2015	16	26	24	0	116	182
2015/2016	34	11	389	0	216	650
2016/2017	26	0	91	0	399	516
2017/2018	49	91	2	0	166	308
2018/2019	103	0	0	2	155	260
2019/2020	48	11	4	13	111	187
2020/2021	119	20	141	58	152	490
2021/2022	41	8	1	9	64	123
2022/2023	14	0	232	0	47	293
2023/2024	62	71	0	0	43	176
Totals 14-24	**512**	**238**	**884**	**82**	**1469**	**3185**

3.13 Both Table 2 and Graph 2 provide a complete picture of the overall levels of windfall completions over the last ten years.

3.14 Graph 2 displays the fluctuations experienced in past windfall supply. It shows that on sites over 0.2 ha significant variations have taken place. By comparison sites below 0.2 ha and completions resulting from changes of use and conversions to existing homes vary less (other than in 2016/17 when 399 homes from conversions and change of use were completed) and have provided a relatively constant source of additional new homes over the monitoring period.



Graph 2: Illustration of Historic Annual Windfall Completions by Size and Type

3.15 Some of the more significant completions making up these variations were carried out within the windfall categories resulted from the following:

- In 2015/16 a total of 389 homes were provided on medium sized sites, these arising from the student accommodation completed at the Old Yorkshire Evening Press Site, 76-86 Walmgate (361 homes) and the retirement homes completed on the former Fox & Hounds, Copmanthorpe (28 homes).

- 2015/16 also experienced significant levels of windfall completions through changes of use. Holgate Villa (50) 3 Pioneer Business Park (19) and Matmer House, Hull Road (14) being the three largest contributers in this category.

- In 2016/17 a total of 399 net new homes resulted from conversions or changes of use and of this number 252 homes came about through sites benefitting from 'prior approval'. United House, Piccadilly (119) Castle Chambers, 7-13 Clifford Street (25), the William Birch & Sons Ltd former offices in Foss Place, Foss Islands Road (24) were the largest contributors within this category.

- During 2016/17 61 student accommodation units resulted from the change of use of 2-14 George Hudson Street.

- In 2017/18, a total of 89 new student flats were competed at St Lawrence WMC, 29-33 Lawrence Street on a small site (the scheme also resulted in a total of 19 net new flats as part of the change of use to the original structure)

- 2018/19 saw a rise in completions on sites of below 0.2 ha with 103 homes resulting from this source. Of this total 38 student flats were completed at the former Herbert Todd & Son land at Percy Lane, whilst a further 34 over 55's homes have been constructed at the former Oliver House site in Bishophill Junior.

- 61 sites provided 155 homes resulting from changes of use and conversion of residential properties during 2018/19. Of this total, 3 sites benefiting from prior approval (relaxed planning rules allowing conversion of office buildings) resulted in 27 new

homes[3], whilst the change of use to both Rowntree Wharf (25) and Former London's Toy Shop in Hawthorne Grove (10) made significant contributions within this category.

- During the 2019/20 monitoring year the largest contributions to windfall completions resulted from the changes of use and conversions category with a net total of 111 additional homes delivered on 45 sites, the most significant development being 17 student flats at the Fleeting Arms, Gillygate. Whilst a further 48 net new homes were completed on sites below 0.2ha with 21 student flats at the Coal Yard site in Mansfield Street and 14 dwellings at the former Fire Station, 18 Clifford Street being the most significant contributors to the housing supply within this sub-set.

- 2020/21 saw the highest level of net completions on sites below 0.2 ha with 119 homes – the most significant contributors to this number being 32 flats at 1 Redeness Street, a further 19 student 'cluster' flats at 11 Redeness Street, and 14 homes each provided at the site to the rear of 33 Bootham, Thomas Dick Ltd site on Hallfield Road and North Lodge re-development site on Clifton Park Avenue.

- A further 152 homes were created in 2020/21 through conversion and change of use – the largest of which were carried out at Ryedale House (77) and Shepherd Engineering Services, Mill Mount (22)

- 232 student 'cluster' flats were complete in 2022/23 at Frederick House, Fulford Road – this site falling into the medium windfall category.

- 14 homes were provided on very small sites, whist 47 were completed through changes of use and conversions during the 2022/23 monitoring period – both totals representing the lowest within their categories over the last 10 years reflecting the market conditions affecting the house building industry post covid.

- 19 net additional student 'cluster' flats at Aubrey House, Foss Islands Road together with 9 new flats at 11 The Crescent and 7

[3] Stonebow House, Diocese House (Aviator Court) and British Red Cross (Marsden Park) saw 13, 10 and 4 completions respectively during the monitoring period.

new homes at the Former Glen Garage, Heworth helped contribute towards a total of 62 net new homes on sites below 0.2 ha in the 2023/24 monitoring period.

- During the same period 71 homes were completed on small sites all coming from the Former Vacant Site, Eboracum Way (62) and Former George Chapman (York) Ltd site at 86 Heworth Green (9).

3.16 Sites over 0.2 ha are shown to display more significant and varied levels of annual completions and greater ranges within the totals making any future trends more difficult to predict.

3.17 A further breakdown of the windfall completion figures, as displayed in Table 3 below, highlights that over 62% of all windfall completions during the past 10 years took place either on very small sites below 0.2 ha or through changes of use to residential properties and conversion of existing homes. Neither of this type of site is likely to be picked up in housing land assessments and is, therefore, more appropriate for use in potential future windfall projections.

Table 3: Breakdown of Windfall Completions by Size and Type

Size/Type of Windfall	Ten Year Total	Ten Year Mean Average	Windfall Types as a % of Total Windfalls
Very Small Windfalls (< 0.2 ha)	512	51.2	16.08%
Small Windfalls (0.2 – 0.4 ha)	238	23.8	7.47%
Medium Windfalls (0.4 – 1.0 ha)	884	88.4	27.76%
Large Windfalls (> 1.0 ha)	82	8.2	2.57%
Conversions/Changes of Use	1469	146.9	46.12%
Totals	**3185**	**318.5**	**100.00%**

3.18 Graphs 3 and 4 below show a representation of the last 10 years of windfall sites of less than 0.2 ha and conversions and changes of use. Both graphs display the range between the highest and lowest completion years.

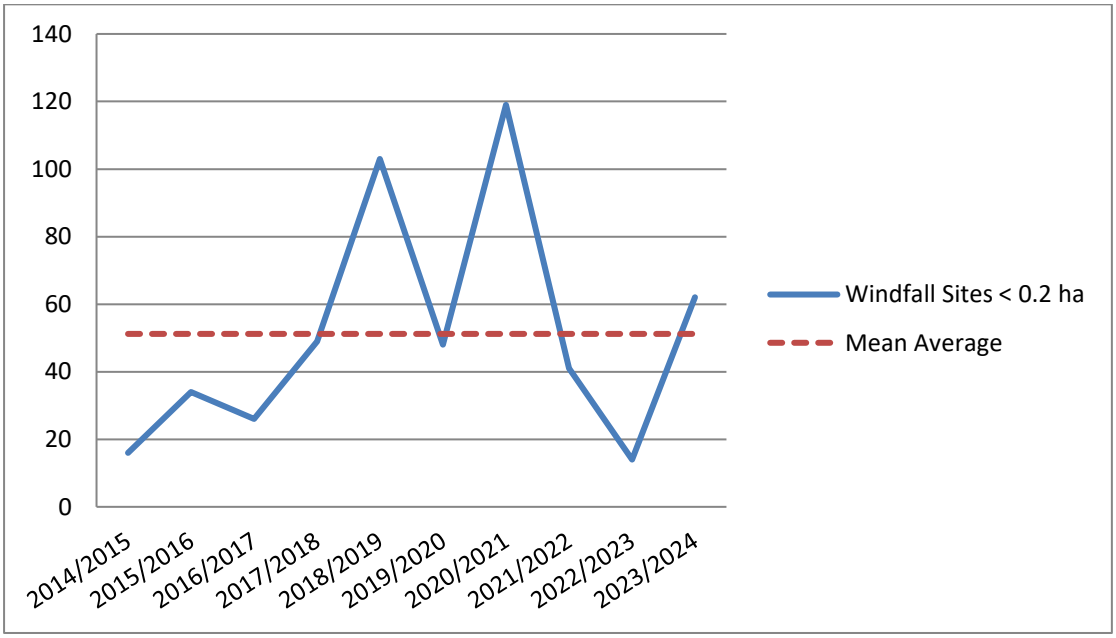
3.19 For sites below 0.2ha housing completions reached 119 during 2020/21, the highest level achieved within this category over the ten-year monitoring period. Other than for monitoring years

2018/19 and 2020/21 completions from this type of site have generally remained stable over the 10-year analysis period.

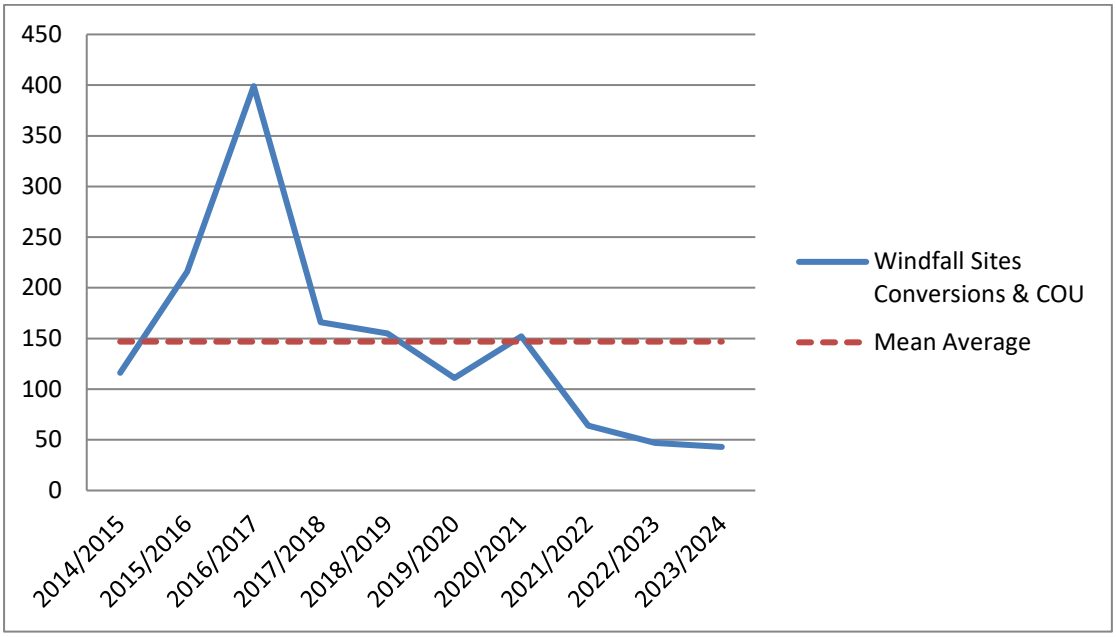
3.20 The low figure of 14 homes achieved during the 2022/23 in the below 0.2ha category was out of character with typical completion levels and was almost certainly the result of labour, material shortages and changed working practices that affected the house building industry during the post covid period.

3.21 Completions through change of use and conversions of existing properties increased significantly in 2015/16 when over 200 new homes were created and almost 400 further homes coming from this category in 2016/17. This spike in delivery can be associated with the relaxation of permitted development rights introduced by central government in 2013. These 'prior approval' sites have become a continued source of supply following the relaxation of rights that have not only been made permanent but also expanded upon. Since 2017/18 there has been a drop in completions from this source. However, 306 net new homes have been provided in this category over the last four years despite the impact Covid-19 has had on working practices and continues to provide a significant supply of homes within the authority area.

Graph 3: Very Small Windfall Site Completions



Graph 4: Conversion & Changes of Use Windfall Site Completions


450
400
350
300
250
200
150
100
50
0
2014/2015
2015/2016
2016/2017
2017/2018
2018/2019
2019/2020
2020/2021
2021/2022
2022/2023
2023/2024
Windfall Sites Conversions & COU
Mean Average

4 Future Windfall Approach in the Local Plan

Calculating an Appropriate Windfall Allowance

4.1 Several factors need to be considered before determining a realistic housing windfall allowance. The following issues are highlighted within this part of the paper before setting our proposed approach to windfall projections. These include:

- An appropriate timescale for historic windfall evidence
- The threshold and type of windfall to be included.
- Trend analysis and the appropriate trend timescale to be used to ensure market conditions are reflected appropriately.
- When windfalls should appear in the housing trajectory
- What level of windfalls should be applied to future housing projections
- Should discount rates be applied to future windfall allowances, and
- What risks are there in including windfalls within a future housing land supply?

Timescale Used to Provide Historic Windfall Evidence

4.2 The timescale for analysing historic windfall completions has been considered and following a review of other local authority windfall papers, the use of the last ten years' figures is considered to be most appropriate, particularly as this period includes a wide range of market conditions.

4.3 Longer periods of historic completions records have been used in some authority windfall completions analysis whilst less reference shorter historic records. The advantage of using a 10-year trend ensures that the full cycle of market conditions that have taken place during that time should ensure that neither an overly optimistic nor pessimistic projection for windfalls will be applied. A rolling 10-year windfall trend incorporated annually within the housing trajectory will ensure that any upturn or decrease in supply will be accounted for within future windfall allowances. By using a longer historic record this fluctuation could be lost within a larger dataset.

Threshold and Type of Windfall to be Included

4.4 Research reveals that other planning authorities have set varying thresholds when considering what type of windfall site should be included within any allowance in future years. These have broadly been based on either capacity (potential number of homes that have been developed on individual sites, often set at 10 or more dwellings) or simply a size of site threshold.

4.5 City of York Council does not view a capacity threshold as providing the most meaningful approach to identifying sites. Site location tends to influence the number of acceptable homes appropriate for each site, and individual site constraints may affect overall capacity. Over time this could result in similar sites being included within the figures or excluded elsewhere dependant on the location and changing market circumstances. These characteristics are difficult to monitor and can provide unbalanced evidence.

4.6 A size threshold, often of around 0.4 ha, has been used in several authority areas in analysing past windfall performance. This aligns with their SHLAA thresholds used in identifying potential future allocations.

4.7 Preference in York is for a size threshold of 0.2 ha throughout the authority area in our analysis of windfalls, and this accords with that set within the 'call for sites' to support the Local Plan. Although we have recorded windfalls above the 0.2 ha threshold, we do not intend to project forward an allowance for this type of site within the future housing supply for a variety of reasons:

- The monitoring period covers a time in which we did not have a formally adopted development plan in place. Therefore, sites of this nature have not previously been identified as allocations. With a comprehensive Local Plan that includes identified site allocations for the full trajectory period and regular SHLAAs planned over the future years we expect to capture these sites as allocations rather than as windfall sites.
- As can be seen from the graphs showing past delivery of this type of site, evidence reveals that the supply of housing from these sites is less predictable in the delivery of housing and projecting forward these rates could prove to be unreliable.

