

Cotswold District Housing Land Supply and Stepped Requirement Topic Paper

July 2026



COTSWOLD
District Council

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1. Introduction

- 1.1 This evidence paper sets the housing requirements and land supply position of Cotswold District for the Regulation 19 Publication Local Plan 2026 to 2043 (the emerging Local Plan). This includes deliverable and developable sites, saved and proposed allocations, windfalls, and required buffers.
- 1.2 A local housing need (LHN) figure of 1,054 dwellings per annum is used for the emerging Local Plan, based on the Government's Standard Method¹. This is apportioned across a stepped residual housing requirement within the housing trajectory over the 2026 to 2043 Plan period, enabling the full LHN to be delivered. This allows sufficient time for the significant uplift to housing requirement to be delivered².
- 1.3 The emerging Local Plan seeks to provide sufficient housing land supply to deliver in excess of the stepped requirement for the Plan period, and maintain a five year housing land supply of deliverable housing sites (5YHLS) over time, including the anticipated 5% or 20% buffer on the 5YHLS required by national policy. The housing requirement over the Plan period is 17,918 net dwellings (i.e. 17 years x 1,054 homes per year).
- 1.4 Over the Plan period, 18,877 homes are planned for, which provides 5.4% more homes than the LHN (known as headroom). The headroom is needed to provide flexibility in case some sites are not delivered as expected.
- 1.5 The Council has been unable to demonstrate a 5YHLS since the introduction of the NPPF in December 2024, following amendments to the Standard Method calculation of the LHN. This undersupply is likely to continue until the new Local Plan is adopted.
- 1.6 The current Housing Delivery Test (HDT) measurement indicates that the Council met 95% of its housing requirement over the previous three-year period³. In accordance with the NPPF (December 2024) paragraph 79 the Council is currently required to provide a 5% buffer on its 5YHLS.

¹ Identified by the national Planning Practice Guidance for Housing and economic needs assessment as of July 2026 (<https://www.gov.uk/guidance/housing-and-economic-development-needs-assessments>)

² When the NPPF was published in December 2024, the housing need was 495 homes a year and the residual 2011-31 Local Plan housing requirement was 250 homes a year.

³ [Housing Delivery Test: 2023 measurement \(MHCLG, 12 December 2024\)](#)

- 1.7 Nevertheless, given the quantum by which the Council has under delivered dwellings against the revised Standard Method over the previous two monitoring years, it is anticipated that the Council will soon not meet the HDT requirement for delivering over 75% of the housing requirement over the previous three years. Given the projected rates of delivery compared to the current housing requirement, this position is expected to remain for several years to come. The Council has therefore taken a precautionary approach and has applied a 20% buffer to the housing requirement for the first three years of the emerging Local Plan period for the purpose of measuring the 5YHLS⁴. Within a few years of the adoption of the Local Plan the Council would anticipate delivery of at least 85% of its HDT requirement, at which point a 5% buffer would apply.
- 1.8 The relevant 5% and 20% buffers will be accommodated for within the housing trajectory. These have been brought forward from years 6-15 (post adoption).
- 1.9 Of the 18,911 net dwellings anticipated over the Plan period these are expected to come forward through various sources, as shown in **Table 1**.

Table 1: Cotswold Housing Requirement and Housing Supply 2026 to 2043

Category		Number of dwellings
Housing requirement for the full Plan period (April 2026 to March 2043)		17,918
Housing Completions		0
Housing Supply	Known commitments	1,570*
	Strategic Allocations	11,302
	Non-Strategic Allocations	1,434
	Saved Allocations	2,282
	Windfalls	2,289
Total Housing Supply		18,877

*Includes 164 dwellings from additional major development permitted since 1 April 2026

⁴ Paragraph 78 of the NPPF (December 2024)

https://assets.publishing.service.gov.uk/media/67aafe8f3b41f783cca46251/NPPF_December_2024.pdf

2. Deliverable and Developable Sites

Deliverable sites

- 2.1 NPPF (December 2024) paragraph 72 requires a supply of specific, deliverable sites for five years following the intended date of adoption of the emerging Local Plan. Deliverable sites in this report cover the 5YHLS following the intended adoption of the emerging Local Plan, 1 April 2028 to 31 March 2033.
- 2.2 The Planning Practice Guidance (PPG) on Housing supply and delivery provides explanation about what other information is required to demonstrate the deliverability of sites that have outline planning permission for major development (i.e. sites of 10 or more dwellings); are allocated in a development plan; have a grant of permission in principle; or are identified on a brownfield register.

"Such evidence, to demonstrate deliverability, may include:

- current planning status – for example, on larger scale sites with outline or hybrid permission how much progress has been made towards approving reserved matters, or whether these link to a planning performance agreement that sets out the timescale for approval of reserved matters applications and discharge of conditions;*
- firm progress being made towards the submission of an application – for example, a written agreement between the local planning authority and the site developer(s) which confirms the developers' delivery intentions and anticipated start and build-out rates;*
- firm progress with site assessment work; or*
- clear relevant information about site viability, ownership constraints or infrastructure provision, such as successful participation in bids for large-scale infrastructure funding or other similar projects."*⁵

- 2.3 **Appendix 1a** and **1b** includes an assessment of whether all major sites and proposed allocations are considered deliverable. This is summarised in **Appendix 1a** with individual templates completed in **Appendix 1b**.

