



ASSESSMENT OF WINDFALL TRENDS AND POTENTIAL IN WINCHESTER

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Definitions

Urban Capacity Study (UCS)	Prepared by Winchester City Council in 2001 to establish site availability and judge the District's capacity to accommodate additional housing. The term 'UCS developed site' is used in this review to describe those sites which have been granted planning permission or have been completed.
Strategic Housing Land Availability Assessment (SHLAA)	Part of the Local Plan evidence base which is required to help inform decisions on the level and location for development. The SHLAA records sites of 0.17 ha and above, or that have capacity for five or more dwellings, which are available for development and when they might be developed. Sites within current settlement boundaries can be developed within planning policy and are counted towards housing supply, whereas sites outside settlement boundaries are recorded as being available should there be a need to allocate additional land for housing.
Windfall	Housing sites which were not allocated in a Local Plan or predicted within the Urban Capacity Study or SHLAA.
Small site	A site accommodating between 1 and 9 dwellings.*
Large site	A site of 10 or more dwellings.*

* Hampshire County Council definition for the purposes of monitoring housing development

1.0 INTRODUCTION

- 1.1 This assessment aims to identify windfall trends in Winchester¹ between 2007 and 2012 and the implications for the contribution that such sites may make to housing supply in the future. It is particularly important to consider windfall because 'Winchester Town' has been allocated 4,000 new dwellings to be provided between 2011 and 2031 in the adopted Winchester District Local Plan Part 1 (LPP1). Half of that requirement is allocated at Barton Farm, leaving provision for the remainder to be made in Local Plan Part 2 (LPP2). This assessment builds on the work of the 'Housing Provision, Distribution and Delivery' background paper which was presented with the LPP1 in June 2012. However, it will analyse in more detail the previous uses of windfall sites as an important aid to predicting future windfall completions.
- 1.2 Windfall, as stated in the recent National Planning Policy Framework (NPPF), can be considered as a source for some of the housing allocation, but must be backed up by solid evidence that shows there is a '...reliable source of supply' for the future.² Therefore, this assessment is a valuable part of the evidence base for LPP2 which reaches a reasoned conclusion as to how many of the 4,000 dwellings may be provided on unallocated sites, and therefore how many need to be subject to site allocations.
- 1.3 It is also important to consider the previous uses of sites because, according to the NPPF (paragraph 48), gardens can no longer be included in any allowances for windfall sites. This assessment, therefore, also aims to identify what type of sites development in the past has come from (including gardens) in order to make more accurate predictions about future windfall development.
- 1.4 The aims of the assessment are:
- i. To analyse and compare the previous uses of developed sites between 2007 and 2012, in order to help understand where windfall is likely to come from in the future.
 - ii. To take account of and consider the SHLAA and the NPPF and how they affect the treatment of future windfall allowances.
 - iii. To create a solid evidence base to establish how many of the 4,000 dwellings allocated to Winchester may come forward through windfall.
 - iv. To draw conclusions as to what (if any) allowance should be made for housing from windfall sources in the Local Plan period.

¹ For the purposes of this study, assume 'Winchester' solely refers to the settlement of Winchester, as defined by the Winchester District Local Plan Review 2006 settlement boundary (policy H3), unless otherwise stated.

² NPPF, Paragraph 48.

2.0 METHODOLOGY

- 2.1 Windfall itself is relatively easy to assess within Winchester. It can be done by comparing the sites of recent developments with GIS mapping technology that shows sites identified in the Urban Capacity Study (UCS) and more recently in the Strategic Housing Land Availability Assessment (SHLAA). Each site developed within Winchester between 2007 and 2012 was identified and its location established. Once found, it was relatively easy to see if a site was developed on an allocated site or not. Any site not previously identified by the UCS or SHLAA, or allocated for development in a Local Plan, was classified as Windfall.
- 2.2 Previously, because all sites which were not allocated could potentially be identified as Windfall and evidenced as such, there need not be much reason to identify windfall on garden sites as opposed to other sites, other than to identify future sources of windfall. However, the NPPF now advises that residential gardens should no longer be included in future allowances for windfall. Therefore identifying historic development trends for garden sites has become paramount for creating a solid evidence base to show expected sources of future windfall.
- 2.3 It is far less straightforward to identify if a development has occurred on a garden than on an allocated site. The only source for such information is the original planning application and associated documents. Each site was identified individually using a year-by-year database of completions compiled by Hampshire County Council (HCC). Using this database, the original application form and plans were analysed and the type of development site and the previous use of the site was identified. These types were broken down into six broad categories, detailed below:
- **Existing housing** – sites including a single or multiple dwellings within the curtilage of the site. This will include the categories previously used in the UCS of; flats over shops, empty homes and redevelopment of ‘existing housing’;
 - **Garden** - within the curtilage of a property or properties (i.e. the garden) as defined by OS Mastermap, but excluding the dwelling. This may include a driveway and incorporates the UCS category of intensification of existing areas. This may include multiple properties and no distinction is made between development on one or multiple gardens.
 - **House and Garden** – development is built with a significant part on the footprint of the previous dwelling AND on the garden. This category also includes those larger developments with multiple new dwellings where it is clear development has occurred both on garden and the old dwelling footprint.
 - **Open space** – undeveloped sites which are not part of a residential property or garden and may include amenity open space, paddocks, and other areas not subject to policies RT1 or RT2 of the 2006 Local Plan. This incorporates the UCS category of vacant land not previously developed.

- **Industrial/commercial/vacant land** – sites with large commercial buildings or labelled in OS Mastermap as a business (e.g. post office, bank, etc). This may not necessarily involve the entire commercial site, or may include replacement employment within the development. This incorporates the UCS categories of: previously developed vacant and derelict land and buildings (non-housing).
- **Change of use** – a site that has not been redeveloped (i.e. demolished and rebuilt) but has simply changed from one use (e.g. commercial) to another (e.g. residential) and therefore restructuring is largely internal. May include some limited extension to the building to incorporate the change of use.