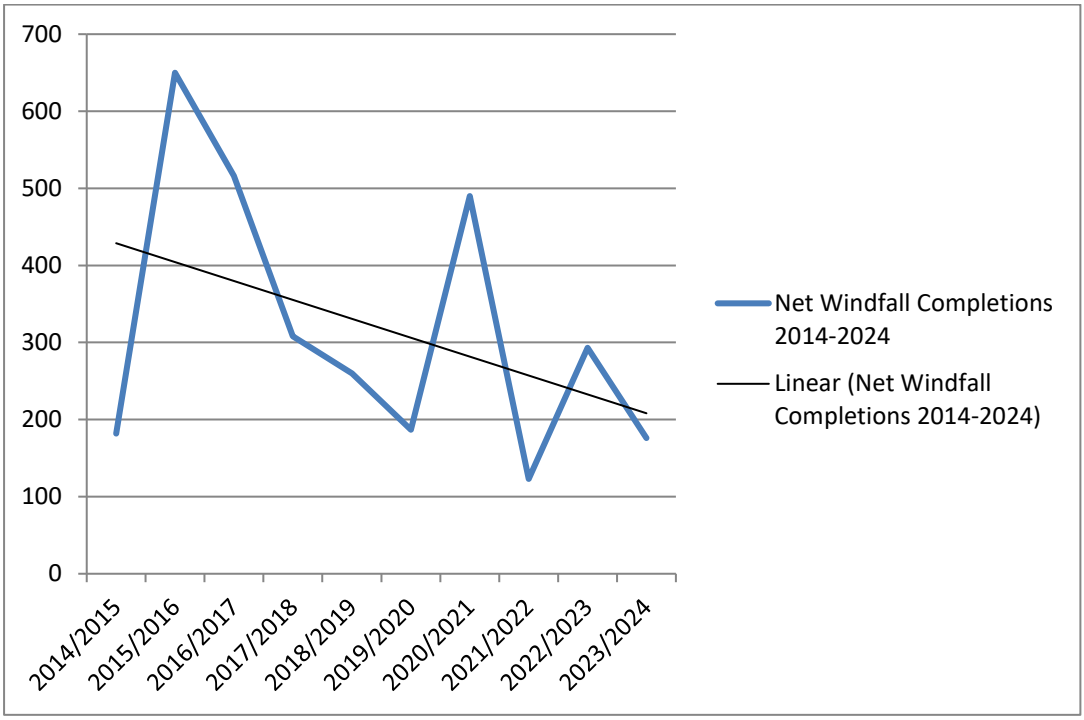
4.8 Changes of use and conversions of existing residential dwellings have delivered a steady and reliable source of housing in York throughout the monitoring period, even during recessionary and post pandemic times. This supply is likely to continue because of the announcement that the temporary measures introduced in 2013 to relax the permitted development rights, relating to the conversion of offices to residential use, have now been made permanent and recently expanded upon. As consented conversions of this type are already included within the unimplemented housing permissions and therefore accounted for within the housing trajectory, no increase in the rate of this type of windfall is proposed. However, future monitoring will take account of any variations and appropriate allowances will be made accordingly throughout the plan period.

Windfall Trend Analysis

4.9 A relatively simple method for estimating a general trend in a set of data is to add a linear trend line to a chart. A trend line shows results within a chart, but it doesn't connect each data point precisely as a line chart does. A trend line takes account of all the data meaning that minor exceptions or statistical anomalies will not distort the output. In some circumstances the use of a trend line is an aid in forecasting future figures.

4.10 When applying a trend line to overall windfall completions carried out between 2014 and 2024 the overall linear trend indicates a decline in completions over the monitoring period (see Graph 5 below).

Graph 5: Net Windfall Completions 2014-2024



4.11 When we consider trend analysis of specific windfall rates, we have included records for both the whole ten-year monitoring period together with trends over the shorter term i.e. the last five years. In so doing we hope to pick up on any shorter-term fluctuations being experienced within the housing market to confirm that appropriate estimations are being applied to projected windfall delivery.

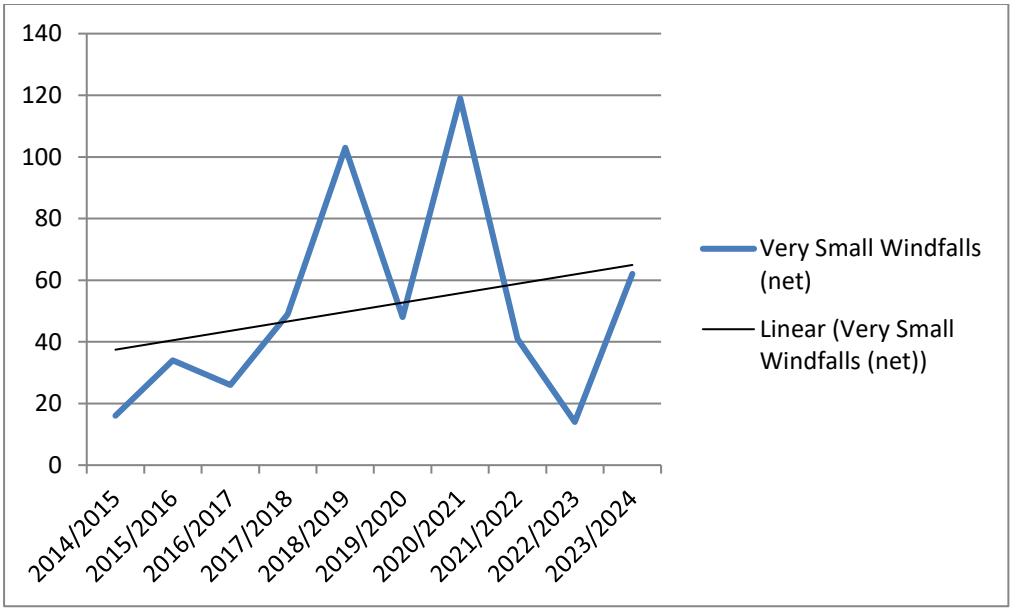
4.12 Further evidence shows that, for the two windfall types we deem appropriate for inclusion within our projected future housing supply, the following characteristics are apparent.

4.13 Graphs 6 and 7 reveal that in terms of very small windfalls (sites below 0.2 ha) the ten-year trend is one of improving numbers, with over 284 homes being built within this category over the last five monitoring years helping to set the trend (see paragraph 3.18 earlier in this paper for details). A fall in the trend of completions from this source has taken place over the last 5 years which is understandable considering the impact the pandemic has had on the housing development industry since 2020.

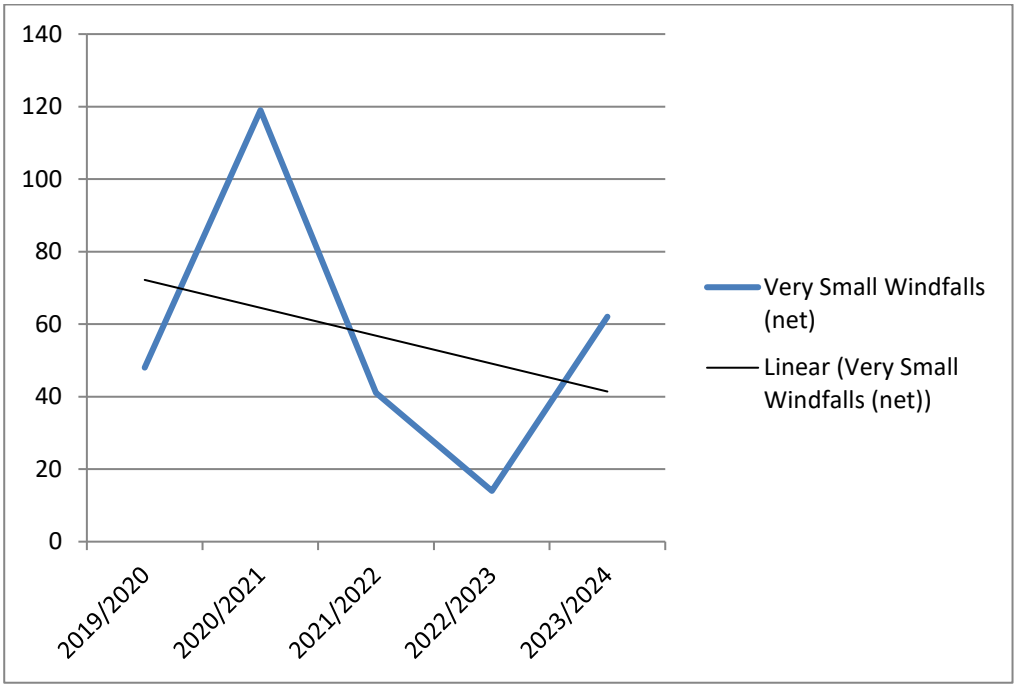
4.14 Conversions and changes of use completions (see Graphs 8 and 9) indicate a decreasing trend over the longer term. This decline has been replicated over the shorter 5-year period and almost certainly has

resulted from the impact of the pandemic and the wider materials and labour shortages experienced nationally. With the 'prior approval' regulations now being made permanent and expanded further during the last couple of years this source of future housing supply is anticipated to provide healthy levels of future housing completions when the market corrects itself after the effects of adverse market conditions during the post covid years.

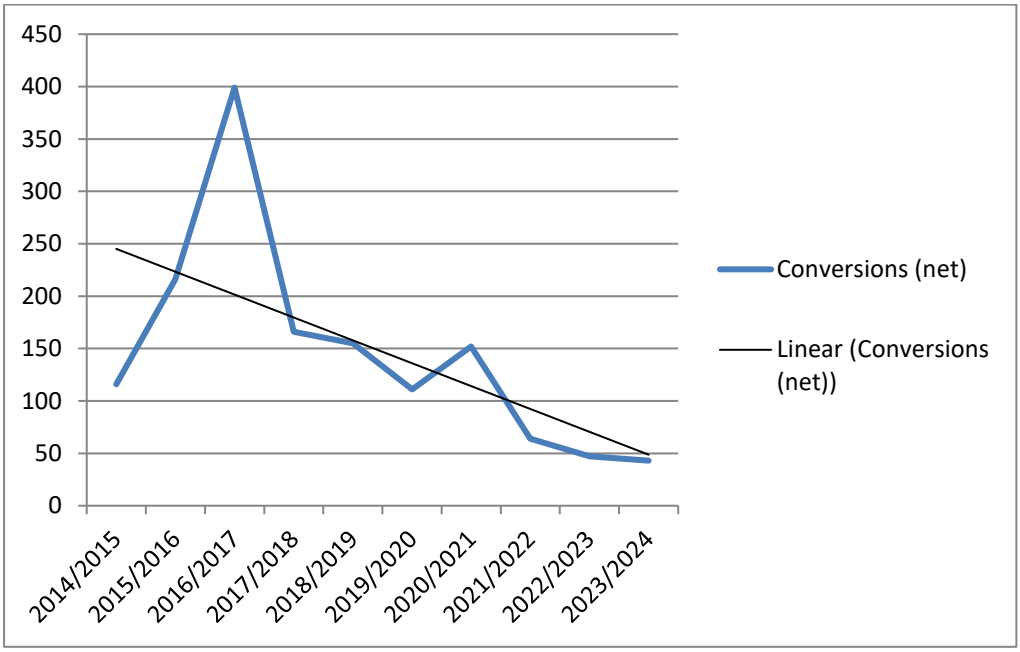
Graph 6: Net Very Small Windfall Completions 2014-2024 (Sites <0.2ha)



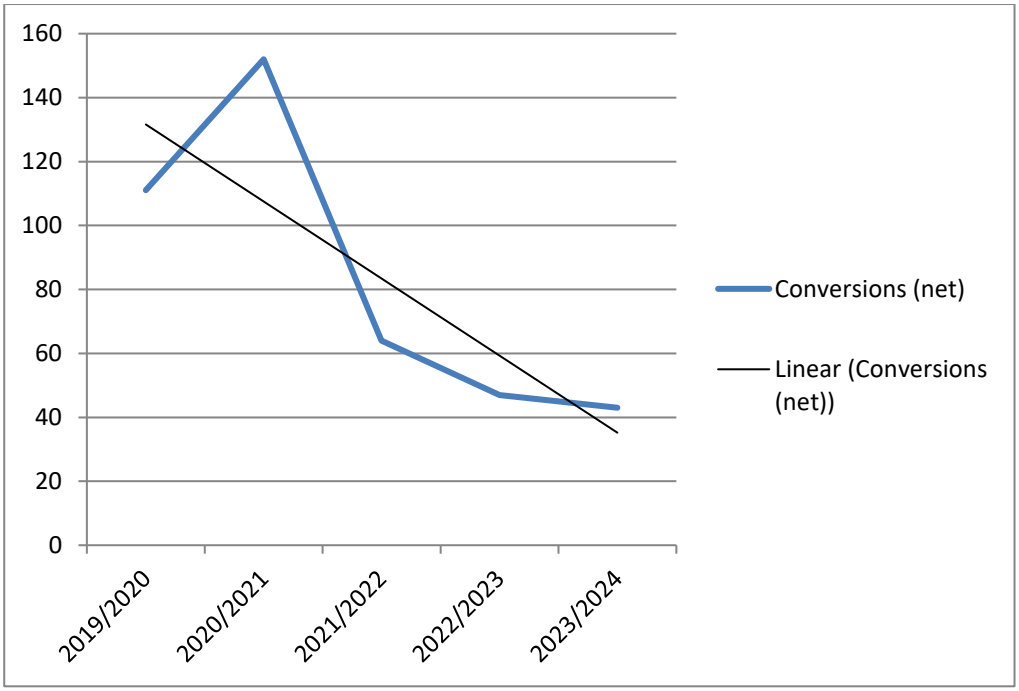
Graph 7: Net Very Small Windfall Completions 2019-2024 (Sites <0.2ha)



Graph 8: Net Conversions and Changes of Use Windfall Completions 2014-2024



Graph 9: Net Conversions and Changes of Use Windfall Completions 2019-2024



4.15 The following tables provide details of the trends associated with the different types of windfalls over both the longer ten year and shorter five-year historic monitoring periods.

Table 4: Combined Brownfield & Greenfield Windfall Completion Trends

Type of Windfall	10 Year Trend	5 Year Trend
Very Small Sites (<0.2 ha)	⇧	⇩
Small Sites (0.2 to 0.4 ha)	⇧	⇧
Medium Sites (0.4 to 1.0 ha)	⇩	⇧
Large Sites (>1.0 ha)	⇧	⇩
Conversions and Changes of Use	⇩	⇩
All Brownfield/Greenfield Windfalls	⇩	⇩

Key

Decrease	⇩
No Significant Change	⇔
Increase	⇧

The following tables (5 and 6) provide a breakdown of the preceding table's trends according to their type, whether greenfield or brownfield

Table 5: Brownfield Windfall Completion Trends

Type of Windfall	10 Year Trend	5 Year Trend
Very Small Sites (<0.2 ha)	⇧	⇩
Small Sites (0.2 to 0.4 ha)	⇔	⇧
Medium Sites (0.4 to 1.0 ha)	⇩	⇧
Large Sites (>1.0 ha)	⇧	⇩
Conversions and Changes of Use	⇩	⇩
All Brownfield Windfalls	⇩	⇩

Table 6: Greenfield Windfall Completion Trends

Type of Windfall	10 Year Trend	5 Year Trend
Very Small Sites (<0.2 ha)	⇩	⇩
Small Sites (0.2 to 0.4 ha)	⇧	⇩
Medium Sites (0.4 to 1.0 ha)	⇩	⇩
Large Sites (>1.0 ha)	N/A	N/A
Conversions and Changes of Use	⇩	⇔
All Brownfield Windfalls	⇩	⇩

4.16 Our monitoring shows that an upward trend in supply on very small, small, and large sites has been experienced over a 10-year monitoring period. However, over the shorter 5-year period most of the categories show a decline in supply. This reflects the impacts that the pandemic and material shortages have had during the shorter term on the house building industry.

4.17 Notably the type of windfall sites we intend to project forward within our housing trajectory such as those below 0.2ha show an upward delivery trend over the long term and a decrease in supply over the last five years, whilst completion levels through changes of use and conversions remain relatively high, even though falling over the previous 5-year monitoring period. This evidence has been used to project forward a mean average of past performance within these categories of windfall sites within the housing trajectory.