⁵ [PPG on 'Housing supply and delivery'](#). Paragraph: 007 Reference ID: 68-007-20190722. Revision date: 22/07/2019

Developable sites

2.4 NPPF (December 2024) paragraph 72 also requires a supply of developable sites or broad locations for growth for years 6-10 and, where possible, for years 11-15 following the intended date of adoption of the emerging Plan. Developable sites should be in a suitable location for housing development. There should also be a reasonable prospect that the site will be available and can be viably developed at the point envisaged⁶. Developable sites in this report cover the period 1 April 2033 to 31 March 2043.

2.5 The PPG on Housing supply and delivery provides further clarity on what constitutes a developable site.

"In demonstrating that there is a 'reasonable prospect' plan-makers can use evidence such as (but not exclusively):

- written commitment or agreement that relevant funding is likely to come forward within the timescale indicated, such as an award of grant funding;*
- written evidence of agreement between the local planning authority and the site developer(s) which confirms the developers' delivery intentions and anticipated start and build-out rates;*
- likely buildout rates based on sites with similar characteristics; and*
- current planning status - for example, a larger scale site with only outline permission where there is supporting evidence that the site is suitable and available, may indicate development could be completed within the next 6-10 years.*
- A pragmatic approach is appropriate when demonstrating the intended phasing of sites. For example, for sites which are considered developable within 6-10 years, the authority may need to provide a greater degree of certainty than those in years 11-15 or beyond. When producing annual updates of the housing land supply trajectory, authorities can use these to provide greater certainty about the*

⁶ NPPF (December 2024) Glossary: Definition of a 'Developable site'

*delivery of sites initially considered to be developable, and those identified over a longer time span."*⁷

3. Proposed Allocations

- 3.1 The emerging Local Plan seeks to ensure the delivery of sufficient housing to maintain a 5YHLS throughout the Plan period. To support this, a number of strategic and non-strategic sites are proposed for allocation.
- 3.2 There are 10 strategic sites proposed, which are expected to accommodate 11,302 dwellings over the Plan period. Additionally, there are 31 non-strategic sites expected to accommodate 1,468 dwellings over the Plan period.
- 3.3 The Council has individually assessed each allocated site and considered whether the evidence indicates which sites are deliverable within five years, having regard to factors such as developer interest, site control, planning progress, infrastructure provision, viability, lead-in times and anticipated build-out rates. Where that evidence demonstrates a realistic prospect of delivery within five years, sites (or parts of sites) have been included within the deliverable supply for years 1-5; where delivery is more likely beyond that period, they have been included within the developable supply for years 6–15.

Strategic sites

- 3.4 The 10 proposed strategic allocations mostly comprise mixed-use developments, incorporating residential and other uses, such as employment, education, green and blue infrastructure, and other community uses.
- 3.5 The indicative residential capacity calculations for strategic sites have been based on site specific concept masterplan frameworks, which form part of Appendix B of the emerging Local Plan, and are summarised in **Table 2**.

⁷ [PPG on 'Housing supply and delivery'](#): Paragraph: 011 Reference ID: 68-020-20190722. Revision date: 22/07/2019

Table 2: Proposed strategic sites and their capacities

Name of allocation	Capacity
Steadings southern extension, Cirencester	1,364 (585 delivered in the Plan period)
Land south east of Cirencester and south of Preston	1,368
Land east of Kingshill Lane, Preston	613
Land south west of Siddington	372
Land surrounding Down Ampney	1,658
Land south of Driffield	2,222 (1,090 delivered in the Plan period)
Land north east of Fairford	1,141
Land south west of Kemble	1,020
Land north and west of Mickleton	1,238
Land east and south of Moreton-in-Marsh	2,217

- 3.6 Delivery on strategic sites is expected primarily within the 6-15 years period, with two strategic sites continuing to deliver beyond the end of the Plan period in 2043. This is shown in **Appendix 2** the housing trajectory.
- 3.7 The anticipated delivery trajectory for these sites has been informed by independent advice prepared by Icen Projects⁸, drawing on information supplied by the relevant landowners / promoters, comparable site delivery rates, lead-in times and market factors. Several allocations, including those at Land south east of Cirencester and south of Preston, Down Ampney, Mickleton and Moreton-in-Marsh, have already made substantial progress towards development, with site assessments advancing and, in some instances, planning applications having been submitted on some sites. This provides additional confidence in the realism and deliverability of the proposed trajectory.
- 3.8 The Council has engaged with landowners and promoters to establish a clear understanding of delivery assumptions. This has been supported through the preparation of Memoranda of Understanding (MoUs) where possible, which set out indicative delivery trajectories and demonstrate a shared commitment to bringing sites forward. While not legally binding, these agreements provide

⁸ Cotswold Housing Delivery Study (Icen, June 2026)

supporting evidence of deliverability and developability. The rationale for the trajectory on the sites is shown within **Appendix 1a**.

- 3.9 Several proposed strategic allocations have already progressed site investigations, masterplanning, technical assessments and pre-application engagement. A number are expected to be capable of submitting planning applications prior to Local Plan adoption.