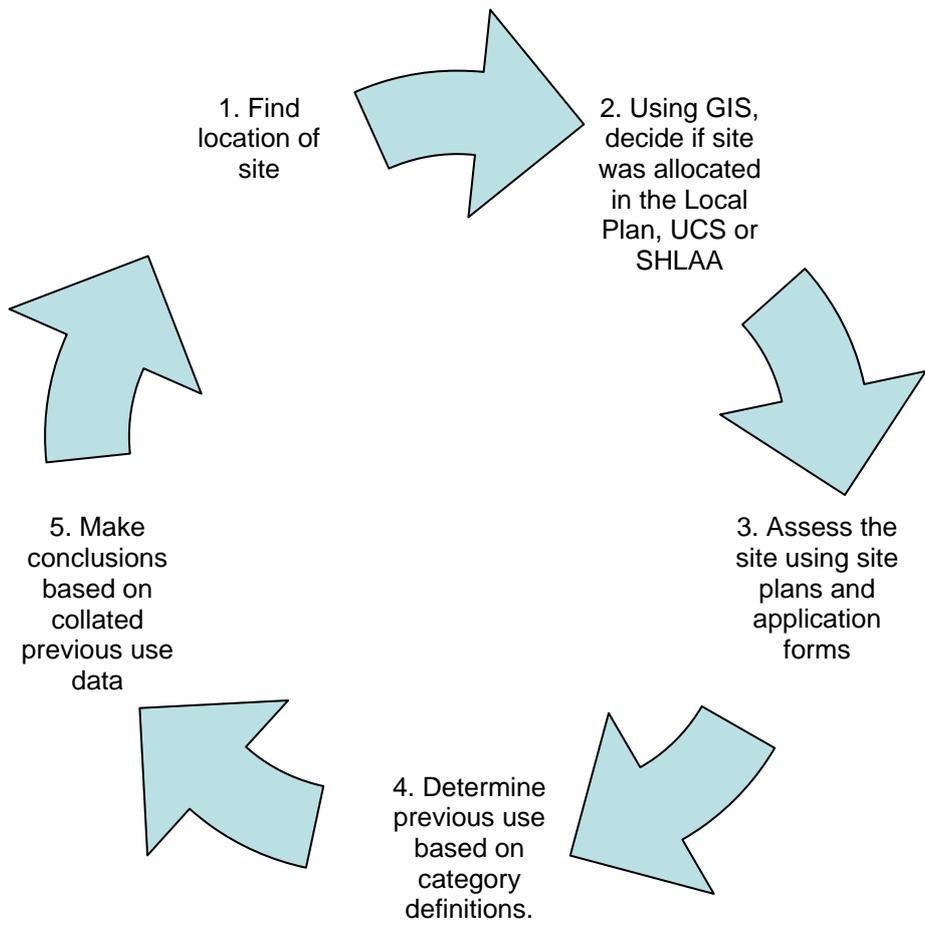
2.4 A more detailed assessment of previous use was also carried out to identify more specific uses of sites previous to development. These categories are listed below and have been incorporated into the broad categories detailed above:

Commercial	Residential
Conversion from commercial	Residential and commercial
Conversion from institution	Residential and commercial sub-division
Conversion from residential	Residential sub-division
Conversion from retail	Residential/garage
Garden	Retail
Garden and other	Sub-division
House and garden	Vacant land
Institution	Other
Open space	
Leisure	

2.5 It should be noted that the detailed categories are only used when a deeper analysis of the broad categories of use is needed to better understand the source of future windfall.

2.6 The process by which each application was assessed followed a careful workflow that was sustained for each application, as detailed below. However, it should be noted that any assessment of this nature, which involves assessing old application forms that are often neither uniform nor clear, does involve a degree of judgment and interpretation based on each individual application. Every effort has been made to ensure consistency but, from time to time, a category for a development had to be chosen based on the limited evidence available. Nonetheless, the results are based on clear categories, as set out above and remain consistent.

Figure 1: Work Flow



3.0 ALLOCATED AND WINDFALL SITES

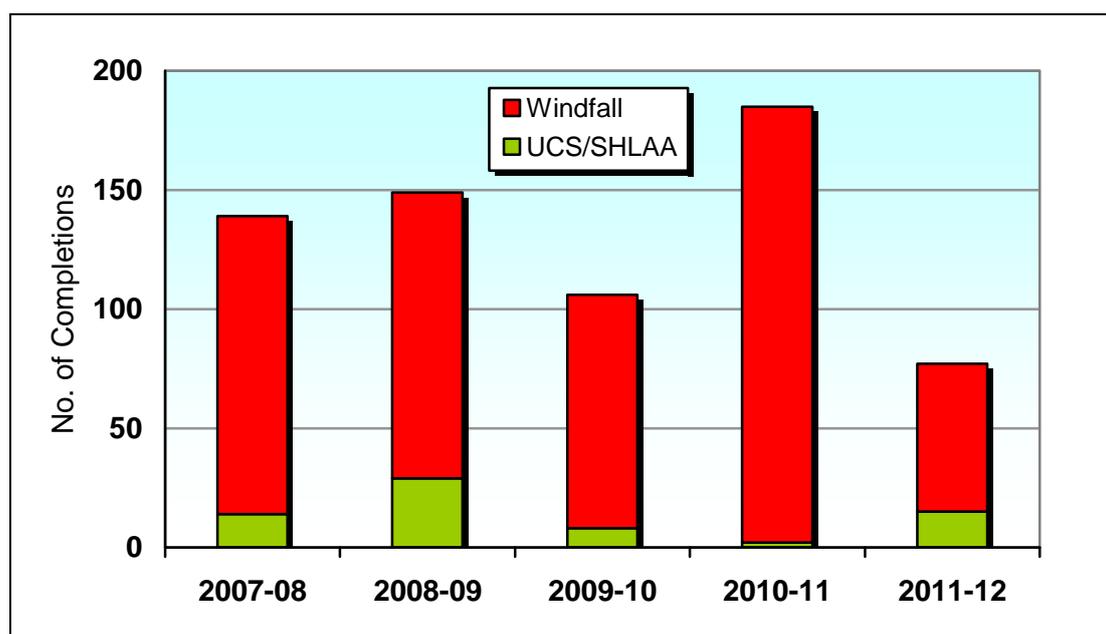
3.1 This section analyses the broad trends in windfall and UCS/SHLAA development. Table 1 and Figure 2 below show that windfall has been a major source of new development in Winchester Town over the study period.