4.18 For a complete record of windfall trends separated into Greenfield and Brownfield sites and the full range of categories analysed over the last five and ten-year periods see Annex 2 of this document.

Windfall Allowance in Years 1-5 of the Housing Trajectory

4.19 Our unimplemented housing consents records reveal that from a total of 8,719 homes with consent there were 1,273 net additional homes with extant consent on 1st April 2024 on sites regarded as windfalls (see Table 7). Of this total 554 had gained consent on sites of less than 0.2 ha or could result from changes of use or conversions to existing dwellings. Further scrutiny of the data shows that within this number 131 net homes have approval as a result of 'prior approval', whilst a further 336 are student cluster flats that have gained approval on previously unidentified sites. All this evidence indicates that a continued supply of homes built on consented windfall sites should be maintained within the short term.

Table 7: Potential Windfall Sites with Extant Consent on 1st April 2024

Size/Type of Windfall	Brownfield Sites	Greenfield Sites	Total BF +GF Sites	Windfall Types as a % of Total Windfalls
Very Small Windfalls (< 0.2 ha)	220	11	231	18.15%
Small Windfalls (0.2 – 0.4 ha)	187	2	189	14.85%
Medium Windfalls (0.4 – 1.0 ha)	151	1	152	11.94%
Large Windfalls (> 1.0 ha)	77	301	378	29.69%
Conversions/Changes of Use	289	34	323	25.37%
Totals	**924**	**349**	**1273**	**100.00%**

4.20 We do not consider it to be appropriate to include a windfall allowance within the first three years of the housing trajectory. This will provide an appropriate time scale for any applications on sites which would ultimately result in windfall completions to go through the development process. This timescale also allows for completions of windfalls with extant consent to be built out at reasonable lead in times and, therefore, avoid double counting..

4.21 Phasing in a windfall allowance will provide more certainty in the early part of the trajectory and will avoid double counting. The estimation of housing supply will, therefore, be based on known consented development and anticipated delivery schedules provided by applicants/developers rather than relying on

unidentified windfall sites providing homes in the early part of the Plan.

4.22 Consideration has also been given to an approach whereby windfalls were only to be accounted for beyond the first 5 years of the trajectory. Whilst this method would avoid any potential double counting and only rely on extant consents and identified draft allocations for completions in the 5-year housing supply, it would represent a very cautious view of windfall projections. Trend analysis shows that a significant supply of windfall completions within the categories to be projected forward has been evidenced in both the longer and short term.

4.23 Further, with the relaxed permitted development rights now made permanent and expanded upon around two years ago, and the consent analysis indicating that this type of development continues to come forward, it is highly likely that windfalls will continue to contribute significant levels of new housing in future years.

The Level of Windfalls to be included in Future Housing Projections

4.30 In taking a proportionate approach to identifying land for development in the emerging Local Plan only sites above 0.2ha have been identified as draft allocations. To ensure that we properly understand the potential for development on very small sites below this allocation threshold an assessment of the trends in the historic rate of windfall delivery along with changes of use and conversions has been carried out.

4.31 It should be noted that this monitoring period covers a time in which York had no adopted development plan and, therefore, continued high levels of windfall supply are unlikely to be maintained over the plan period, especially in the case of larger windfall sites above 0.2 ha (the threshold used for the allocation of sites). This is important to note because the NPPF requires not just compelling evidence of historic windfall rates but also evidence of expected future trends to justify the use of a windfall allowance within housing supply.

4.32 During the last 10 years housing supply from net windfall sites, by far the largest proportion derives from conversions/change of use and from very small windfalls (sites below 0.2ha). These totals are significant in as much as they fall outside the threshold used to identify

potential housing sites in the Local Plan and therefore will not otherwise be identified in future years. By including a qualified allowance for this type of windfall within the housing supply this would ensure that an appropriate estimate of future windfall supply is included within the housing trajectory. The figure for windfalls proposed to be projected forward is **198** dwellings per annum which is effectively a mean average for these two categories of windfalls calculated over a 10-year period. (See Table 8, below, for details)

Table 8: Projection of Windfall Sites <0.2 ha and Change of Use and Conversions

Average Windfall Completions on Very Small Sites (< 0.2 ha)	51
Average Windfall Completions Resulting from Change of Use/Conversion	147
Mean Average Projected Annual Windfall Rate	**198**

Applying Discount Rates to the Future Windfall Allowance

4.33 A discount rate can be applied to both the delivery of identified consented sites and housing allocations to allow for uncertainty within the market. This discount rate is typically around 10% based on evidence of past housing delivery of consented sites and comparison with other local authority non-delivery rates. Alternatively, an additional allowance in housing supply can be made. A discount rate for the future supply of housing from windfall sites (i.e. as yet unidentified windfalls without the benefit of consent) has been considered especially in the case of small sites below 0.2 ha. This acknowledges that the capacity of unidentified sites to accommodate future windfall development is finite within a constrained urban area.

4.34 A constant and significant delivery of homes resulting from changes of use from offices is currently being experienced largely a result of relaxed permitted development rights. Whilst this source of supply is finite and may reduce over time it is too early to predict such an outcome bearing in mind that we continue to experience completions resulting from the legislative change.

4.35 However, because of our analysis of delivery trends (see Section 3) indicating marginally significant levels of changes of use and conversion of existing properties over the last 10 years and increasing levels of housing resulting from sites below 0.2 hectares, the discounting of

projected windfalls for these reasons is not deemed appropriate at this time.

4.36 Should planning policy change in future years this approach may be reconsidered and potentially a discount rate applied at that time.

5 Conclusions

5.1 Several factors have been considered in determining a realistic housing windfall allowance. The following sets out our intended approach:

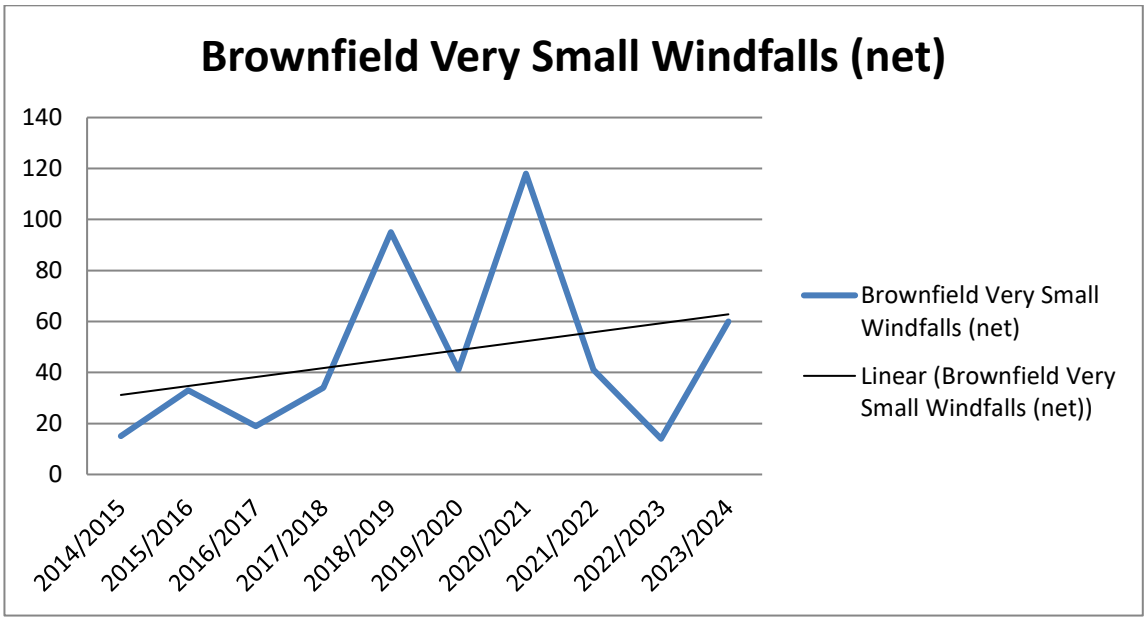
- Timescale for historic windfall evidence
  Use of selected completions from the last 10 years ensures that the full cycle of market conditions that have taken place during that time are considered. See paragraphs 4.2 and 4.3.
- Threshold and type of windfall to be included
  Very small sites (below 0.2ha) and change of use/conversions will be monitored as the basis for our projections. See paras 4.4 to 4.9.
- When to introduce windfalls into the housing trajectory
  To avoid double counting and allow time for sites to continue through the development process, windfalls will be included from year 4. See paras 4.21 to 4.29.
- What level of windfalls should be included in the housing trajectory
  A figure of 198 dwellings per annum provides an appropriate level reflecting past development trends. See paras 4.30 and 4.32.
- Discounts
  We do not intend to apply a discount to windfall projections. See para 4.33 to 4.36.

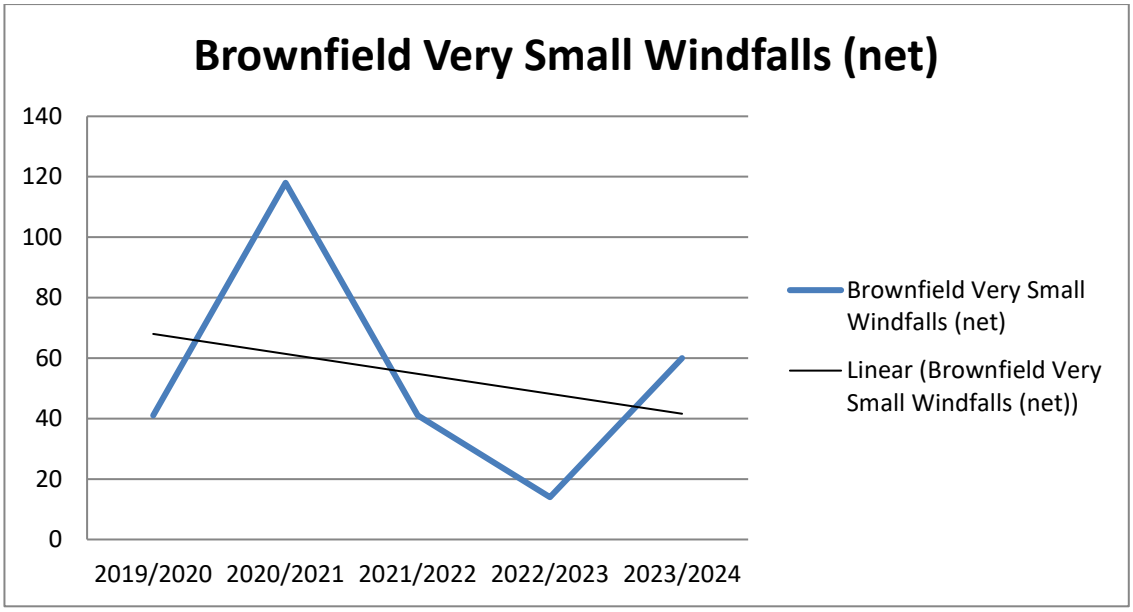
Annex 1

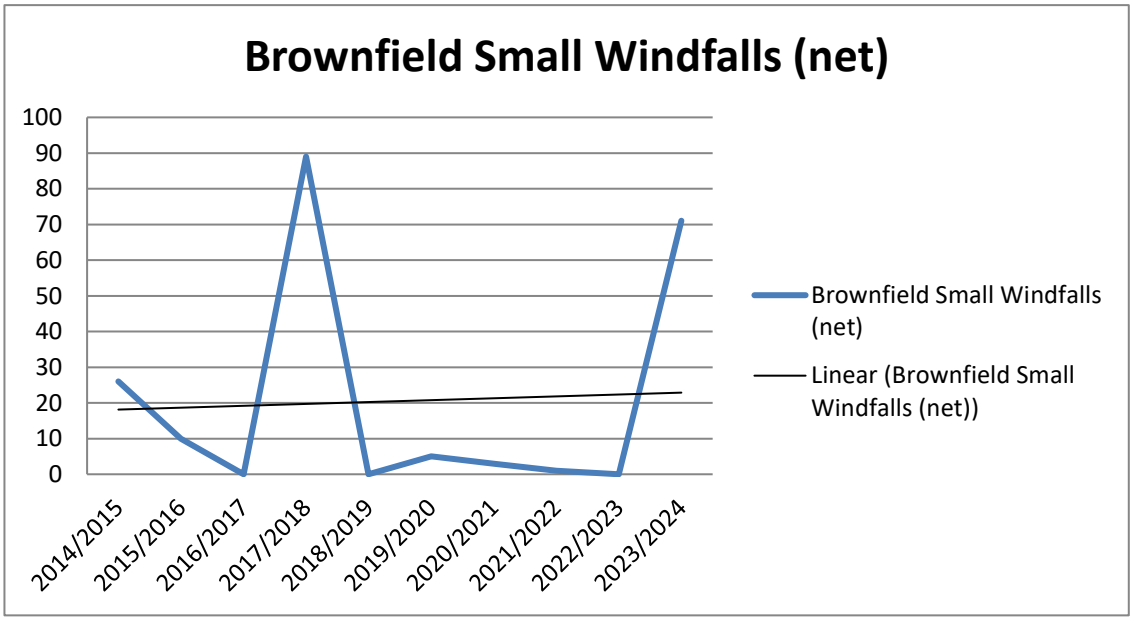
Full Windfall Trend Analysis

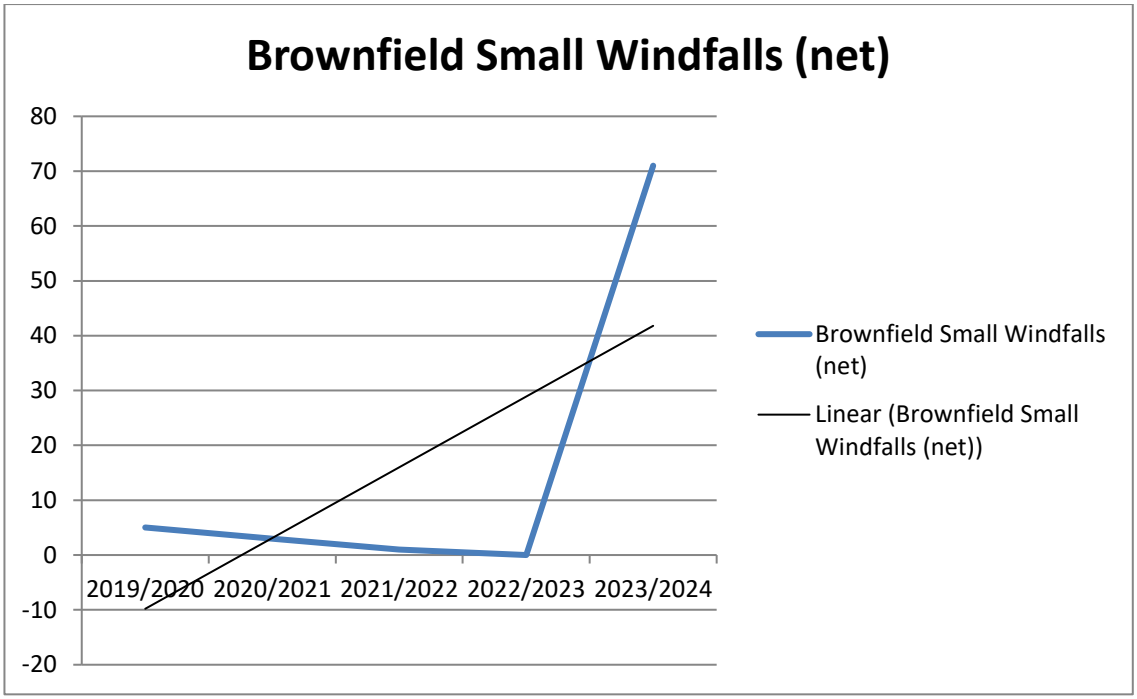
Brownfield Land Windfalls (2014-2024)