Non-strategic sites

- 3.10 The 31 non-strategic sites are at varying stages of progress, ranging from schemes with planning applications under consideration, to sites at an early stage of promotion.
- 3.11 The indicative residential capacity calculations for non-strategic sites have been based on site specific capacity estimates, including key constraints and potential densities. Site Development Templates setting this out are provided in Appendix C of the emerging Local Plan.
- 3.12 Given their smaller scale and based on an assessment of their deliverability / developability, a proportion of these sites will be capable of delivery within the first five years following the intended adoption of the emerging Plan. However, considering lead-in times for allocation, planning permission and site commencement, it is anticipated that completions will generally begin from 1 April 2030 onwards.
- 3.13 Some of the proposed non-strategic site allocations have already had applications for full or outline planning permission submitted. These have been considered within the proposed allocations, with the trajectory on the sites reflective of their progression.
- 3.14 To support the deliverability / developability assumptions, the Council has engaged with site promoters and landowners to establish their expected delivery trajectories and demonstrate a shared commitment to bringing non-strategic sites forward, including, where possible, to secure a MoU to this effect. A more cautious approach has often been taken by the Council regarding the speed of delivery of sites compared to the site promoter's estimations. In combination with other factors, such as progression towards the submission of a planning application and land ownership, where there is clear evidence to support anticipated delivery rates, the Council has included non-strategic site

allocations (or a portion of these sites) within the 5YHLS. This is outlined within **Appendix 1a**.

4. Saved Allocations

Chesterton Strategic Site, Cirencester (The Steadings) – Proposed saved strategic allocation

- 4.1 The Steadings is a mixed use development, located on the southern edge of Cirencester. It includes the erection of up to 2,350 dwellings (including up to 100 units of student accommodation and 60 homes for the elderly), 9.1 hectares of employment land (B1, B2 and B8 uses), a primary school, a neighbourhood centre including A1, A2, A3, A4 and A5 uses as well as community facilities (including a health care facility D1), public open space, allotments, playing fields, pedestrian and cycle links (access points onto Tetbury Road, Somerford Road and Cranhams Lane) landscaping and associated supporting infrastructure to include vehicle access points from Tetbury Road, Spratsgate Lane, Wilkinson Road and Somerford Road.
- 4.2 The developer (Savills on behalf of Bathurst Developments Ltd. (BDL)) has provided an update on the various factors that affect the delivery trajectory for the site. The Council has produced a commentary, which sets out the recent work that has been completed (see **Appendix 3**). This includes the progress on discharging planning conditions, installing infrastructure, securing house builders and delivery partners, and preparing reserved matters planning applications. The developer has also provided an update to their delivery trajectory in **Appendix 3a**, which shows the position as of 2 July 2026.
- 4.3 The developer's update from July 2026 explains that the development is now expected to deliver 609 dwellings across the site in the five year period following the intended adoption of the Local Plan (April 2028 to March 2033), with an additional 1,635 within the emerging Plan period. This is in addition to the 68 already completed and expected in the years prior to the anticipated adoption of the emerging Local Plan. The full allocation will be delivered by the end of the emerging Local Plan period.

- 4.4 The Council has reviewed BDL's delivery estimations. There is clear evidence that the site will deliver 609 dwellings between April 2028 and March 2033.
- 4.5 It is possible to compare whether the overall picture for the site looks credible against recent industry research (e.g. Lichfields' updated Start to Finish report⁹). Lichfields' evidence indicates that the lower quartile to upper quartile average build-out rate for sites of 2,000+ homes is between 100 and 188 dwellings per annum (dpa). The Steadings' delivery trajectory is programmed to deliver a peak of 208 dpa up to 2043. This exceeds the upper quartile average identified by Lichfields, although remains lower than maximum build-out rates identified within the research. Given the strength of housing demand in the District, high house prices and the proportion of affordable housing proposed, delivery rates in excess of 188 dpa may be achievable. Nevertheless, the Council considers it appropriate to apply the more cautious upper quartile rate of 188 dpa within the trajectory. Applying this maximum build-out rate until 2042/43 would still enable the full allocation to be delivered within the emerging Plan period. The trajectory has therefore been amended to reflect a maximum build-out rate of 188 dpa. Delivery assumptions for the site are considered further in the Housing Delivery Study (Iceni, July 2026).

5. Known Commitments and Additional Major Development

- 5.1 As of 1 April 2026, there were extant planning permissions 3,798 net dwellings in the District¹⁰. The extant planning permissions at The Steadings (2,282 dwellings) are considered separately in Section 4 (Saved Allocations). Furthermore, an extant planning permission for 110 dwellings at Brewery Court, Cirencester has been discounted from the emerging Local Plan housing supply, as this is no longer considered to be developable (ref: 14/01529/FUL). Of the remaining 1,406 dwellings, 1,405 are considered to be either deliverable within the first five years following the adoption of the emerging Plan, or likely to have already been completed prior to adoption. The remaining 1 dwelling remains developable in the Plan period.

⁹ https://lichfields.uk/media/w3wjmw0/start-to-finish-3_how-quickly-do-large-scale-housing-sites-deliver.pdf

¹⁰ Residential Land Monitoring Statistics 2025/26 (CDC, July 2026) – Table 10

- 5.2 Most of the sites which are considered as deliverable within five years of the anticipated adoption of the emerging Local Plan have full planning permission or have outline consent but are not major development. These are therefore considered deliverable.
- 5.3 Only two major development sites (10 or more dwellings) with planning permission at 1 April 2026 are Outline consents¹¹. The agents/developers of these sites have been contacted and have confirmed the timescales of their intentions to submit follow up reserved matters applications, when they will commence on-site and their expected completions. Given this, it is considered that the sites are capable of delivery of some housing within five years of the adoption of the emerging Local Plan.
- 5.4 In addition, the Council has granted or resolved to grant planning permission for three major developments since 1 April 2026, totalling 164 dwellings. These were already being considered as potential emerging Local Plan site allocations but given their current planning status, they have instead been considered as committed developments¹². It is considered that some dwellings on these sites will be deliverable within five years of the anticipated adoption of the emerging Local Plan.