Table 1: Housing Completions by site type 2007-2012

Year	UCS/SHLAA	Windfall	Replacement	TOTAL
2007-2008	14	125	-1	138
2008-2009	29	120	0	149
2009-2010	8	98	0	106
2010-2011	2	183	-1	184
2011-2012	15	62	0	77
TOTAL	68	588	-2	654

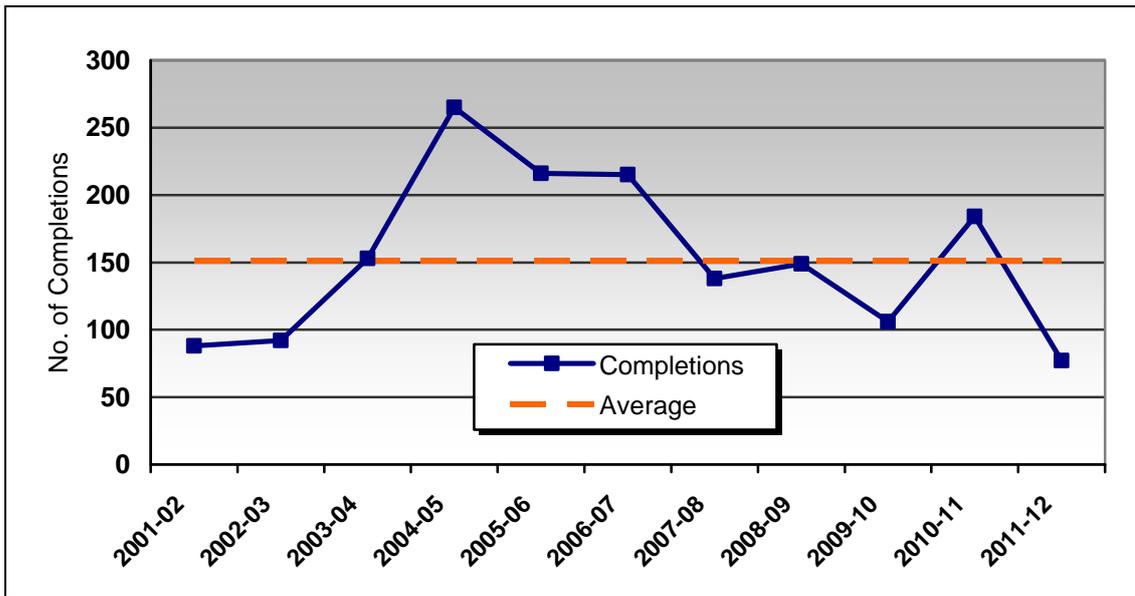
3.2 Total completions have generally been consistent, dropping below 100 only once in 2011-2012. Whilst it is difficult to predict future completions with any real certainty, trends suggest that they will continue at a substantial level.

Fig. 2: Completions by site type 2007-2012 (excluding replacements)



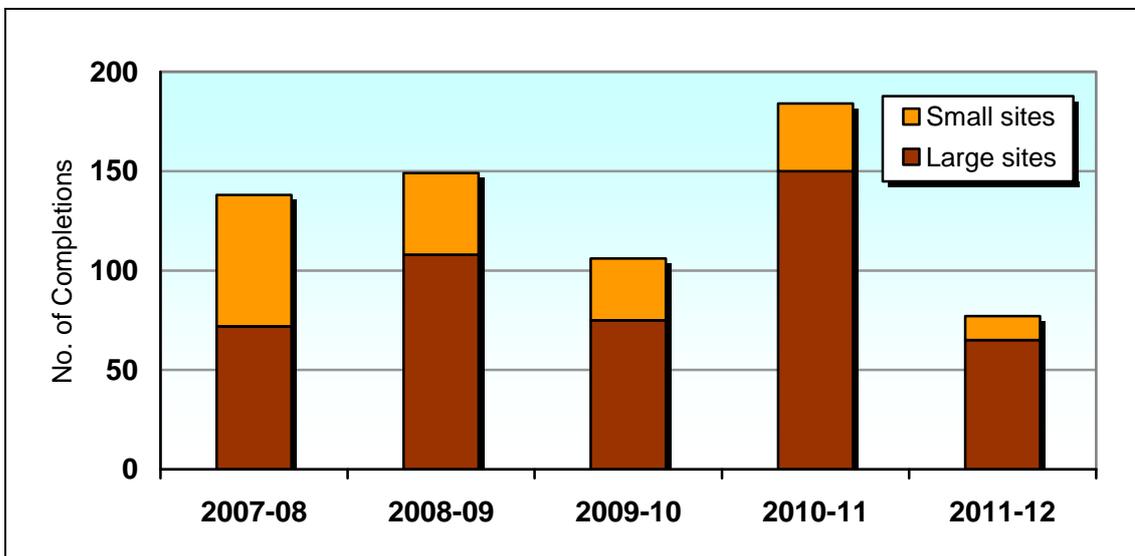
3.3 Excluding allocated site completions, windfall has also consistently provided high levels of completions, with only two years fewer than 100 annually. Moreover, there is no clear trend of decline in windfall completions over the period.

Fig. 3: Net completions 2001 - 2012



3.4 Figure 3 above shows that the high rate of completions is not unusual for Winchester, suggesting that the town has not been affected significantly by the downturn in the economy, although the true effect of the decline may only be apparent in the future. The average level of annual completions (151) is strong and which, if the windfall component continues, could significantly contribute to Winchester’s LPP1 dwelling requirement of 4,000 net dwellings.

Fig. 4: Completions by site size 2007-2012



3.5 However, it is probable that completions will decline as the supply of suitable development sites diminishes, particularly considering the high number of completions on large sites (10 dwellings or more). Some new development will depend partly on the outcome of the City Council’s emerging Car Parking Strategy and the ability to make changes of use from commercial space to residential. Both sources could significantly affect windfall completions, although neither has contributed significantly to windfall in the last five years.

For example, if the (albeit highly unlikely) outcome of the Car Parking Strategy is that all car parks can be developed for housing, and if all vacant office space were able to be converted to residential, evidence suggests 1,000 dwellings could come from these sources³. However, these matters very much depend on future policy decisions which could result in step changes in the amounts of windfall developed on certain types of sites. For the purposes of this assessment, therefore, a more conservative estimate, using historic data, is used and which suggests that housing supply from windfall sites will remain strong in Winchester.

- 3.6 The development of Barton Farm for 2,000 dwellings (now with outline planning permission) could potentially affect future windfall levels which, in turn, may reduce the attractiveness for developers to develop other sites in Winchester. However, the developments impact is difficult to predict and, in the past, windfall in Winchester has generally been resilient to market conditions.
- 3.7 A more detailed analysis of the previous uses of completed sites, as follows, will help derive estimated future levels of windfall.