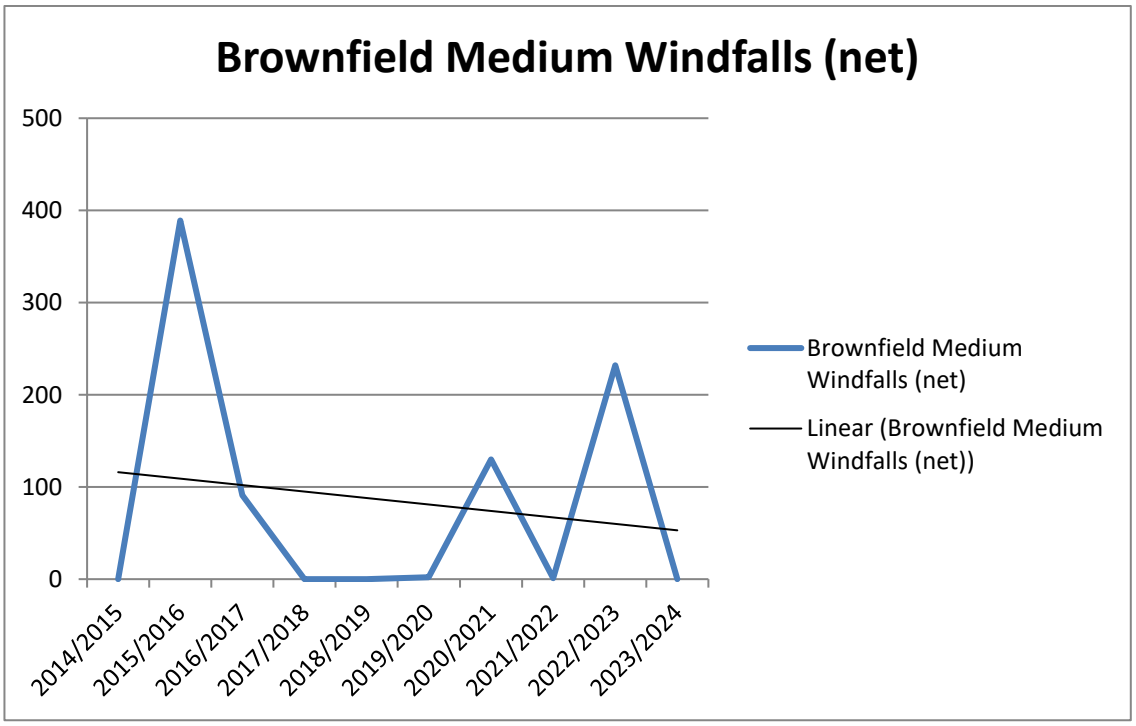
Year	Very Small Windfalls (Net)	Small Windfalls (Net)	Medium Windfalls (Net)	Large Windfalls (Net)	Conversions/ Changes of Use (Net)	Total (Net)
2014/2015	15	26	0	0	110	151
2015/2016	33	10	389	0	212	644
2016/2017	19	0	91	0	383	493
2017/2018	34	89	0	0	160	283
2018/2019	95	0	0	0	151	246
2019/2020	41	5	2	13	109	170
2020/2021	118	3	130	58	149	458
2021/2022	41	1	1	6	60	109
2022/2023	14	0	232	0	46	292
2023/2024	60	71	0	0	40	171
Totals 14-24	**470**	**205**	**845**	**77**	**1420**	**3017**

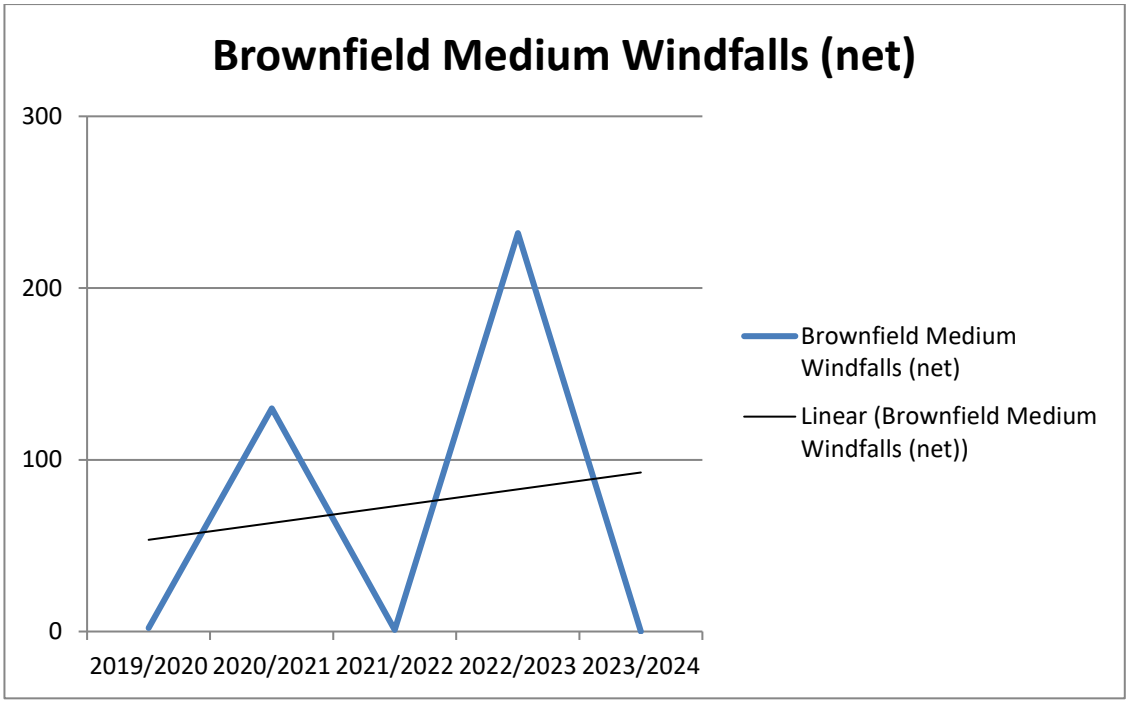


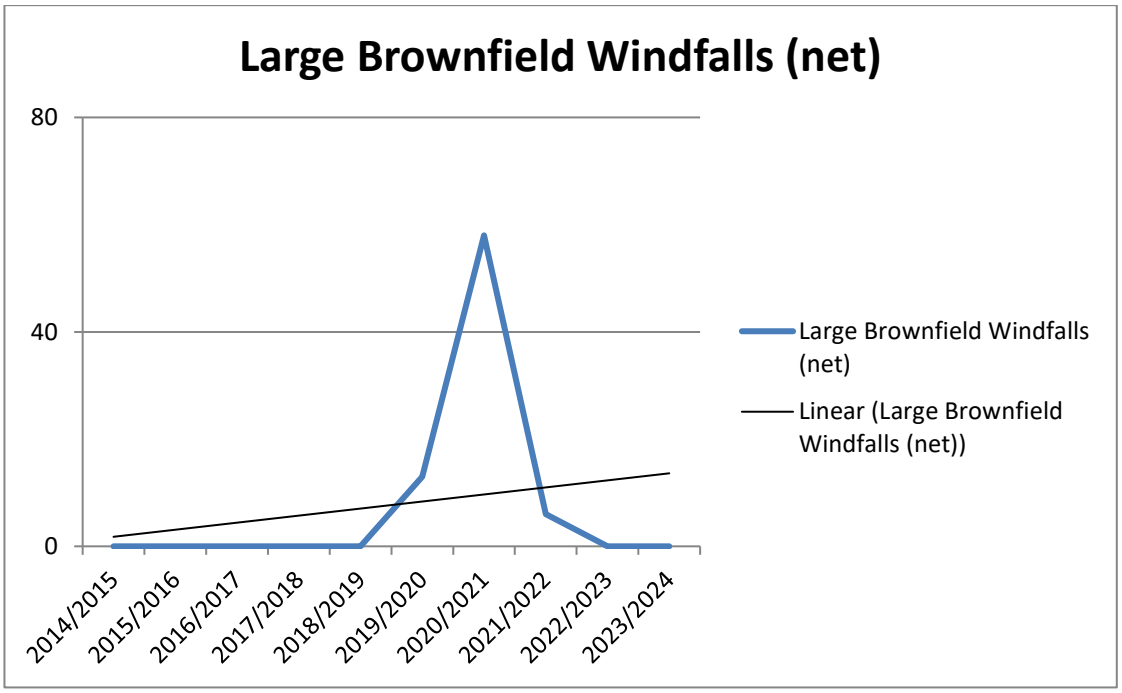

Brownfield Very Small Windfalls (net)
140
120
100
80
60
40
20
0
2019/2020
2020/2021
2021/2022
2022/2023
2023/2024
Brownfield Very Small Windfalls (net)
Linear (Brownfield Very Small Windfalls (net))

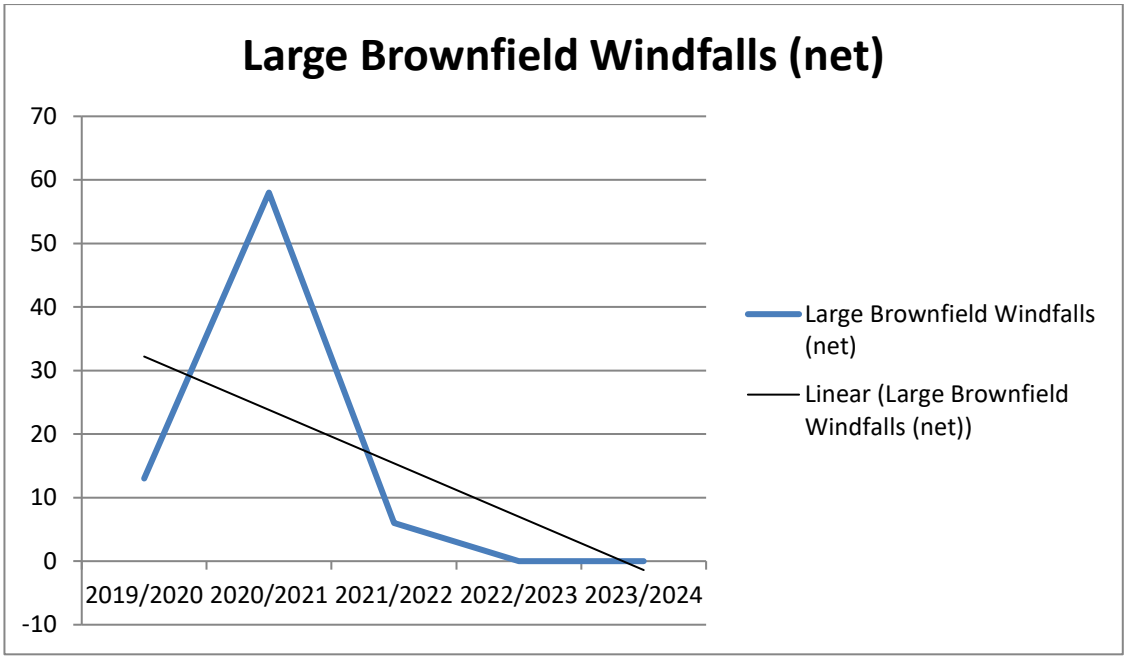

Brownfield Small Windfalls (net)
100
90
80
70
60
50
40
30
20
10
0
2014/2015
2015/2016
2016/2017
2017/2018
2018/2019
2019/2020
2020/2021
2021/2022
2022/2023
2023/2024
Brownfield Small Windfalls (net)
Linear (Brownfield Small Windfalls (net))

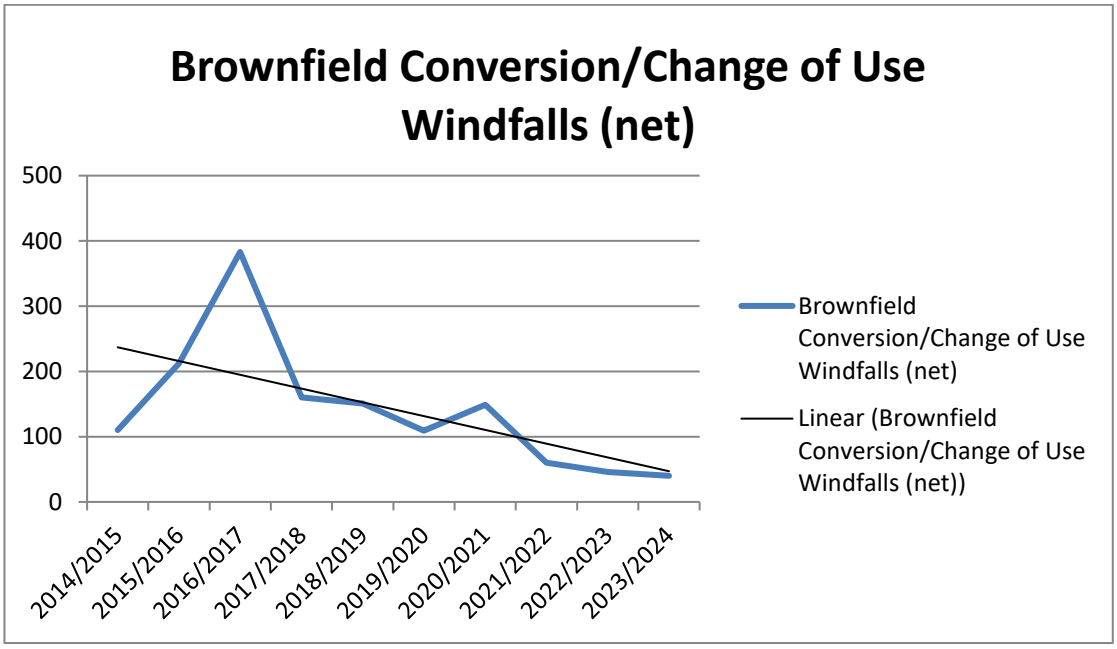

Brownfield Small Windfalls (net)
80
70
60
50
40
30
20
10
0
-10
-20
2019/2020
2020/2021
2021/2022
2022/2023
2023/2024
Brownfield Small Windfalls (net)
Linear (Brownfield Small Windfalls (net))

