Portsmouth City Council

Portsmouth Local Plan 2038

Windfall housing developments and housing supply

Background Paper

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1 Introduction

1.1.1 One important function of the planning system is to maintain a supply of sites to enable the development requirements of the city to be met. Local Planning Authorities have an obligation to annually review and update an assessment of land with potential for housing development. A Housing Economic Land Availability Assessment (HELAA) is to be prepared each year considering the availability of land for development and an Authority Monitoring Report sets out progress against existing targets.

1.1.2 Despite this focus on assessing and monitoring the availability of land, there will always be windfall sites coming forward for development. Windfall sites are described in the National Planning Policy Framework as follows:

Windfall sites: 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.

1.1.3 The HELAA considers sites which could deliver 5 dwellings or more. However, as a densely packed urban city, Portsmouth has relatively few opportunities for larger scale development. Historically, smaller scale infilling and change of use developments have formed a significant part of the overall supply of housing land in Portsmouth.

1.1.4 The purpose of this paper is to set out what level of smaller windfall sites - sites which deliver up to four dwellings - may be reasonably expected to come forward in the coming years. This estimate can then be used to inform the consideration of future housing supply, and form part of the evidence base for the new Local Plan.

2 Housing Development in Portsmouth

2.1.1 To inform this paper, past records of what development has been delivered in Portsmouth have been examined. The period chosen is from 1 April 2006 to 31 March 2020 (the last year for which full detailed records are currently available).

2.1.2 This period gives us a suitable period of time to consider long-term trends, as well as covering a range of points in the economic cycle. Once we have considered the delivery over that ten year period, we can consider the appropriate basis for assessing likely future rates of development.

2.1.3 Development has come from a range of sources. However, given the nature of the city it is unsurprising that over this period the majority of housing development (98% of all new dwellings) has taken place on previously-developed land.

2.1.4 The following table sets out the number of dwellings that have been delivered in Portsmouth over the past ten years on both planned and windfall sites, and sets out the various sources of those new dwellings -

Table 1 - Development in Portsmouth 2006-2020

Year	1-4 dwellings	5-9 dwellings	10 or more dwellings	Total
2006-2007	93	123	312	526
2007-2008	89	106	525	712
2008-2009	74	114	1129	1309
2009-2010	42	72	614	726
2010-2011	50	50	224	317
2011-2012	50	68	161	276
2012-2013	43	55	255	351
2013-2014	34	22	169	222
2014-2015	34	29	348	406
2015-2016	56	63	321	436
2016-2017	45	45	304	393
2017-2018	61	38	312	408
2018-2019	48	25	133	183
2019-2020	46	57	65	168
Total	761	867	4872	6433

Source: HCC LAMS

2.1.5 The sources of development land are as follows:

- Subdivision of existing housing - schemes which divide residential properties to form new properties - e.g. a conversion of one house to two flats would result in +1 dwellings. It also records the reduction when two or more flats are converted into one dwelling. Therefore the total outcome for a year is sometimes negative;
- Conversion from other uses - schemes which convert buildings which were in another use to residential - e.g. a scheme to convert offices to residential properties;
- Redevelopment of redundant land and buildings - schemes which entail the redevelopment of a site, rather than conversion of existing premises; and
- New Development - schemes for new development

2.1.6 The total number of dwellings delivered varies widely from year to year and is subject to a number of factors, including the amount of land available for development, the number of schemes under construction and wider economic factors. The peak year in recent times was 2008-2009. That year saw significant development in a number of larger schemes, including development at Gunwharf Quays, committed before the global financial crash and downturn.

2.1.7 One striking feature is the fall in the reduction in supply arising from the subdivision of existing housing. One possible reason for this is that there is now a lack of suitable properties which could be converted. However, it is thought more likely that suitable properties are now being converted into a House of Multiple Occupation or mixed C3/C4 use. The nature of subdivision schemes means that the majority of dwellings delivered historically through this method were on smaller scale schemes which delivered less than five new homes and so would have counted as windfall.

3 Considering future development

3.1.1 The Council's main mechanism for identifying and monitoring future opportunities for future development is the Housing and Economic Land Availability Assessment (HELAA).