6. Windfall Sites

- 6.1 Annex 2 (the Glossary) of the NPPF (December 2024) defines windfall sites as "*Sites not specifically identified in the development plan.*" NPPF (December 2024) paragraph 75 explains how windfalls should be considered in the 5YHLS:

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

¹¹ 25/02983/OUT Land North Of Folly View, Broadway Road and 24/02854/OUT Land west of Kingshill Lane

¹² 54 dwellings at Land North Of The Wern Lechlade (ref: 24/03501/OUT); 50 dwellings at Land adjoining East End and Nostle Road, Northleach (ref: 26/00613/OUT); and 60 dwellings at Land north of B4632 and east of employment estate, Willersey (ref: 25/02687/FUL).

6.2 The PPG further explains that:

*"Local planning authorities have the ability to identify broad locations in years 6-15, which could include a windfall allowance based on a geographical area (using the same criteria as set out in the NPPF)."*¹³

Historic windfall delivery

- 6.3 Cotswold District has a historic trend of consistently delivering windfalls, with the type of dwellings categorised as windfalls expanded following the update to the definition in the NPPF (December 2024).
- 6.4 When reviewing the historic windfall data, consideration has been given to Cotswold District not having an up-to-date Development Plan between 1 April 2011 and 2 August 2018. Any dwellings delivered in this period that were not allocated in the adopted Cotswold District Local Plan (2011-31) are technically windfall sites under the NPPF (December 2024) definition.
- 6.5 Notwithstanding this, many sites delivered between April 2011 and August 2018 were identified as deliverable or developable locations for development and had the potential to be allocated in the adopted Local Plan, had a Local Plan been in place. Instead, these sites gained planning permission and delivered housing before the Local Plan was adopted. To address this, the historic windfall figures were adjusted using a set of assumptions: sites identified in the Strategic Housing and Economic Land Availability Assessment (SHELAA) and capable of delivering five or more dwellings within or adjoining the District's Principal Settlements were treated as potential allocations, while all other completions, including 1-4 dwelling sites, those in open countryside, and permissions granted post-adoption on non-allocated sites, were classified as windfalls.
- 6.6 The historic windfall delivery figures incorporate both large and small sites. Indeed, 31 large sites (10 or more net dwellings) have contributed towards windfall delivery in Cotswold District since April 2011. These developments delivered 736 windfalls, which is 49 dwellings per annum on average.
- 6.7 A schedule of all windfalls delivered since 2011 is provided at **Appendix 4** and a summary is provided in **Table 3**. Taking an average of windfall delivery over

¹³ [PPG on 'Housing and economic land availability assessment'](#). Paragraph: 023 Reference ID: 3-023-20190722.
Revision date: 22/07/2019.

the first 15 years of the adopted Local Plan period flattens out any peaks and troughs in windfall delivery rates. On average, 153 windfalls per annum have been delivered over the past 15 years.

Table 3: Historic windfall delivery

Year	Windfall completions	Year	Windfall completions
2011/12	121	2019/20	171
2012/13	136	2020/21	91
2013/14	83	2021/22	105
2014/15	110	2022/23	208
2015/16	164	2023/24	276
2016/17	208	2024/25	120
2017/18	153	2025/26	112
2018/19	230		

Future trends

- 6.8 Careful consideration has also been given to any future trends in windfall delivery to understand whether future windfall delivery rates are likely to increase or decrease. Emerging national policy reforms are expected to remain supportive of sustainable windfall development.

Continued windfall delivery on large sites

- 6.9 Looking to the future, policies within the emerging Local Plan enable the continued delivery of large site windfalls in the longer-term. For example, large windfall sites can still be delivered within Non-Principal settlements, Development Boundaries, from permitted development schemes, on Rural Exception Sites, specialist accommodation developments (e.g. elderly, care or student accommodation) and so on.

Supply of potential windfall sites running out

- 6.10 Being a large rural area, windfall delivery in Cotswold District comes from a wide variety of sources. The District's windfalls are not delivered from a diminishing pool of brownfield infill plots; for example, windfall supply in urban authorities can be constrained by tight local authority boundaries that do not extend into

the countryside, edge of settlement designations (Green Belt) or the sea, which might mean there is a finite supply of brownfield industrial land. **Appendix 4** demonstrates the wide variety of types of windfalls delivered since 2011, which includes barn conversions, permitted development schemes, changes of use (e.g. from holiday homes to dwellings), new workers' dwellings, subdivisions, standalone developments, and many more.

Economic cycles, Covid-19, Brexit and the Cost of Living crisis

- 6.11 High house prices in Cotswold District provide a strong financial incentive for residential development and have historically supported housing delivery, including during periods of economic uncertainty. Although house price growth has moderated in recent years, values remain comparatively high, helping to sustain development viability and supporting the continued delivery of windfall sites throughout the emerging Local Plan period
- 6.12 Windfall delivery has remained resilient during periods of significant disruption, including the Covid-19 pandemic, Brexit-related supply chain issues and the subsequent cost of living crisis. As shown in Table 3, windfall homes continued to be delivered throughout this period, demonstrating that windfall development remains a reliable source of housing supply. These periods of economic uncertainty are already reflected within the historic delivery rates used to derive the windfall allowance and therefore add to the robustness of the allowance. Changes in housing demand associated with increased home-working and a greater preference for larger homes and access to open space have also continued to support demand for housing in the District.