³ Housing Provision, Distribution and Delivery Background Paper, Page 42

4.0 PREVIOUS USES

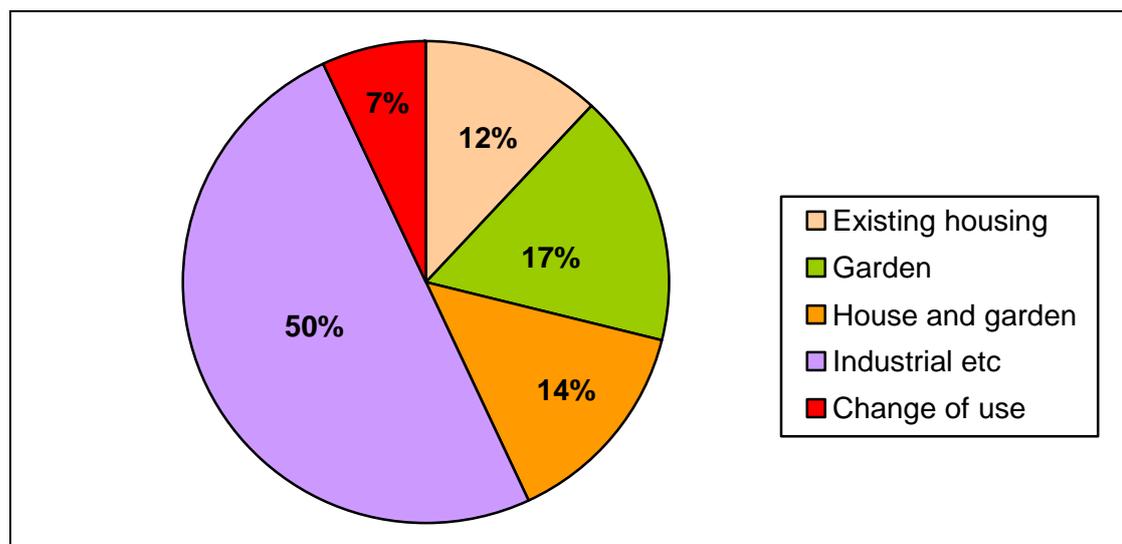
4.1 This section aims to analyse the historic previous uses of developed land in order to understand where windfall may come from in the future.

Table 2: Completions by Previous Uses 2007-2012

Previous Use	UCS/ SHLAA	Windfall	Replacem't	Total
Existing housing	4	78	-3	79
Garden	28	82	0	110
House and garden	8	83	1	92
Open space	0	0	0	0
Industrial/commercial/ vacant	28	302	0	330
Change of use	0	43	0	43
Total	68	588	-2	654

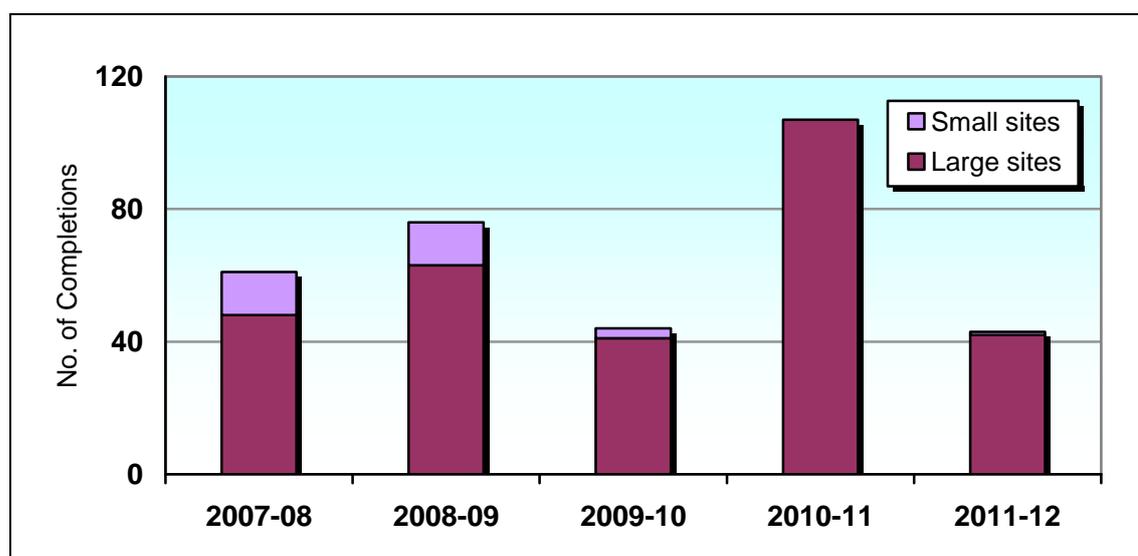
4.2 Table 2 and Figure 5 (below) clearly shows that 'Industrial/commercial/vacant' redevelopment make up the highest proportion (50%) of windfall completions. This is probably due to the high concentration of these types of uses in Winchester, particularly compared to the other settlements. It may also represent the difficulties business are facing in light of recent economic difficulties, resulting in under utilised office and retail space been redeveloped as new dwellings. Furthermore, a large proportion of completions from this source came from particularly large sites, e.g. 75 completions at Winton Close and 82 at Highcroft. Maintaining windfall rates will depend on developments of future sites of this type continuing. Many are windfall because the 'industrial/commercial/vacant' redevelopment could not have easily been predicated in the 2001 UCS.