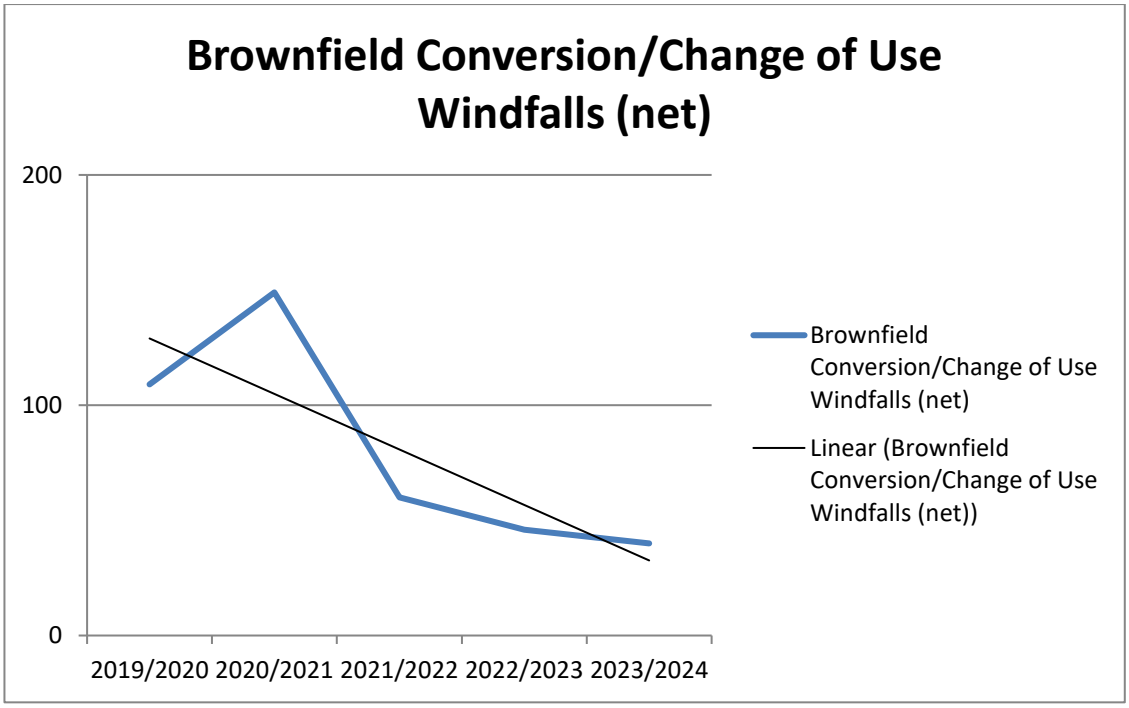

Brownfield Medium Windfalls (net)
500
400
300
200
100
0
2014/2015
2015/2016
2016/2017
2017/2018
2018/2019
2019/2020
2020/2021
2021/2022
2022/2023
2023/2024
Brownfield Medium Windfalls (net)
Linear (Brownfield Medium Windfalls (net))

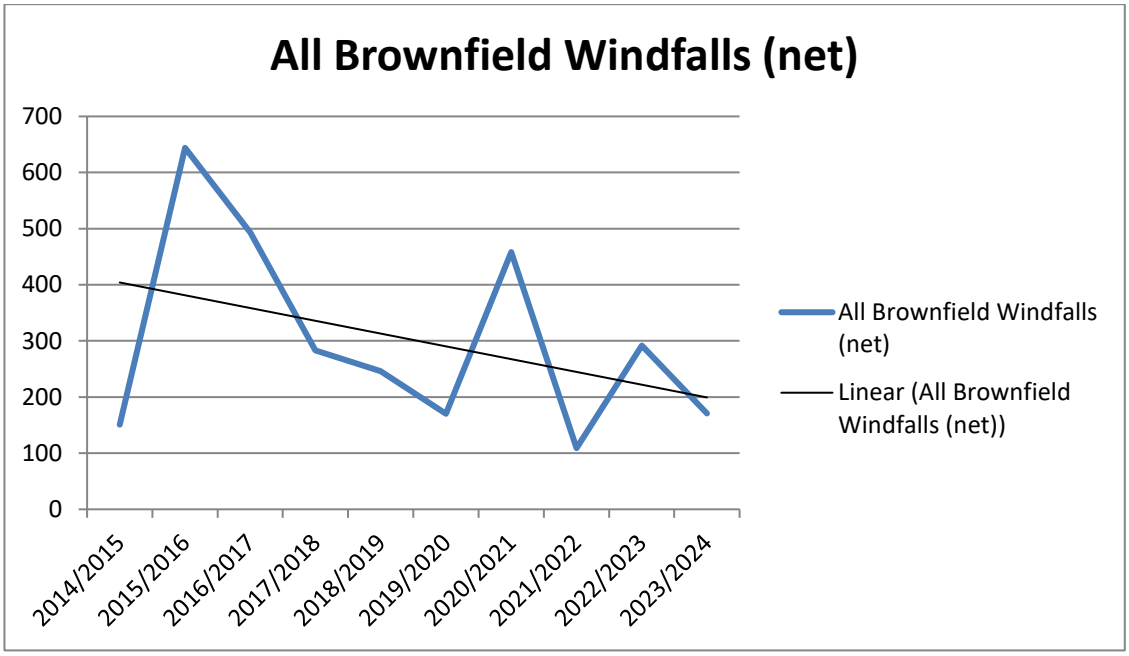

Brownfield Medium Windfalls (net)
300
200
100
0
2019/2020 2020/2021 2021/2022 2022/2023 2023/2024
Brownfield Medium Windfalls (net)
Linear (Brownfield Medium Windfalls (net))

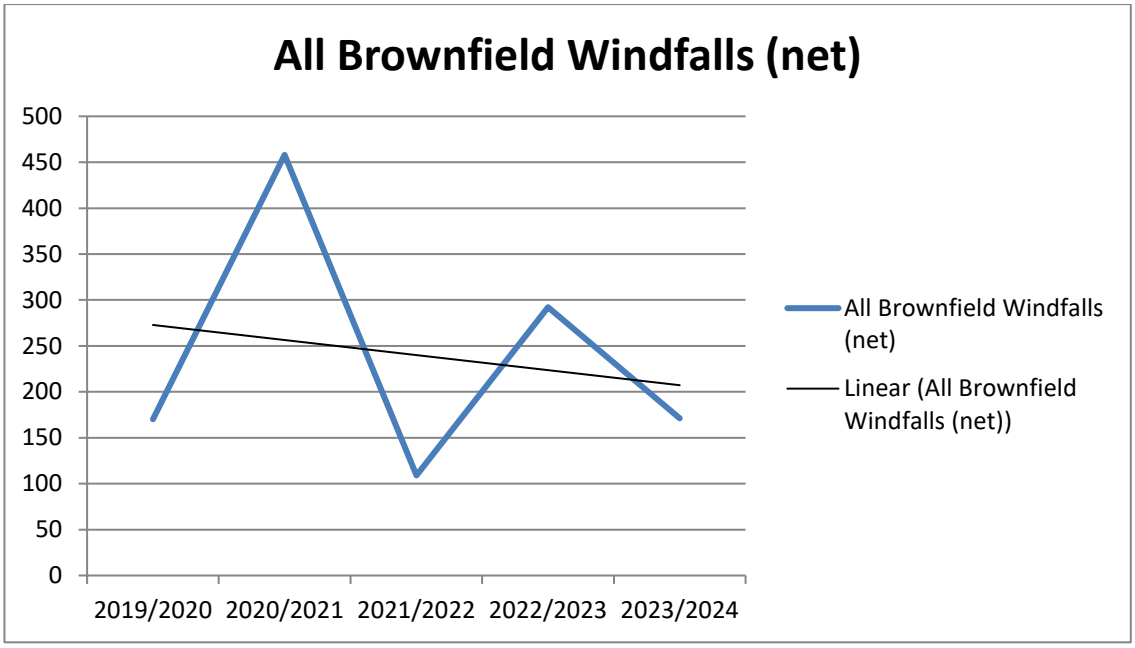

Large Brownfield Windfalls (net)
80
40
0
2014/2015
2015/2016
2016/2017
2017/2018
2018/2019
2019/2020
2020/2021
2021/2022
2022/2023
2023/2024
Large Brownfield Windfalls (net)
Linear (Large Brownfield Windfalls (net))


Large Brownfield Windfalls (net)
70
60
50
40
30
20
10
0
-10
2019/2020 2020/2021 2021/2022 2022/2023 2023/2024
Large Brownfield Windfalls (net)
Linear (Large Brownfield Windfalls (net))


Brownfield Conversion/Change of Use Windfalls (net)
500
400
300
200
100
0
2014/2015
2015/2016
2016/2017
2017/2018
2018/2019
2019/2020
2020/2021
2021/2022
2022/2023
2023/2024
Brownfield Conversion/Change of Use Windfalls (net)
Linear (Brownfield Conversion/Change of Use Windfalls (net))

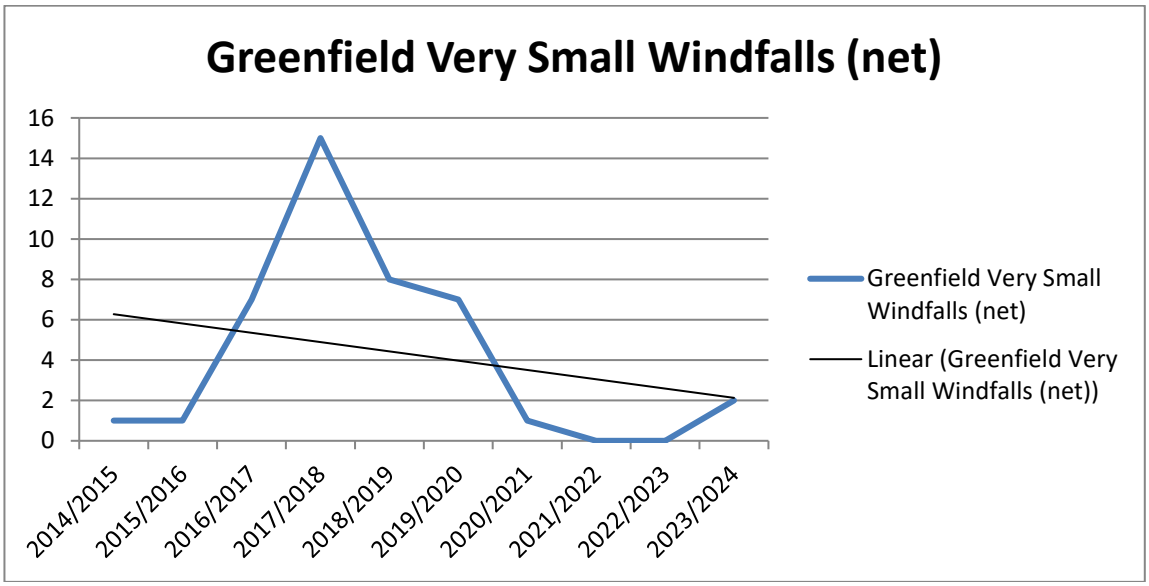

Brownfield Conversion/Change of Use Windfalls (net)
200
100
0
2019/2020 2020/2021 2021/2022 2022/2023 2023/2024
Brownfield Conversion/Change of Use Windfalls (net)
Linear (Brownfield Conversion/Change of Use Windfalls (net))

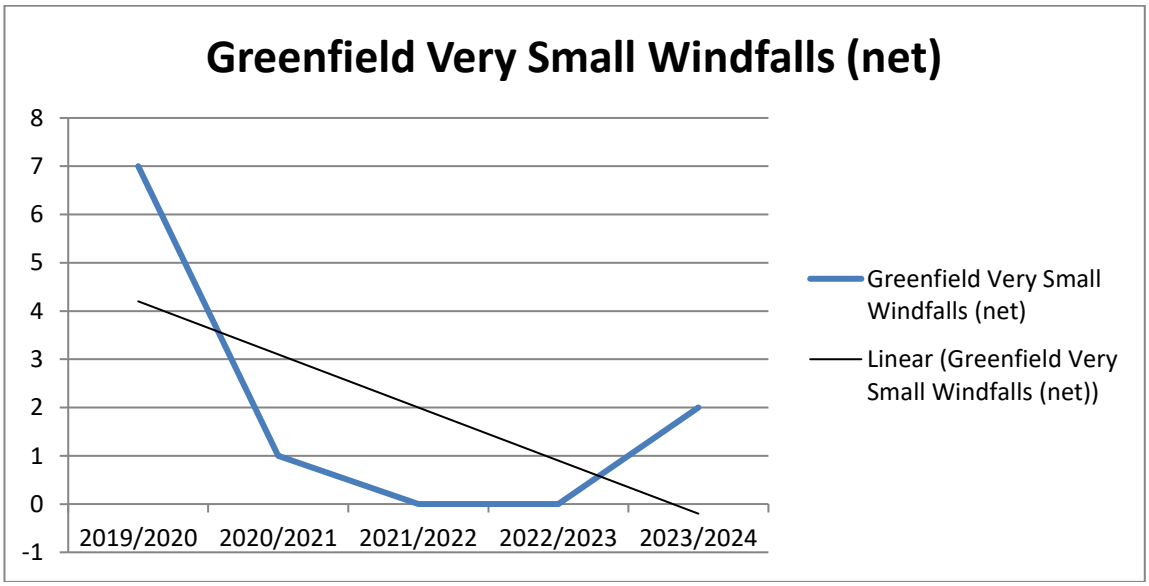

All Brownfield Windfalls (net)
700
600
500
400
300
200
100
0
2014/2015
2015/2016
2016/2017
2017/2018
2018/2019
2019/2020
2020/2021
2021/2022
2022/2023
2023/2024
All Brownfield Windfalls (net)
Linear (All Brownfield Windfalls (net))

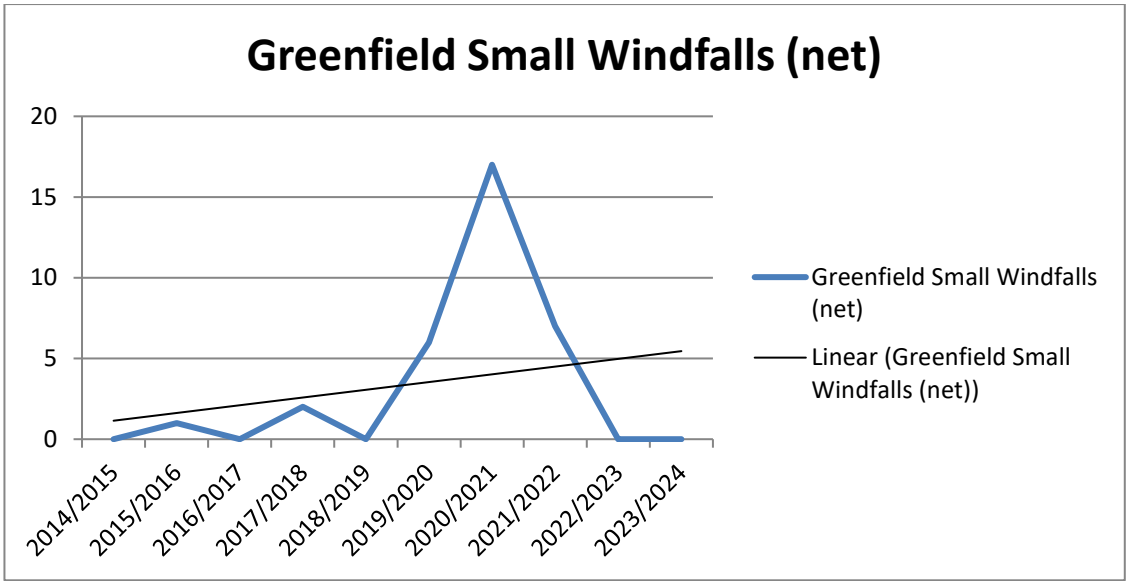

All Brownfield Windfalls (net)
500
450
400
350
300
250
200
150
100
50
0
2019/2020
2020/2021
2021/2022
2022/2023
2023/2024
All Brownfield Windfalls (net)
Linear (All Brownfield Windfalls (net))