Community Infrastructure Levy

- 6.13 The potential impact of the Community Infrastructure Levy (CIL) on windfall delivery has been considered. Whilst most new dwellings are liable for CIL, a range of exemptions and reliefs apply, including for self-build housing, affordable housing and certain charitable developments. In addition, existing vacant floorspace can be offset against CIL liabilities, reducing costs for some schemes. The viability of the CIL charging schedule was tested through examination and continues to be considered through the preparation of the emerging Local Plan to ensure that development remains viable and deliverable.

- 6.14 CIL has been in operation since June 2019 and there is no evidence that it has reduced windfall delivery. Indeed, average windfall completions increased from 151 dwellings per annum between 2011/12 and 2018/19 to 162 dwellings per annum between 2019/20 and 2025/26. This indicates that CIL has not constrained the delivery of windfall development and that windfalls will continue to provide a reliable source of housing supply throughout the emerging Local Plan period.

Biodiversity Net Gain

- 6.15 Biodiversity Net Gain (BNG) was introduced in 2024 and has the potential to affect the viability and delivery of some windfall developments through additional land and cost requirements. However, there is currently no clear evidence that BNG has reduced windfall delivery, as completions typically occur several years after planning permission is granted.
- 6.16 Reforms to the BNG regime introduced from August 2026, including a new exemption for sites of 0.2 hectares or less and simplified requirements for minor developments, are expected to offset much of the additional burden on small-scale windfall schemes and help support their continued delivery.

Changes to Permitted Development rights

- 6.17 Successive amendments to permitted development rights between 2015 and 2024 expanded opportunities for residential conversion from agricultural, commercial, employment and other buildings.
- 6.18 The main boost to windfall delivery occurred in the years immediately following the introduction of The Town and Country Planning (General Permitted Development) (England) Order 2015. Overall, 71 dwellings have been permitted by the aforementioned Order and completed since 2015 as windfall sites. This contributed approximately 4.7 dwellings per annum since 2011.
- 6.19 A notable numbers of prior approval notifications continue to be granted (or determined not to be required) including changes of use from Class E or agricultural buildings to residential¹⁴. This indicates that there remains a supply

¹⁴ In the year 2025/26 39 dwellings were granted prior approval or it was determined prior approval was not required: 25/00463/OPANOT (2 flats), 25/02200/OPANOT (19 dwellings), 25/02747/OPANOT (1 dwelling), 25/01916/OFRPAN (1 dwelling), 25/00193/AGRPAN (1 dwelling), 25/01420/AGRPAN (1 dwelling), 25/02668/AGRPAN (4 dwellings), and 25/03404/AGRPAN (10 dwellings)

of potential sites that are likely to continue coming forward as windfall development. Furthermore, the expansion of permitted development rights, including the introduction of additional use classes and amendments to existing provisions, is likely to further increase the contribution of windfall delivery.

- 6.20 As such, it is considered reasonable that the average of 4.7 dwellings per annum incorporated within the historic windfall would be delivered over the emerging Plan period.

Impact of NPPF (March 2012) vs NPPF (December 2024) on windfall delivery

- 6.21 Regarding future trends, the NPPF (December 2024) essentially relaxed planning restrictions and makes it easier to create new homes, including the restriction on 'garden grabbing'¹⁵. On balance, this will likely create a net increase in windfalls.
- 6.22 Furthermore, the Council has been unable to demonstrate a 5YHLS since the introduction of the NPPF (December 2024). Since then, the housing policies within the adopted Local Plan (2011-2031) have been considered to be out of date, and applications for residential development have been assessed against the tilted balance in paragraph 11 of the NPPF. Whilst the District is highly constrained with the National Landscape and significant numbers of conservation areas and listed buildings, this titled balance nevertheless is expected to result in an increase in the number of windfalls. This change is relatively recent, and as such the impact of these changes have not been seen but are expected to gradually result in higher annual windfall completions.

Applying the windfall allowance

- 6.23 Drawing together the supporting information on the historic windfall delivery rates and considering the various factors that will affect the future rate of windfall delivery:
- (i) An average delivery rate of 153 windfalls per annum has been sustained since 1 April 2011.

¹⁵ NPPF 2012 paragraph 48 stated "should not include residential gardens" whereas the NPPF 2024 paragraph 75 states "Plans should consider the case for setting out policies to resist inappropriate development of residential gardens, for example where development would cause harm to the local area".

- (ii) Regard has been paid to the SHELAA and commitments in the housing trajectory. The District has many planning permissions that once completed will continue to deliver windfalls in future.
 - (iii) Future trends of windfall delivery have been considered. The evidence indicates that the historic windfall delivery rate will continue to be delivered in future and indeed could potentially increase (e.g. if the proposed NPPF changes are implemented).
- 6.24 There is reasonable justification to set a windfall allowance of 153 dwellings per annum to the emerging Local Plan housing trajectories.
- 6.25 Some of the extant planning permissions at 1 April 2026 already included in the housing trajectory will deliver windfalls. To avoid double counting and given that planning permissions generally last for three years¹⁶, the full 153 dwelling windfall allowance is applied from 1 April 2029 onwards.
- 6.26 Notwithstanding this, there will be some windfalls that did not have planning permission on 1 April 2026 that will be delivered in the following three years. These should be accounted for in the housing trajectory. **Table 4** shows the number of windfalls that have been completed within one, two and three years of gaining planning permission, which is based on historical windfall delivery since 2011.
- 6.27 On average, 5% of windfalls are delivered in 0-1 years of gaining planning permission, 29% in 1-2 years and 28% in 2-3 years. The breakdown of applications permitted and when these delivered dwellings can be found in **Appendix 4**.
- 6.28 To provide a realistic housing trajectory, a reduced windfall allowance has been applied to the first three years of the 5YHLS to account of this evidence. This approach was endorsed by the Planning Inspector during the examination of the 2011–2030 Local Plan and has consequently been carried forward¹⁷.