Fig. 5: Proportion of net completions by previous use



- 4.3 The low rates in the 'change of use' category suggest the unsuitability of commercial and industrial space for simple internal redevelopment in Winchester. A more detailed analysis is included below (Figure 6).
- 4.4 Completions in the 'garden' (17%), 'house and garden' (14%) and 'existing housing' (12%) categories normally come from a significant redevelopment of an existing house, typical of the kind of redevelopments found on Chilbolton Avenue which feature a large plot of land with a relatively small dwelling. If sites such as these continue to be available, these kinds of redevelopments may continue. However, the supply of such sites is not inexhaustible, and future policies on affordable housing and sustainable construction, along with the impact of the Community Infrastructure Levy, could all combine to deter new developments of this kind coming forward.
- 4.5 Completions from windfall sites have overwhelmingly come from large sites. For example, between 2007 and 2011, 75 net windfall completions came from one site at Winton Close. Inevitably, large sites like this once used are gone and do not come up again. This means once all suitable sites are utilised windfall completions will rapidly decline, adding a degree of uncertainty to its future prospects. It is also possible that larger sites are only now declining due to the economic recession, as large developments tend to take longer to come through the planning process which means the affects of the recession on completions may only begin to be seen now. Moreover, the SHLAA allocations for large sites should be more accurate in determining future allocations than the eleven year old UCS, which should also reduce the number of windfall completions in the future. Nonetheless, Winchester is a large settlement where apparently 'one-off' larger developments tend to come forward on a regular basis and combine to give a broadly consistent level of windfall development over a period of time. Therefore, historic trends so far suggest that, at least for the foreseeable future, new windfall development will continue, albeit at a reduced rate.

Fig. 6: Breakdown of site size (Industrial/Commercial/Vacant category)



4.6 A closer analysis of previous uses of the 'Industrial/Commercial/Vacant' category (Figures 6, 7 & 8) is important because it sets out in more detail the origins of development from the biggest previous use category. It suggests that commercial redevelopment has been a major contributor to windfall since 2007 and particularly since 2008-2009. A large proportion of this source came from one or two major developments and, therefore, windfall relies on the continuation of large redevelopments from this source in particular.

Fig. 7: Breakdown of Industrial/Commercial/Vacant previous uses

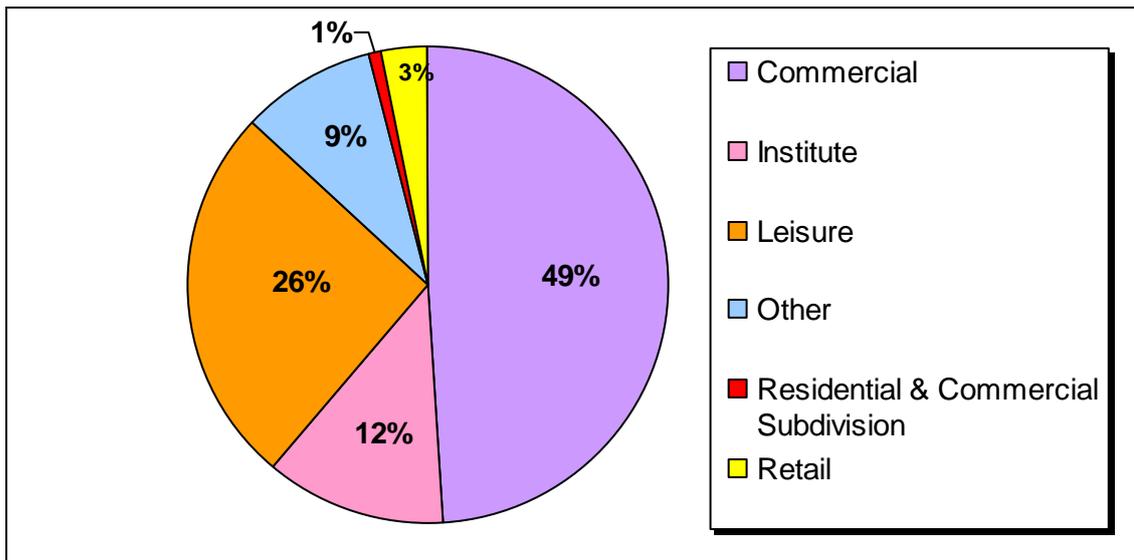
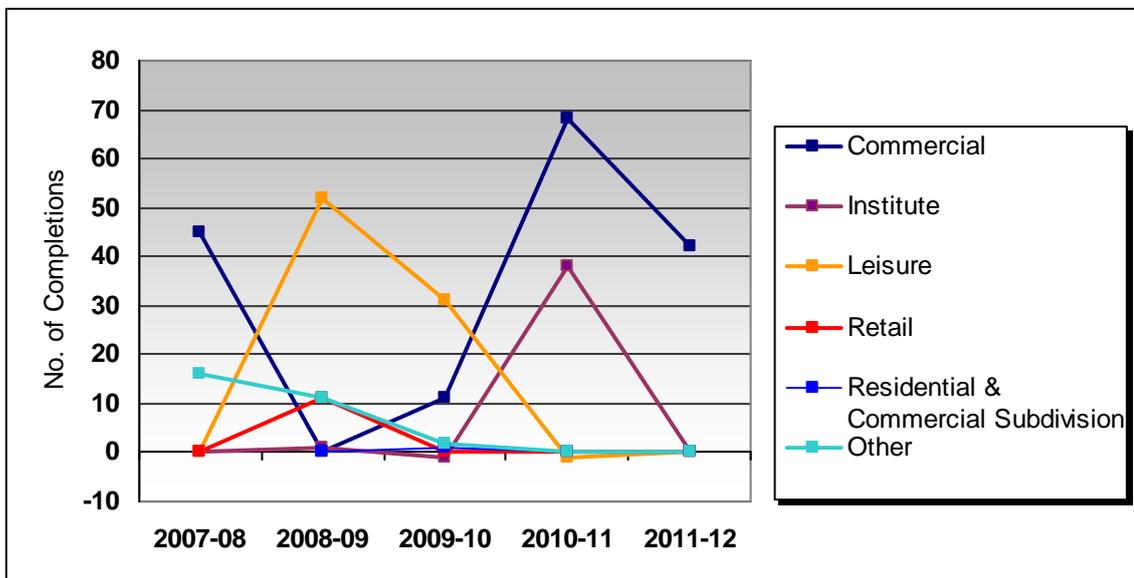