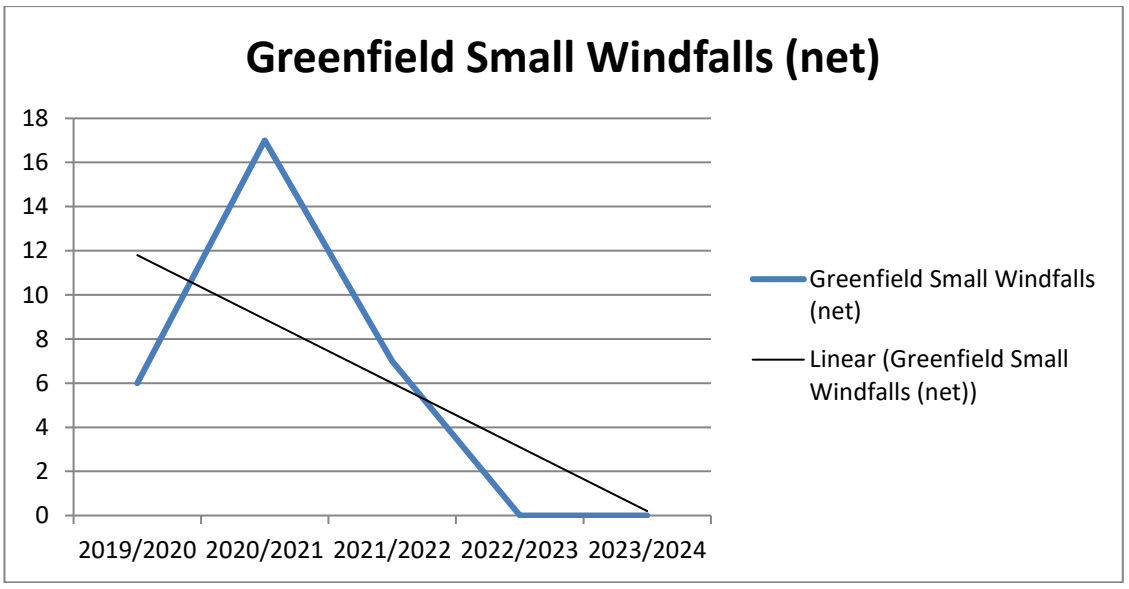
Greenfield Land Windfalls (2014-2024)

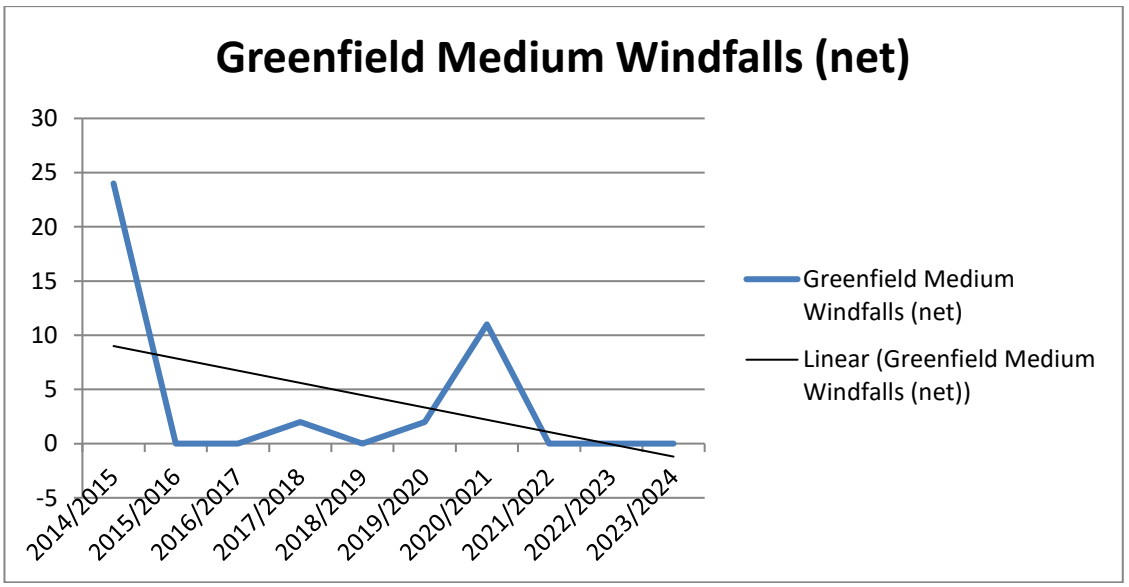
Year	Very Small Windfalls (Net)	Small Windfalls (Net)	Medium Windfalls (Net)	Large Windfalls (Net)	Conversions/ Changes of Use (Net)	Total (Net)
2014/2015	1	0	24	0	6	31
2015/2016	1	1	0	0	4	6
2016/2017	7	0	0	0	16	23
2017/2018	15	2	2	0	6	25
2018/2019	8	0	0	2	4	14
2019/2020	7	6	2	0	2	17
2020/2021	1	17	11	0	3	32
2021/2022	0	7	0	3	4	14
2022/2023	0	0	0	0	1	1
2023/2024	2	0	0	0	3	5
Totals 14-24	**42**	**33**	**39**	**5**	**49**	**168**

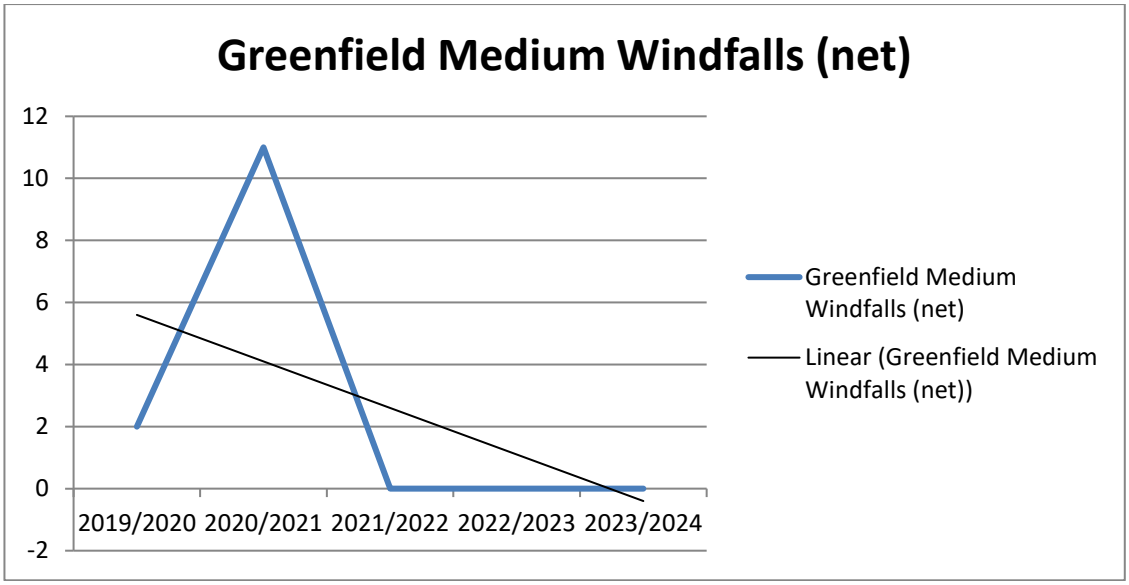


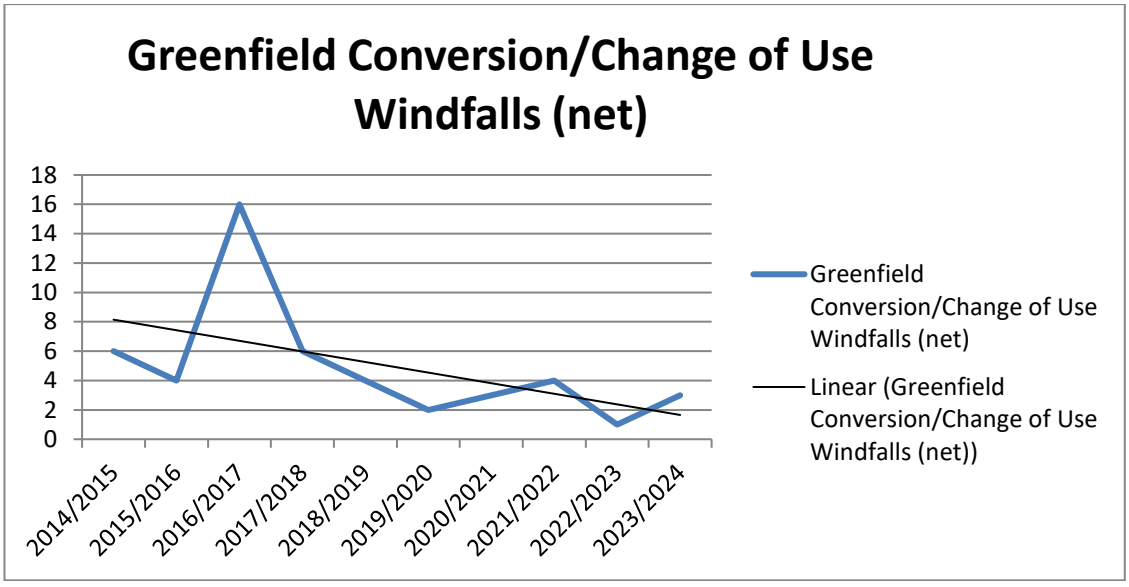


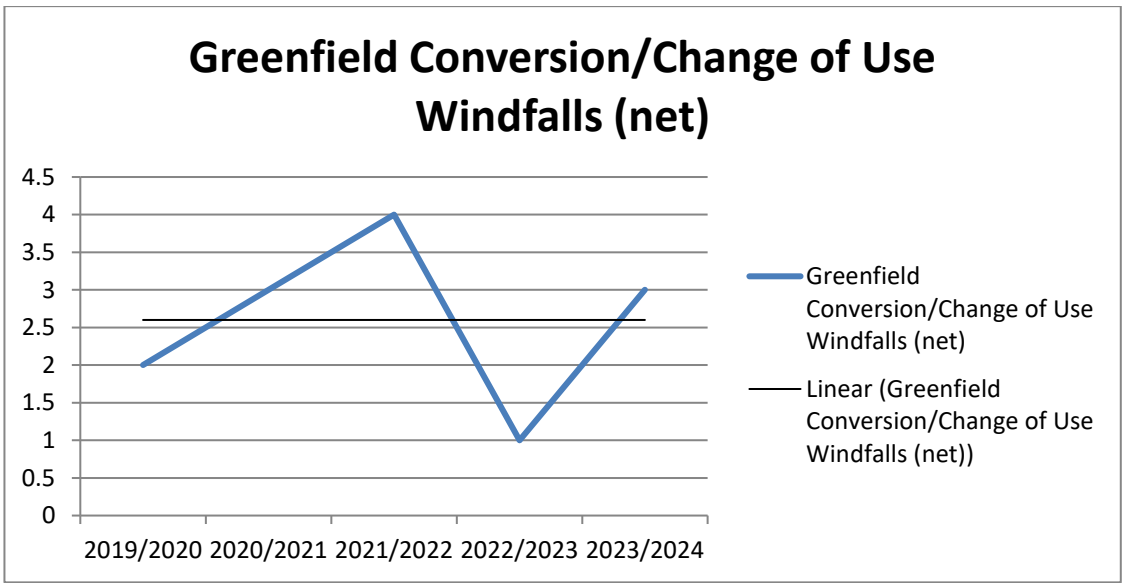

Greenfield Small Windfalls (net)
20
15
10
5
0
2014/2015
2015/2016
2016/2017
2017/2018
2018/2019
2019/2020
2020/2021
2021/2022
2022/2023
2023/2024
Greenfield Small Windfalls (net)
Linear (Greenfield Small Windfalls (net))

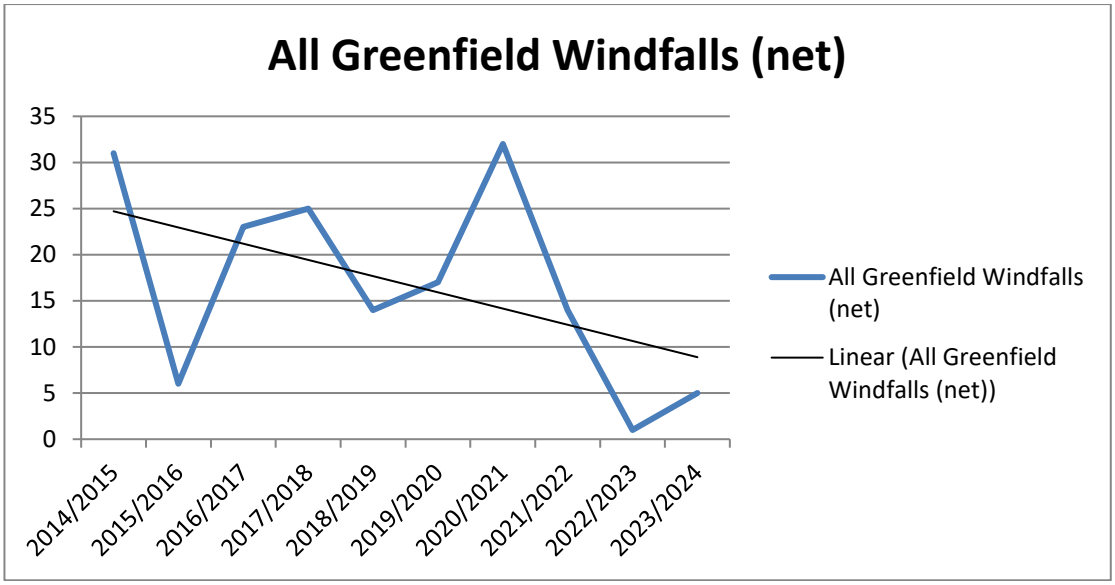

Greenfield Small Windfalls (net)
18
16
14
12
10
8
6
4
2
0
2019/2020
2020/2021
2021/2022
2022/2023
2023/2024
Greenfield Small Windfalls (net)
Linear (Greenfield Small Windfalls (net))

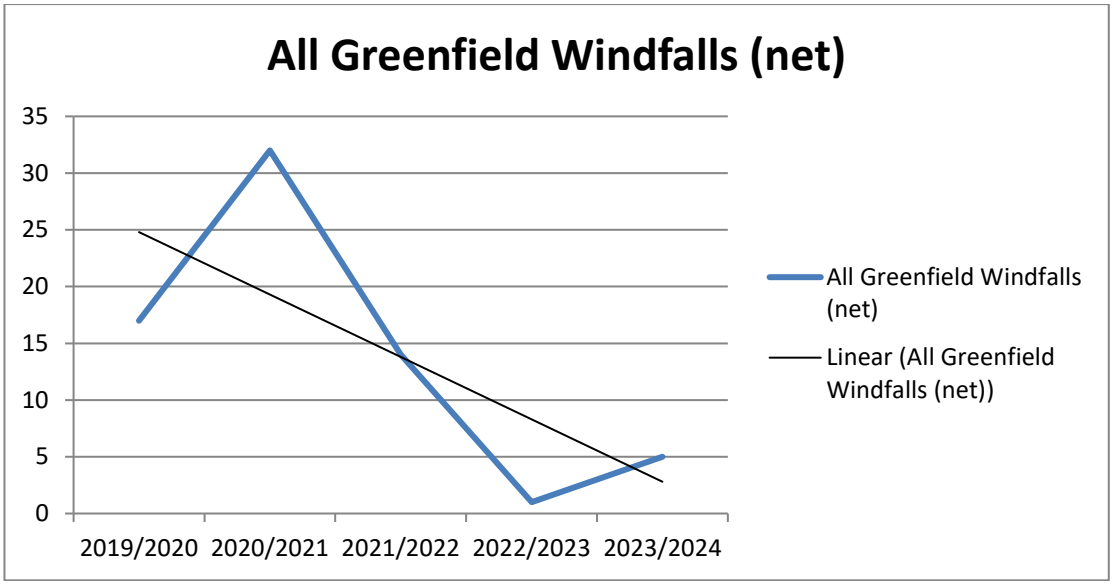

Greenfield Medium Windfalls (net)
30
25
20
15
10
5
0
-5
2014/2015
2015/2016
2016/2017
2017/2018
2018/2019
2019/2020
2020/2021
2021/2022
2022/2023
2023/2024
Greenfield Medium Windfalls (net)
Linear (Greenfield Medium Windfalls (net))