3.1.2 This document will consider potential sites and areas for development over the coming years. However, in accordance with national planning guidance, the HELAA does not consider smaller sites with potential for less than five dwellings. It is therefore worth considering the extent to which smaller sites have delivered housing in the past.

Table 2 - Housing Development in Portsmouth 2006-2020 by scheme size

Year	Subdivision of existing housing	Conversion from other uses	Redevelopment of redundant land and buildings	New Development	Total
2006-2007	23	105	160	238	526
2007-2008	20	71	537	84	712
2008-2009	55	68	961	225	1309
2009-2010	6	80	420	220	726
2010-2011	20	36	220	41	317
2011-2012	13	46	163	54	276
2012-2013	-8	63	99	197	351
2013-2014	-1	41	87	95	222
2014-2015	1	108	151	146	406
2015-2016	1	96	170	169	436
2016-2017	27	101	111	154	393
2017-2018	-3	138	96	177	408
2018-2019	20	74	67	45	206
2019-2020	9	61	11	87	168
Total	183	1088	3253	1932	6456
Percentage[1]	3%	16%	52%	30%	

[1] Percentages are rounded.

3.1.3 It is worth considering the extent to which smaller sites have delivered housing in the past.

Table 5 - Housing Development in Portsmouth 2006-2020 by scheme size

Year	1-4 dwellings	5-9 dwellings	10 or more dwellings	Total
2006-2007	93	123	312	526
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2019-2020	46	57	65	168
Total	761	867	4872	6433

Source: HCC LAMS

3.1.4 Therefore smaller sites have delivered, over the past fourteen years, an average of 54 new homes per year, or 12% of the total.

3.1.5 When considering long-term delivery of housing it is thought better to base future estimates on long-term trends, unless there is clear evidence otherwise.

3.1.6 The average for the first five years (70 homes per annum) is considerably higher than the second five years (43 homes per annum). It is thought likely that this reduction is linked to the lack of homes delivered in recent years via the subdivision of existing dwellings described in the previous section. However, the picture is mixed. The relatively high number of homes on smaller schemes in 2015/16 and 2017/18 (56 and 61 homes respectively) demonstrates that we are not necessarily seeing a new permanent low level of delivery on smaller sites. Future changes in the market or local or national policy (for instance, the reduction in tax relief for buy-to let mortgages currently being phased in) are likely to impact upon these outcomes which will require ongoing monitoring.

3.1.7 On balance it is thought that taking the twelve-year average of the data available provides a better starting point for considering future small site windfalls. However, this will continue to be monitored in future Authority Monitoring Reports to consider if it is the most suitable approach.

Garden Land

3.1.8 In June 2010 the government changed the definition of previously developed land to exclude gardens. This shift in emphasis has continued, and the National Planning Policy Framework makes it clear that any assessment of windfall rates should exclude garden land.

3.1.9 Because of the densely developed nature of the city, there has been relatively little housing development on former residential gardens since the announcement in 2010. The figures for smaller sites delivered on garden land, and those not delivered on garden land recorded since the change in definition are as follows -

Table 6 - Housing Development on schemes for less than 5 dwellings

Year	Dwellings on former gardens	Dwellings not on gardens	Total
2010-2011	2	48	50
2011-2012	2	48	50
2012-2013	3	40	43
2013-2014	2	32	34
2014-2015	4	30	34
2015-2016	3	53	56
2016-2017	0	45	45
2017-2018	3	58	61
2018-2019	1	47	48
2019-2020	4	42	46
Total	24	443	467

Source: HCC LAMS

3.1.10 Therefore dwellings delivered on former gardens totalled approximately 5% of the total dwellings delivered on smaller sites. In accordance with the National Planning Policy Framework, this element should be excluded from any assessment of windfalls coming forward. Therefore on this basis, the assumption of future small windfall sites should be reduced to 51 dwellings per annum. Any dwellings delivered in the future on garden land will however continue to count towards the council's overall housing delivery targets.

4 Conclusion

4.1.1 Taking all the evidence together, it is considered that an estimate of 51 dwellings per annum on smaller sites represents a prudent estimate of delivery going forward, but one which is justifiable at the current time.