¹⁶ Full and Outline planning permissions generally last for three years, although longer permissions can be granted in exceptional circumstances. Reserved Matters planning permissions generally last for two years and the prior notification time period for permitted development schemes generally lasts for five years.

¹⁷ Paragraph 117 of the Report on the Examination of the Cotswold District Local Plan 2011-2031
<https://www.cotswold.gov.uk/media/i5thlm0l/a1-1-3-cotswold-local-plan-inspector-s-report-june-2018.pdf>

Table 4: Comparison of when windfalls were granted planning permission vs when they were delivered

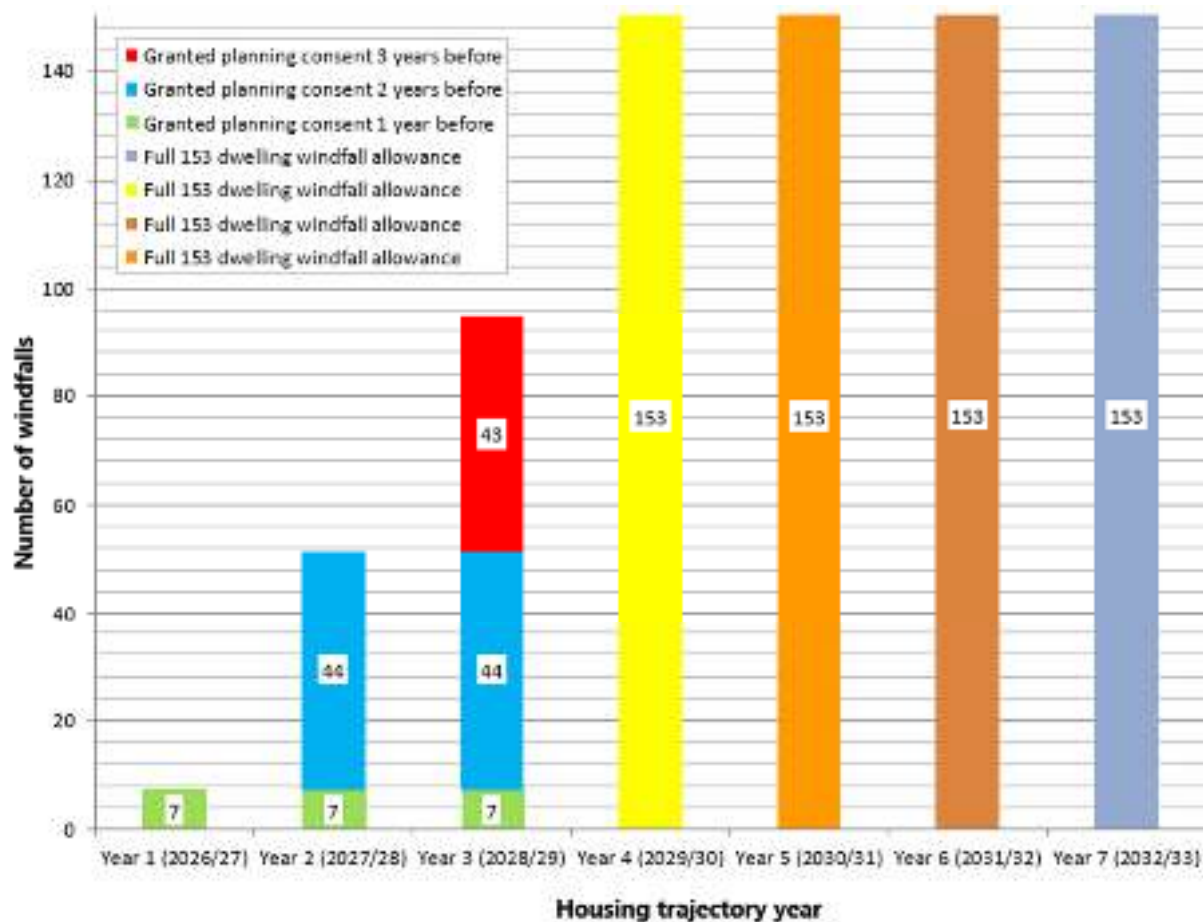
Year	Windfall completions	0-1 year before	1-2 years before	2-3 years before	>3 years before
2011/12	121	5 (4%)	63 (52%)	18 (15%)	35 (29%)
2012/13	136	7 (5%)	52 (38%)	15 (11%)	62 (46%)
2013/14	83	27 (33%)	32 (39%)	9 (11%)	15 (18%)
2014/15	110	0 (0%)	39 (35%)	41 (37%)	30 (27%)
2015/16	164	22 (13%)	92 (56%)	48 (29%)	2 (1%)
2016/17	208	52 (25%)	82 (39%)	51 (25%)	23 (11%)
2017/18	153	-2 (-1%)	65 (42%)	63 (41%)	27 (18%)
2018/19	230	26 (11%)	30 (13%)	44 (19%)	130 (57%)
2019/20	171	46 (27%)	15 (9%)	62 (36%)	48 (28%)
2020/21	91	-60 (-66%)	29 (32%)	40 (44%)	82 (90%)
2021/22	105	-13 (-12%)	53 (50%)	17 (16%)	48 (46%)
2022/23	208	-1 (0%)	33 (16%)	119 (57%)	57 (27%)
2023/24	276	4 (1%)	35 (13%)	69 (25%)	168 (61%)
2024/25	120	4 (3%)	18 (15%)	15 (13%)	83 (69%)
2025/26	112	-10 (-8%)	25 (22%)	37 (33%)	58 (53%)
Average	153	7 (5%)	44 (29%)	43 (28%)	58 (38%)

Note: Figures may not add up to 100% due to rounding. Also note that minus figures are due to demolitions. Also note: Minus figures relate to demolitions.