Greenfield Medium Windfalls (net)
12
10
8
6
4
2
0
-2
2019/2020 2020/2021 2021/2022 2022/2023 2023/2024
Greenfield Medium Windfalls (net)
Linear (Greenfield Medium Windfalls (net))


Greenfield Conversion/Change of Use Windfalls (net)
18
16
14
12
10
8
6
4
2
0
2014/2015
2015/2016
2016/2017
2017/2018
2018/2019
2019/2020
2020/2021
2021/2022
2022/2023
2023/2024
Greenfield Conversion/Change of Use Windfalls (net)
Linear (Greenfield Conversion/Change of Use Windfalls (net))

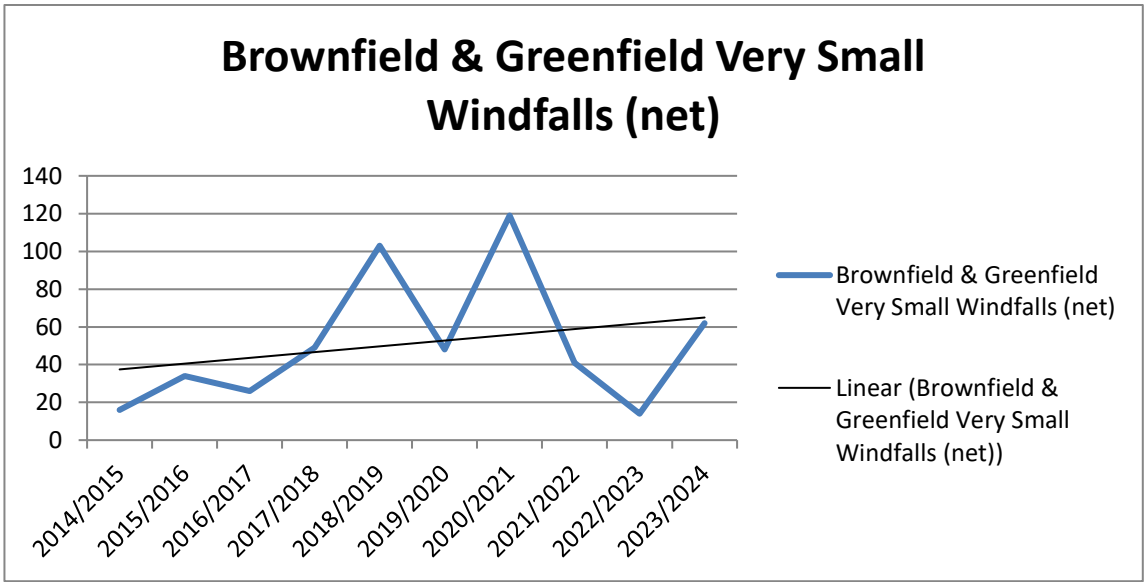

Greenfield Conversion/Change of Use Windfalls (net)
4.5
4
3.5
3
2.5
2
1.5
1
0.5
0
2019/2020 2020/2021 2021/2022 2022/2023 2023/2024
Greenfield Conversion/Change of Use Windfalls (net)
Linear (Greenfield Conversion/Change of Use Windfalls (net))

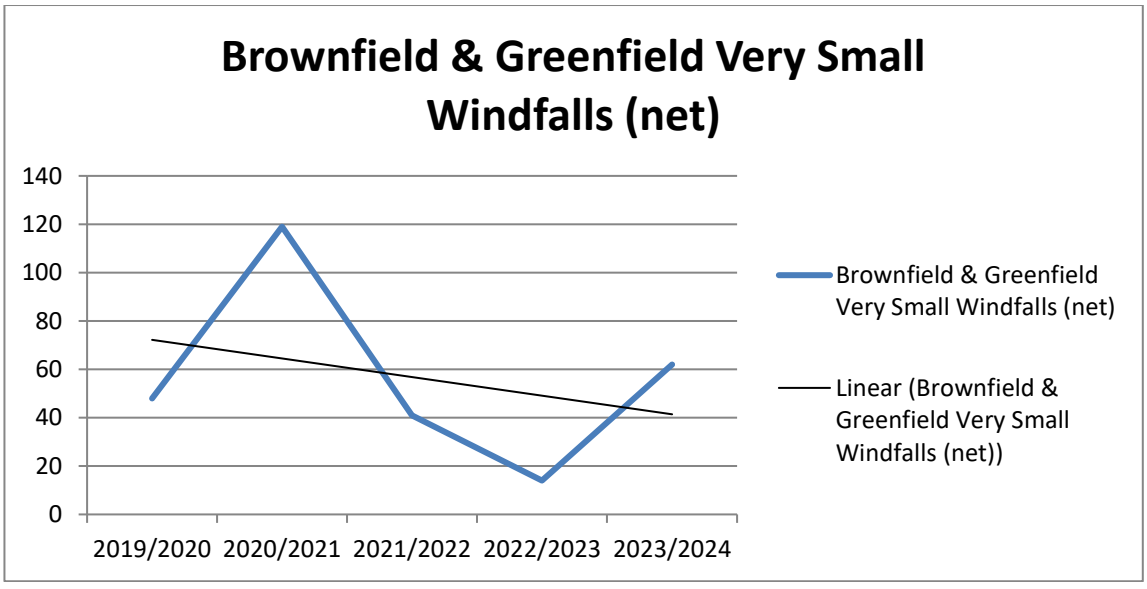

All Greenfield Windfalls (net)
35
30
25
20
15
10
5
0
2014/2015
2015/2016
2016/2017
2017/2018
2018/2019
2019/2020
2020/2021
2021/2022
2022/2023
2023/2024
All Greenfield Windfalls (net)
Linear (All Greenfield Windfalls (net))

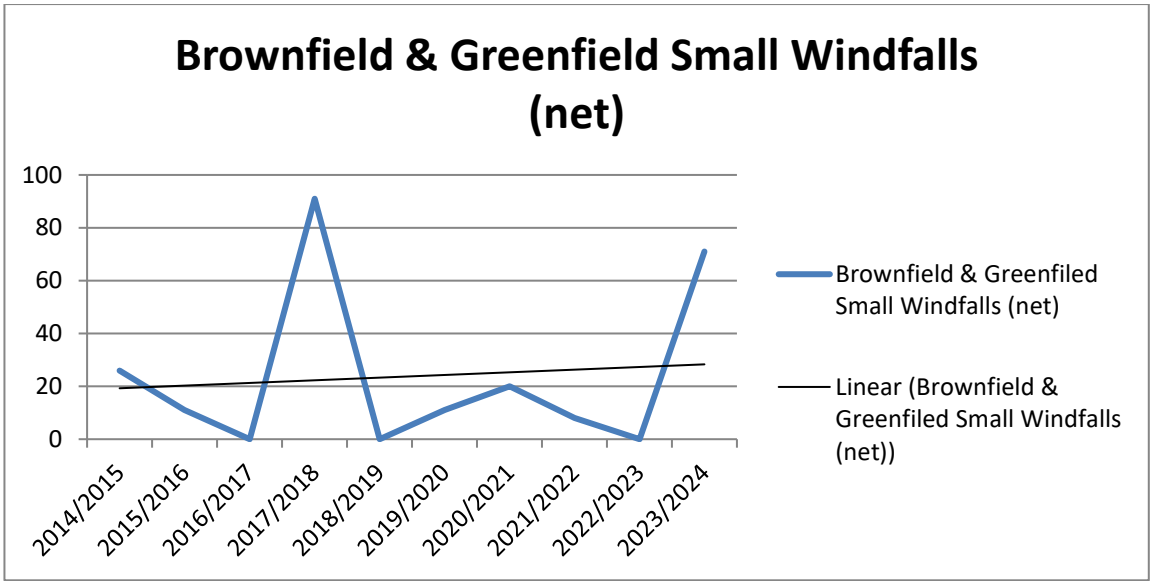

All Greenfield Windfalls (net)
35
30
25
20
15
10
5
0
2019/2020
2020/2021
2021/2022
2022/2023
2023/2024
All Greenfield Windfalls (net)
Linear (All Greenfield Windfalls (net))

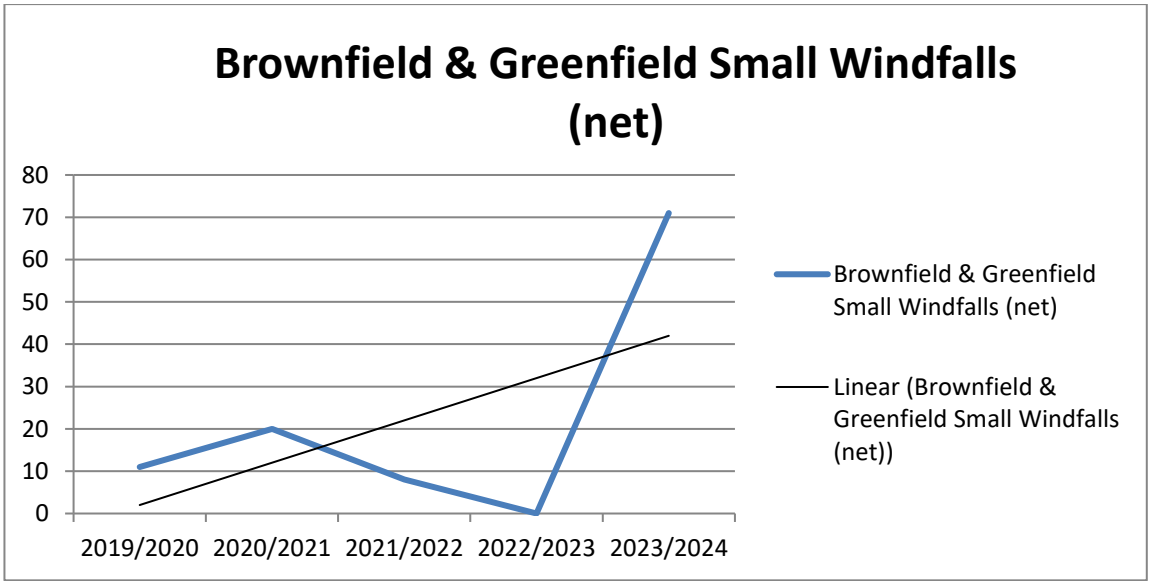
Combined Brownfield and Greenfield Windfalls (2014-2024)

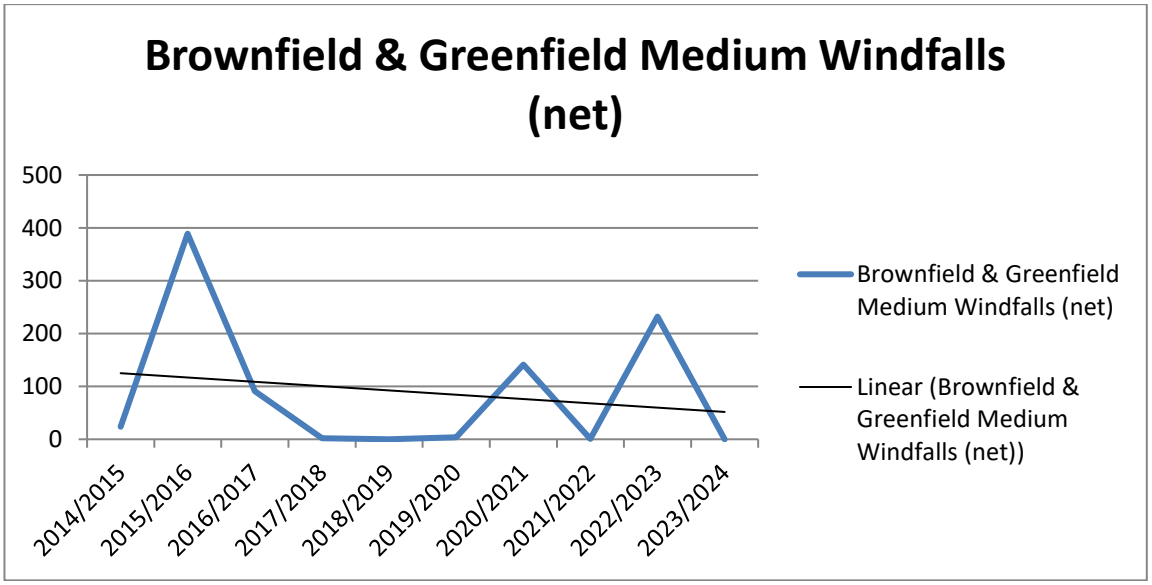
Year	Very Small Windfalls (Net)	Small Windfalls (Net)	Medium Windfalls (Net)	Large Windfalls (Net)	Conversions/ Changes of Use (Net)	Total (Net)
2014/2015	16	26	24	0	116	182
2015/2016	34	11	389	0	216	650
2016/2017	26	0	91	0	399	516
2017/2018	49	91	2	0	166	308
2018/2019	103	0	0	2	155	260
2019/2020	48	11	4	13	111	187
2020/2021	119	20	141	58	152	490
2021/2022	41	8	1	9	64	123
2022/2023	14	0	232	0	47	293
2023/2024	62	71	0	0	43	176
Totals 14-24	**512**	**238**	**884**	**82**	**1469**	**3185**