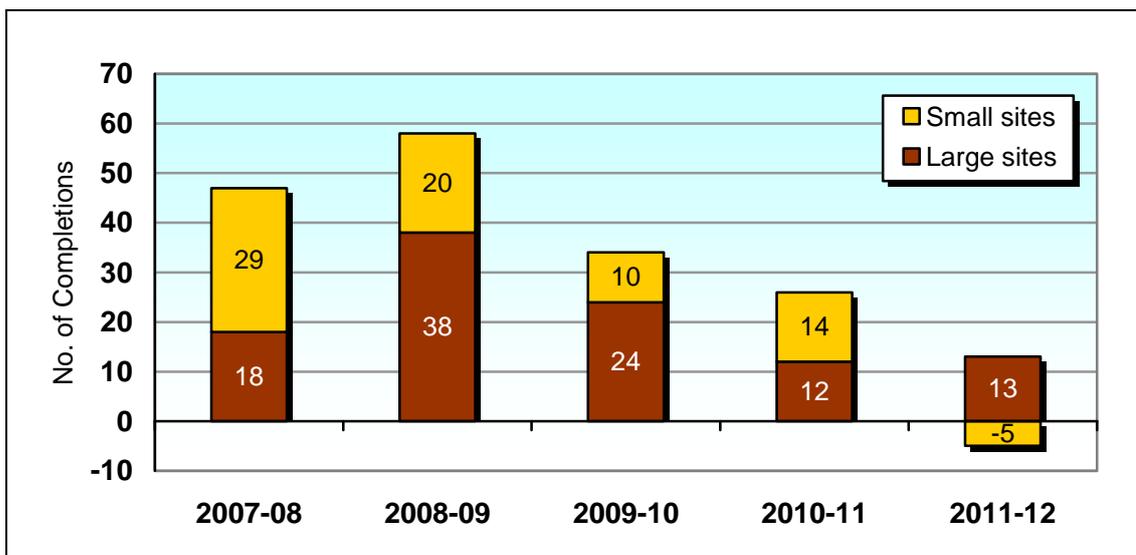
Fig. 8: Historic trends in the 'Industrial/commercial/vacant' category.



4.7 Whilst the previous uses are not always a consistent source, taken together they have the potential to provide a considerable source of windfall in Winchester in the future. However, trends will have to be monitored given LPP1 policies WT1 and CP9 that discourage the loss of employment space, and the Community Infrastructure Levy which will apply to some commercial development.

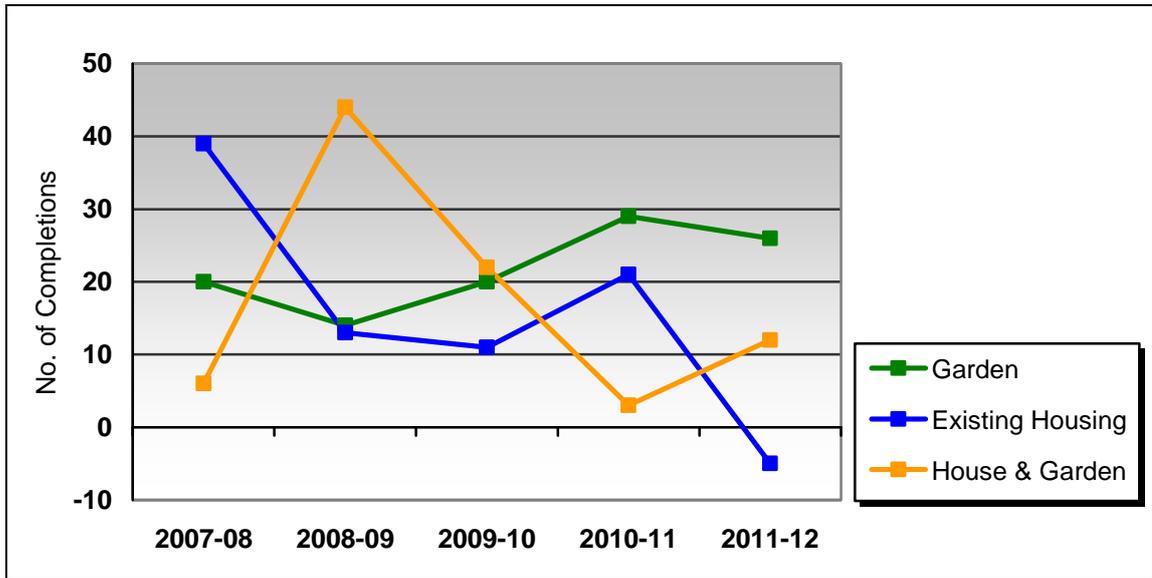
4.8 As the 'gardens' category is the second biggest source of windfall development, it is also important to consider the impact their exclusion from evidence for windfall will have on future windfall predictions. 'Gardens' have historically provided a reliable and largely consistent level of completions, which will likely provide more dwellings in the future, as suggested by (Fig. 10). Their exclusion from future windfall predictions is significant as they have provided an average of 22 dwellings a year. Although this would not be an insignificant amount over the Local Plan period, the advice of the NPPF is clear in that no allowance should be made for such sites.

Fig. 9 Completions by site size - 'House and Garden' and 'Existing Housing' categories



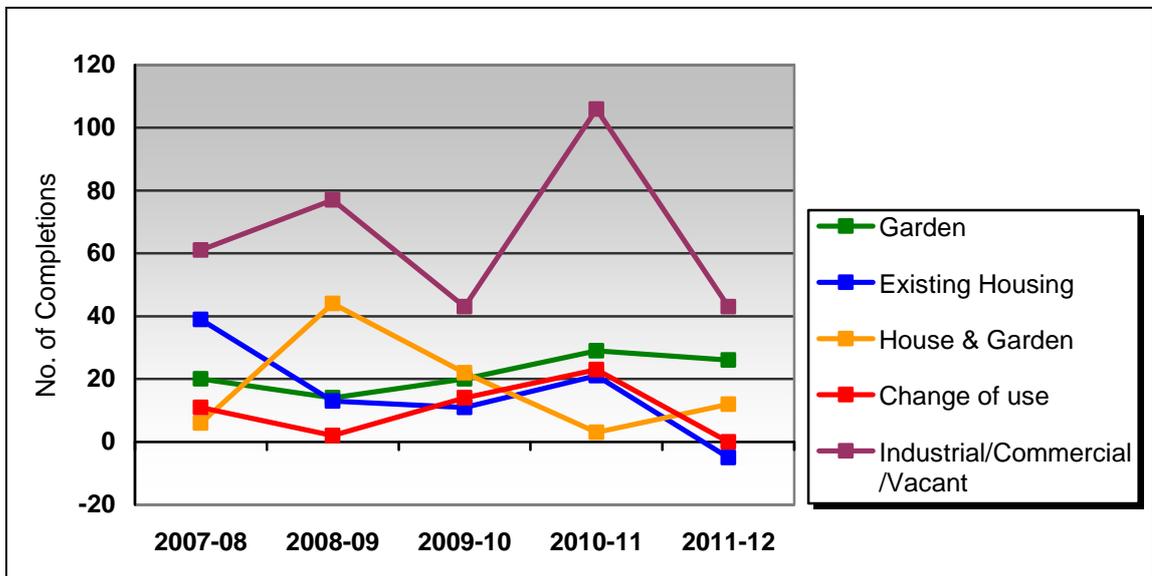
4.9 'House and garden' and 'existing housing' have also provided a significant supply of new dwellings, but their consistency is less certain. Figure 9 shows that the contribution of large and small sites appears more equal for the categories of 'house and garden' and 'existing housing' than for the overall figures. Small sites largely represent small scale redevelopment and subdivisions whilst large sites are normally complete redevelopments and/or demolition of existing dwellings. Large sites also tend to be the most likely to have dwellings built on a mix of 'garden', 'existing housing' and 'house and garden' as they tend to be complete redevelopments, like those on Chilbolton Avenue. Large sites are the most likely to decline for several reasons. First, they are more likely to be allocated in the SHLAA which only considers sites over five dwellings, meaning they would not be counted as windfall. Secondly, suitable sites for large developments in particular are finite and once developed do not reoccur. They may also be susceptible to current and future policies on affordable housing, sustainable construction and Community Infrastructure Levy, although potentially less so than smaller sites.