6.29 **Figure 1** illustrates how the allowance is applied to the 5YHLS, which is as a proportion of the full 153 dwelling windfall allowance. The proportion of windfalls expected to be delivered each year is cumulative and increases year on year before reaching the full windfall allowance of 153 dwellings per annum from Year 4 onwards. For example:

- Year 1 = 5% of the 153 dwelling windfall allowance,
- Year 2 = 34% (5% + 29%) of the 153 dwelling windfall allowance, and
- Year 3 = 62% (5% + 29% + 28%) of the 153 dwelling windfall allowance¹⁸.

¹⁸ Due to rounding of figures the windfalls for Year 3 is 95 rather than the sum of the figures shown

Figure 1: Windfall delivery up to 31 March 2033

6.30 This has been expanded to cover windfalls within the first five years following the intended adoption of the emerging Local Plan (1 April 2028 to 31 March 2033).

6.31 Overall, there is compelling evidence to justify the inclusion of the windfall allowance in the housing land supply in the emerging Local Plan housing trajectory, as it provides a reliable source of supply. A proportionate approach to windfall delivery is applied to the housing trajectory that is realistic and based on strong recent evidence.

7. Small Site Delivery

7.1 Paragraph 73a of the NPPF specifies that local planning authorities should “identify, through the development plan and brownfield registers, land to accommodate at least 10% of their housing requirement on sites no larger than

one hectare; unless it can be shown, through the preparation of relevant plan policies, that there are strong reasons why this 10% target cannot be achieved”.

- 7.2 As of 1 April 2026, 532 homes already had planning permission on sites no larger than 1 hectare. In addition, 112 dwellings are proposed to be allocated in the emerging Local Plan on sites no larger than 1 hectare.
- 7.3 Windfalls are expected to contribute significantly to the small sites requirement over the emerging Local Plan period. Of the 2,288 windfalls completed between 1 April 2011 and 31 March 2026, 68% came from sites of less than 10 houses. Whilst these sites were not specifically assessed against a 1 hectare threshold, the number of dwellings delivered indicates that most are likely to have been under 1 hectare in size. Equally some sites under 1 hectare in size would be expected to provide 10 or more dwellings, and as such would not have been incorporated in the above measure. It is therefore considered that assuming 68% of windfall sites have stemmed from sites less than 1 hectare in size is reasonable.
- 7.4 Assuming a similar range of sites during emerging Local Plan period, of the 2,289 windfalls anticipated over the Plan period, approximately 1,556 would be on small sites. This equates to approximately 8.7% of the emerging Local Plan housing requirement.
- 7.5 In combination, extant planning permissions, proposed non-strategic site allocations and windfalls on sites of 1 hectare or less are expected to deliver 12% of the emerging Local Plan housing requirement.
- 7.6 As such, it is considered that at least 10% of the Council’s housing requirement would be on sites no larger than 1 hectare.

8. Buffers

- 8.1 NPPF paragraph 78 states:

“Strategic policies should include a trajectory illustrating the expected rate of housing delivery over the plan period, and all plans should consider whether it is appropriate to set out the anticipated rate of development for specific sites. Local planning authorities should identify and update annually a supply

of specific deliverable sites sufficient to provide a minimum of five years' worth of housing against their housing requirement set out in adopted strategic policies, or against their local housing need where the strategic policies are more than five years old. The supply of specific deliverable sites should in addition include a buffer (moved forward from later in the plan period) of:

- 5% to ensure choice and competition in the market for land; or*
- 20% where there has been significant under delivery of housing over the previous three years, to improve the prospect of achieving the planned supply..."*

8.2 A significant under delivery is measured against the Housing Delivery Test (HDT), where this indicates that delivery was below 85% of the housing requirement¹⁹.

8.3 The 2024 or 2025 HDT measurement have not been published yet; however, given the significant increase to the housing need in December 2024, and that the 1,054 homes a year will be the HDT requirement from this point until the emerging Local Plan is adopted, the HDT measurement will temporarily fall below 85% of the housing requirement. This under-delivery is likely to continue until the emerging Local Plan is adopted.

8.4 The HDT calculation is a percentage measurement of the number of net homes delivered against the number of homes required over a rolling three year period.

$$\begin{aligned} &\text{"Housing Delivery Test (\%)} = \\ &\text{Total net homes delivered over 3 year period} \\ &\text{divided by} \\ &\text{Total number of homes required over 3 year period"}^{20} \end{aligned}$$

8.5 The last HDT was published in December 2024, providing the position as of 2023. At this time Cotswold's HDT measurement was 95%. As such, a 5% buffer is currently required on the 5YHLS. Paragraph 80 of the NPPF is clear that the HDT results from previously published result should be used.