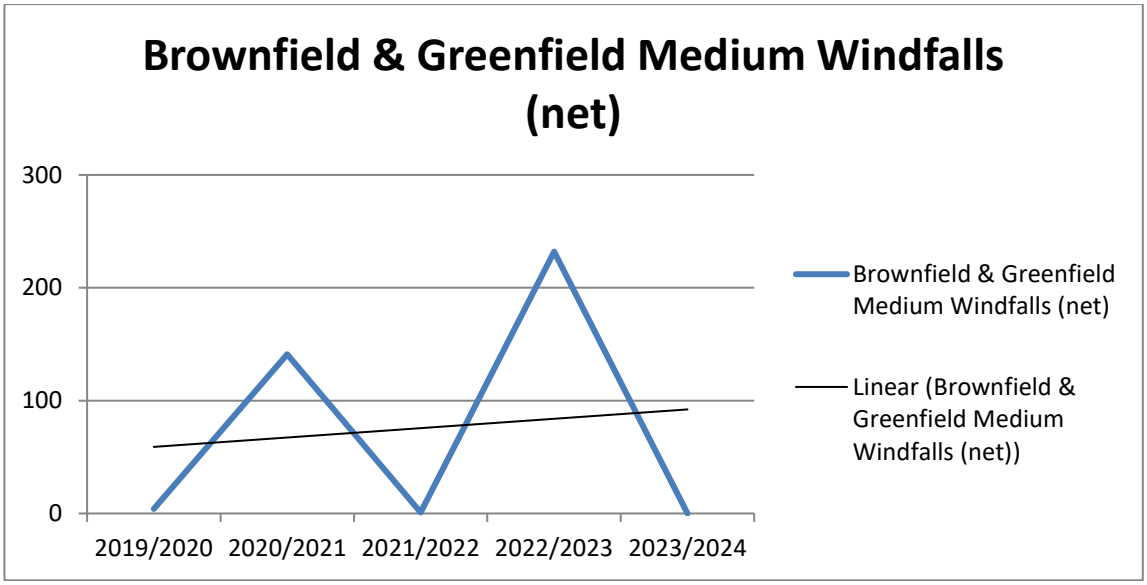


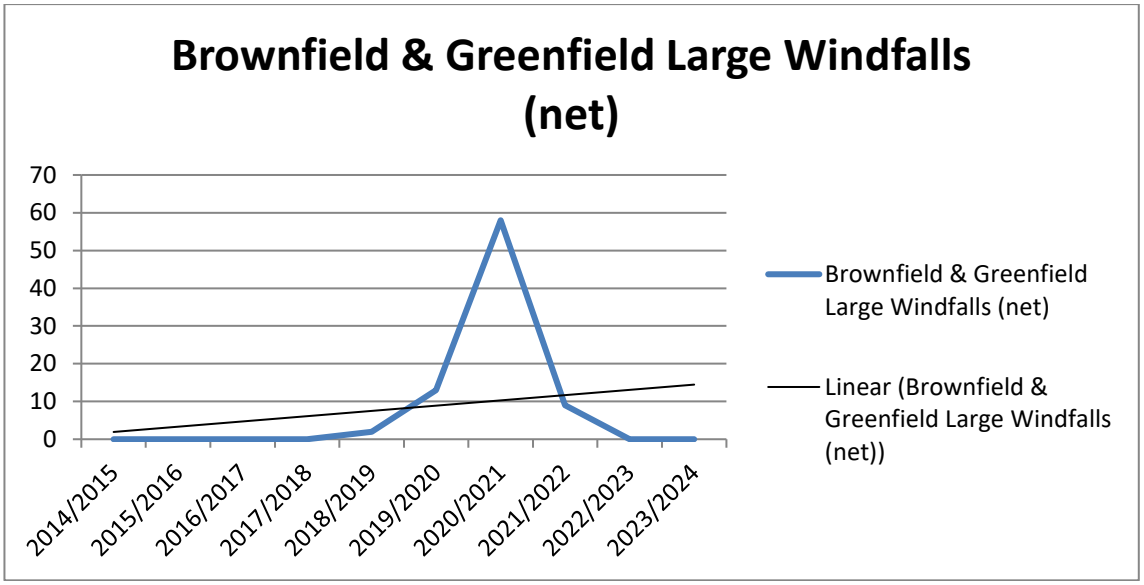


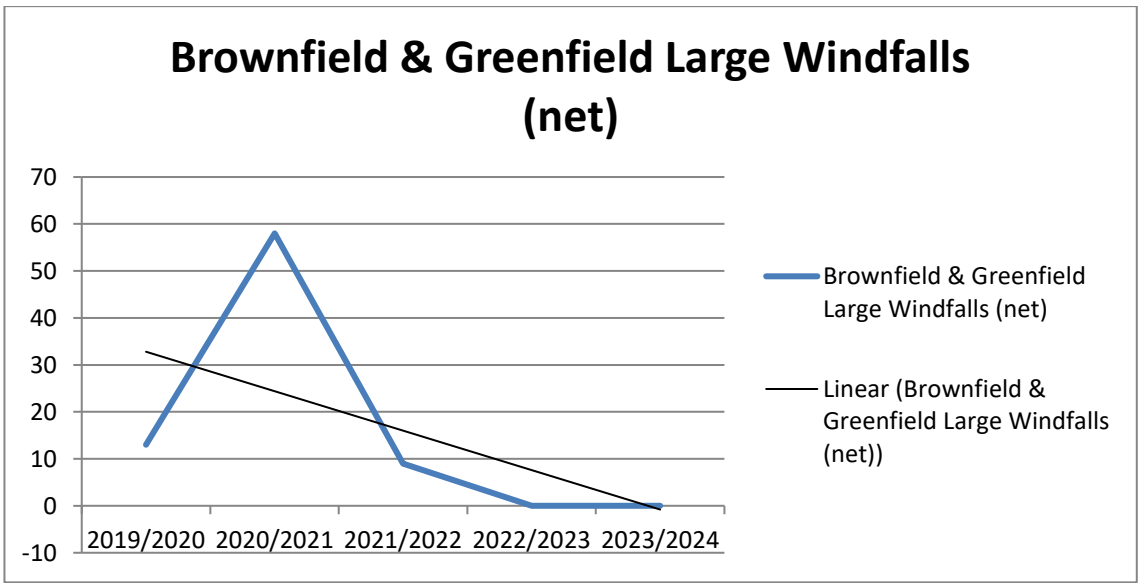

Brownfield & Greenfield Small Windfalls (net)
100
80
60
40
20
0
2014/2015
2015/2016
2016/2017
2017/2018
2018/2019
2019/2020
2020/2021
2021/2022
2022/2023
2023/2024
Brownfield & Greenfiled Small Windfalls (net)
Linear (Brownfield & Greenfiled Small Windfalls (net))

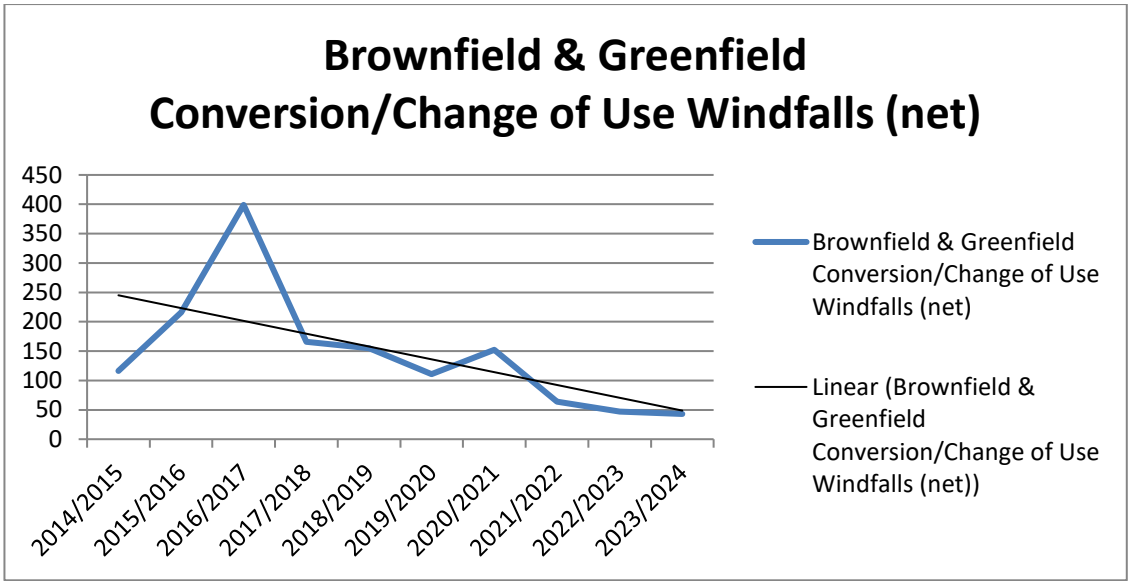

Brownfield & Greenfield Small Windfalls (net)
80
70
60
50
40
30
20
10
0
2019/2020
2020/2021
2021/2022
2022/2023
2023/2024
Brownfield & Greenfield Small Windfalls (net)
Linear (Brownfield & Greenfield Small Windfalls (net))

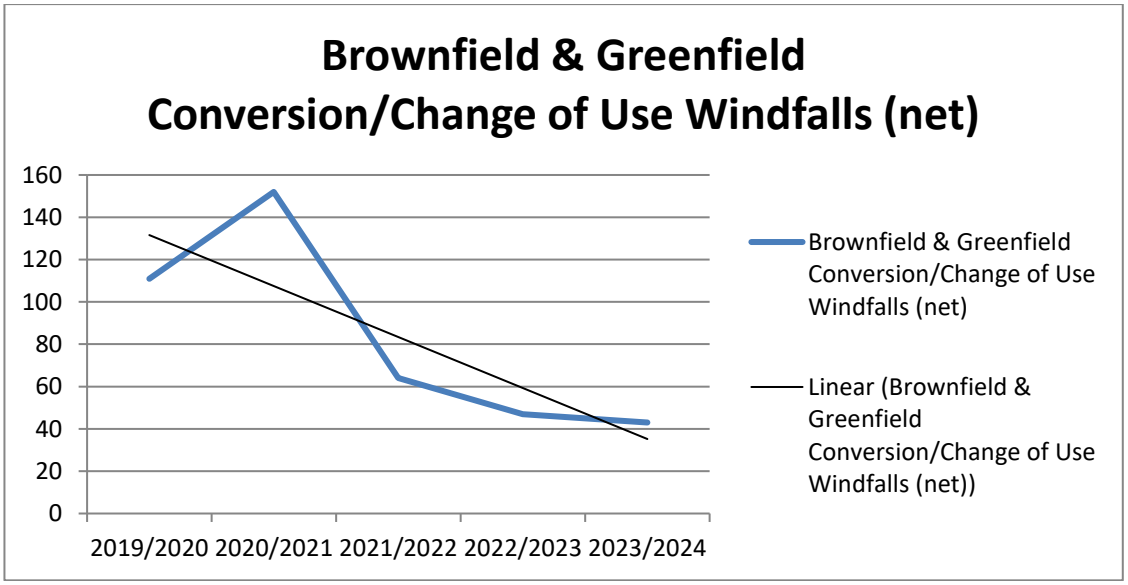

Brownfield & Greenfield Medium Windfalls (net)
500
400
300
200
100
0
2014/2015
2015/2016
2016/2017
2017/2018
2018/2019
2019/2020
2020/2021
2021/2022
2022/2023
2023/2024
Brownfield & Greenfield Medium Windfalls (net)
Linear (Brownfield & Greenfield Medium Windfalls (net))

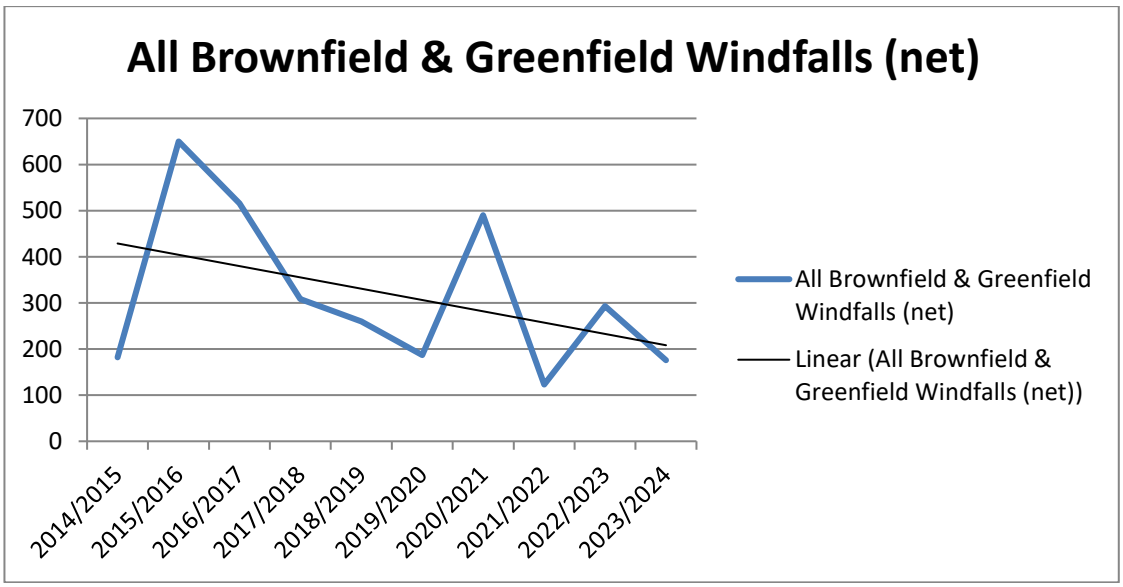

Brownfield & Greenfield Medium Windfalls (net)
300
200
100
0
2019/2020
2020/2021
2021/2022
2022/2023
2023/2024
Brownfield & Greenfield Medium Windfalls (net)
Linear (Brownfield & Greenfield Medium Windfalls (net))

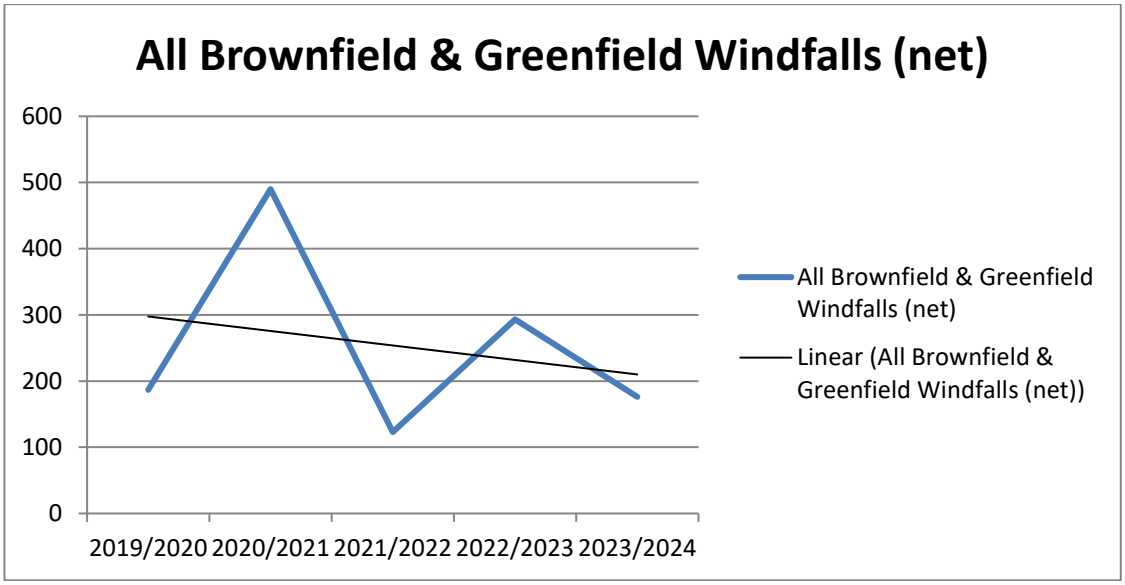

Brownfield & Greenfield Large Windfalls (net)
70
60
50
40
30
20
10
0
2014/2015
2015/2016
2016/2017
2017/2018
2018/2019
2019/2020
2020/2021
2021/2022
2022/2023
2023/2024
Brownfield & Greenfield Large Windfalls (net)
Linear (Brownfield & Greenfield Large Windfalls (net))


Brownfield & Greenfield Large Windfalls (net)
70
60
50
40
30
20
10
0
-10
2019/2020
2020/2021
2021/2022
2022/2023
2023/2024
Brownfield & Greenfield Large Windfalls (net)
Linear (Brownfield & Greenfield Large Windfalls (net))


Brownfield & Greenfield Conversion/Change of Use Windfalls (net)
450
400
350
300
250
200
150
100
50
0
2014/2015
2015/2016
2016/2017
2017/2018
2018/2019
2019/2020
2020/2021
2021/2022
2022/2023
2023/2024
Brownfield & Greenfield Conversion/Change of Use Windfalls (net)
Linear (Brownfield & Greenfield Conversion/Change of Use Windfalls (net))


Brownfield & Greenfield Conversion/Change of Use Windfalls (net)
160
140
120
100
80
60
40
20
0
2019/2020 2020/2021 2021/2022 2022/2023 2023/2024
Brownfield & Greenfield Conversion/Change of Use Windfalls (net)
Linear (Brownfield & Greenfield Conversion/Change of Use Windfalls (net))


All Brownfield & Greenfield Windfalls (net)
700
600
500
400
300
200
100
0
2014/2015
2015/2016
2016/2017
2017/2018
2018/2019
2019/2020
2020/2021
2021/2022
2022/2023
2023/2024
All Brownfield & Greenfield Windfalls (net)
Linear (All Brownfield & Greenfield Windfalls (net))


All Brownfield & Greenfield Windfalls (net)
600
500
400
300
200
100
0
2019/2020
2020/2021
2021/2022
2022/2023
2023/2024
All Brownfield & Greenfield Windfalls (net)
Linear (All Brownfield & Greenfield Windfalls (net))