Fig. 10 Completions for 'Garden', 'Existing Housing' and 'House and Garden' categories



4.10 Levels of completions from 'existing housing' and 'house and garden' remain fairly strong and appear to be providing a reasonable level of completions per year (Figure 10). The viability of large sites will need to be reviewed to understand their future viability, but for the foreseeable future, windfall from these sites is likely to be reliable, even with the exclusion of garden completions from future predictions.

Fig. 11: Completions by previous use 2007-2012



4.11 Overall, windfall completions appear largely consistent and resilient, although policy changes and site exhaustion may discourage certain developments in certain categories. There will probably be some fall in numbers as new policies are adopted, but it is feasible to make an allowance for some of Winchester Town's 4,000 new homes to be developed on windfall sites.

5.0 SETTLEMENT CHARACTER AND LAND SUPPLY

- 5.1 This section briefly examines whether there are areas in Winchester that may potentially be a source of windfall for the future in order to better predict if past windfall levels are likely to continue.
- 5.2 There are several areas within Winchester that could potentially become a viable source of future windfall, but which are currently not identified in the SHLAA. Many include back gardens that may be too small for consideration in the SHLAA but may come forward in the future. There are also some larger sites, e.g. rear of Quarry Road and at the end of Uplands Road, which may be a source of windfall because of the size of their plots relative to the size of the dwelling. However, current constraints such as access and multiple ownership make it unlikely the sites come forward as a single development. However, back garden developments are a source which can no longer be considered when predicting future windfall. Overall, there is demonstrable evidence of areas likely to produce windfall in the future, but there are also several constraints that may limit the level of windfall that will come forward.
- 5.3 Historically, the 'industrial/commercial/vacant land' category has produced high levels of windfall. Therefore, it is important to monitor the viability of this source in the future in order to understand how much windfall is likely to come forward. The SHLAA has allocated several sites that could be categorised as currently been 'industrial/commercial/vacant land', but because of the unpredictability of employment sites coming forward for redevelopment, particularly during the current economic downturn, the SHLAA will never be completely accurate, as can be demonstrated by the bringing forward of the Police HQ site for development. Moreover, recent changes in legislation which allows offices to be converted to residential as permitted development will likely be a new source of windfall, although this will need to be monitored. Whilst it is difficult to make exact predictions sites for future windfall from this category, so long as sites exist, it will provide a reasonable, but unpredictable, level of windfall.
- 5.4 Overall, there is demonstrable evidence that sites continue to exist that will provide a level of future windfall, although they will need future monitoring to ascertain their continued viability.

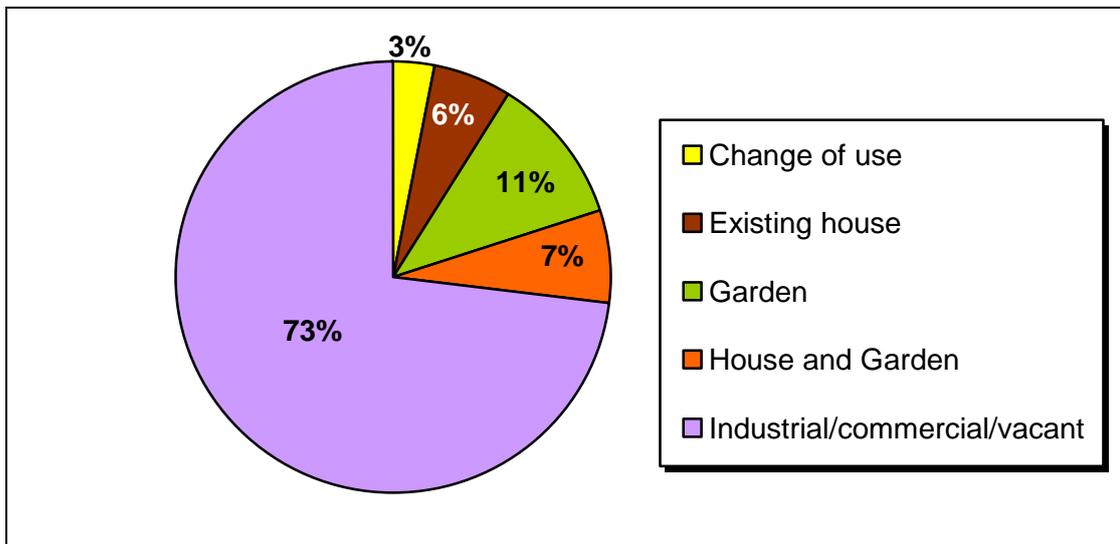
Housing Land Supply

- 5.5 This assessment has also analysed outstanding consents to see whether these would have been from windfall sites. There are currently outstanding planning consents for 78 dwellings in Winchester and if built, 72 would be classed as windfall.
- 5.6 A large proportion of the sites with planning permission are smaller sites, unlikely to have been predicted in the SHLAA. However, there are also some larger sites that were not predicted, such as the Police HQ site. If all consents are built, there will be a net gain of 493 dwellings, a high number of windfall completions. However, it should be noted that over half of the dwellings rely on one site coming forward, namely the Police HQ.

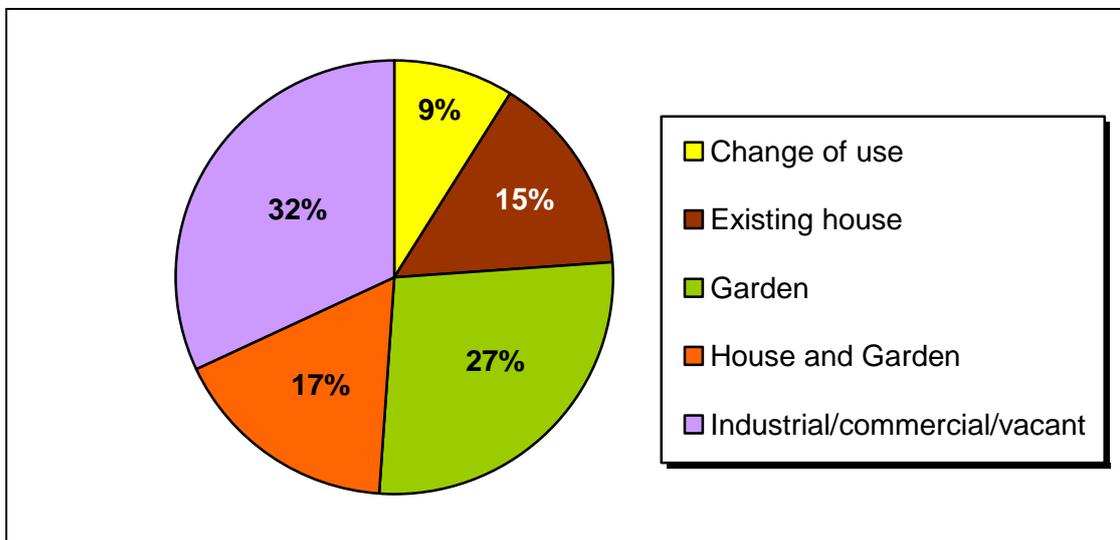
5.7 The Police HQ site will provide a considerable level of windfall for Winchester (286 dwellings predicted) - a not insignificant contribution towards Winchester's 4,000 dwelling target. Figure 12 below demonstrates how much of an impact the HQ has on previous uses (the site is included in the 'industrial/commercial/vacant land' category).

Fig. 12: Use of proposed sites for future windfall development -

(a) Including Police HQ site



(b) Excluding Police HQ site



5.8 The proportions of previous uses largely remain the same, with a continued emphasis on industrial/commercial/vacant land as a significant source of windfall. Redevelopment of existing housing sites to better utilise the space within a plot is also a lower level, but the percentage of 'existing housing', 'house and garden' and 'garden' consents that remain outstanding is a demonstrable source of future windfall.

6.0 CONCLUSIONS: FUTURE PROSPECTS

6.1 This section brings together the results to reach conclusions about whether any types of windfall site are likely to come forward at a consistent and significant level in the future. It looks at windfall prospects for each category individually and then examines windfall overall for Winchester, using the results set out above.

Existing housing and House and Garden

6.2 This assessment has demonstrated that there will continue to be completions from these sources as areas are redeveloped to make better use of available land. Windfall completions may face some challenges from the decline in suitable sites, current and future policies and the updated SHLAA which may result in a steady reduction in windfall completions. Initial indications are that this type of site is being affected by new policy requirements (e.g. affordable housing). Nonetheless, sites continue to come forward and there are some demonstrable sources of future windfall, as reflected in the settlement character section above. Accordingly, future windfall can reliably be predicted at around 20 dwellings a year from piecemeal redevelopment. This represents a significant reduction from the average of over 30 per annum recorded from 2007 to 2012.

Garden

6.3 Historically, gardens have been a considerable source of completions and windfall, albeit not always a consistent one. With no policy resisting garden development in principle, they are likely to continue to be a source of future windfall, but the NPPF is clear that gardens cannot be considered when predicting future windfall.

Industrial/commercial/vacant land

6.4 This category made up 50% of all Winchester's windfall completions for the past five years and looks likely to continue whilst viable sites continue to be available, albeit possibly at a reduced rate as new policies are enforced or come into force (LPP1 Policies WT1 and CP9, affordable housing, sustainable construction and Community Infrastructure Levy) and suitable sites for development diminish. Levels of new development in the city centre may be further affected by local and national decisions on car parks and new change of use regulations. It is predicted that the level of windfall completions from this source will average about 45 per year, which assumes a reduction in completions (from about 60 a year from 2007 to 2012) over the Local Plan period as the supply of suitable sites becomes depleted.

Open Space

6.5 This was the only category for which no completions came forward. Moreover, there is a presumption against the loss of any open space⁴, so windfall should be presumed from this source.

⁴ LPP1, Policy CP7

Change of use

- 6.6 This category has been a relatively small contributor to windfall and has historically come from commercial and retail conversion to residential, which is discouraged in policy CP6 in the LPP1. This may change with national regulation which has made some changes of use permitted development. The exact effects of the legislation, however, are currently unknown and therefore no allowance is made for this source of windfall.

Overview

- 6.7 Overall, windfall has contributed significantly to completions in Winchester and it seems likely this trend will continue into the future for certain types of sites. However, this assessment has also demonstrated a possible impact on windfall completions from:
- the exhaustion of suitable large sites for development of new dwellings;
 - new policies in the LPP1 and future changes such as CIL and national change of use policies; and
 - the exclusion of gardens for consideration of future windfall.
- 6.8 Clearly windfall levels will periodically have to be reviewed, particularly as new policies come into effect and to check whether the supply of sites is becoming exhausted. Nevertheless, this assessment has made some reasoned projections of the level of future windfall, assuming significant reductions from previous rates. It therefore seeks to predict a sustainable, consistent and demonstrable level of windfall for the foreseeable future.
- 6.9 In that respect, around 65 completions per year is predicted. This would contribute 910 dwellings towards the total housing target for Winchester over the period 2017-2031. Although lower than past rates, this would still be a significant contribution to housing needs and will need reviewing over the Local Plan period to consider the impact of the changes outlined above. Though it may be best to take a cautious approach in advance of such monitoring, to avoid relying on the whole of the projected windfall allowance, it does indicate that substantial windfall development can reliably be assumed and should be reflected when allocating sites to meet Winchester Town's housing target.