¹⁹ Footnote 40 of the NPPF

²⁰ [Housing Delivery Test measurement rule book - GOV.UK](#)

- 8.6 The HDT measurement rule book²¹ advises that where there are changes to the housing requirement the following would apply:

“16. Any new housing requirement will be used for the calculation of the Housing Delivery Test from the date that it becomes part of the development plan.

17. For the purposes of calculating the Housing Delivery Test, the new adopted housing requirement will apply from the start of the relevant plan period (set out in the strategic policies for housing), which may be earlier than the adoption of the strategic policies.

18. Following adoption of new strategic policies, the new housing requirement figure can be used to recalculate the Housing Delivery Test results during the year, in collaboration with MHCLG.”

- 8.7 As the Upon adoption of the Local Plan, the housing requirement applying from 1 April 2026 will be substantially reduced. The Council will then be able to request a recalculation of the HDT based on the revised requirement. However, given that adoption of the emerging Local Plan is anticipated in 2028, the HDT will continue to measure delivery against the housing requirements applicable during the preceding three-year period. As a result, the Standard Method requirement of 1,054 dwellings for 2025/26 will continue to form part of the HDT calculation in 2028. To reflect this transitional effect, and the likelihood that a higher HDT buffer may apply during the early years following adoption, a precautionary 20% buffer has been applied to the first three years of the Plan period.

9. Trajectory

- 9.1 The emerging Local Plan spatial strategy is underpinned by ten new strategic allocations, which are expected to deliver around 60% of the housing required over the Plan period. However, the scale and complexity of these sites mean that they are likely to make their greatest contribution to housing delivery in the medium to longer term. Delivery rates are expected to increase progressively as sites secure planning permission, infrastructure is provided and development becomes established. Whilst strategic allocations are therefore

²¹ [Housing Delivery Test measurement rule book - GOV.UK](https://gov.uk/housing-delivery-test-measurement-rule-book)

unlikely to deliver substantial numbers of homes during the early years of the Plan period, they are anticipated to provide sustained and significant levels of housing delivery thereafter.

- 9.2 Given the significant increase in the District's housing requirement, the constraints affecting the availability of development opportunities, and the lead-in times associated with bringing forward strategic allocations, the Council considers it unrealistic to address any potential shortfall solely through the allocation of additional sites. Instead, a stepped housing requirement is required to align planned housing delivery with the anticipated build-out profile of strategic sites in particular and to provide a realistic, deliverable and justified housing trajectory over the Plan period.
- 9.3 Planning Practice Guidance recognises that a stepped housing requirement may be appropriate where there is a significant change in housing requirements between adopted and emerging policies, or where strategic sites are expected to deliver on a phased basis or later in the Plan period²². The Council considers that both circumstances apply in the Cotswold context. The proposed stepped housing requirement does not seek to delay the delivery of identified housing needs unnecessarily, nor does it reduce the overall housing requirement. Rather, it reflects the expected timing of development whilst ensuring that LHN is met in full over the Plan period and that growth is delivered through a realistic and plan-led strategy.
- 9.4 In order to provide a realistic and deliverable pattern of growth, whilst ensuring that LHN is met in full, the Council proposes a stepped housing requirement comprising three distinct phases:

Table 5: Stepped housing requirement (2026 to 2043)

Plan Years	Annual Housing Requirement	Total of Housing to be Delivered
2026-31	420	2,100
2031-36	1,030	5,150
2036-43	1,525	10,675
Total		17,925 (7 surplus)

²² [PPG: Housing supply and delivery](#). Paragraph: 012 Reference ID: 68-021-20190722, Revision date: 22 07 2019

- 9.5 A flat annual requirement of 1,054 dwellings per annum would not reflect the anticipated delivery profile of strategic allocations and would therefore fail to provide a realistic and deliverable housing trajectory.
- 9.6 It is important to note that the stepped housing requirement does not reduce the District's overall housing requirement of 17,918 dwellings over the Plan period. The emerging Local Plan continues to plan for the delivery of the LHN in full. The stepped housing requirement simply redistributes housing delivery across the Plan period to reflect the anticipated delivery profile of strategic allocations and other housing sites, whilst ensuring that the full housing requirement is delivered by 2043.
- 9.7 The stepped housing requirement has been derived to reflect the anticipated delivery profile of the Plan's strategic allocations. Housing delivery is expected to be more limited during the early years of the Plan period while strategic sites progress through the planning, detailed design, infrastructure provision and construction phases. Delivery is then anticipated to increase significantly as multiple strategic allocations come forward concurrently and achieve higher build-out rates. This pattern is reflected in the emerging Local Plan housing trajectory set out in **Appendix 2**.
- 9.8 The proposed trajectory ensures that LHN is met in full over the Plan period whilst providing a realistic and deliverable reflection of the Council's spatial growth strategy and the anticipated timing of development.

Addressing housing shortfalls within the Plan Period

- 9.9 Given the nature of housing delivery, annual completion rates will inevitably fluctuate during the Plan period. Delivery is influenced by a range of factors, including the timing of planning permissions, infrastructure provision, site preparation, market conditions and build-out rates, and as a result periods of under-delivery may occur. The Council's housing trajectory has been prepared with these uncertainties in mind and reflects the anticipated delivery profile of sites over the Plan period. In accordance with Planning Practice Guidance, any housing shortfall should be measured from the base date of the adopted plan and added to the housing requirement for the subsequent five-year period, commonly referred to as the Sedgefield approach, before the appropriate buffer is applied. This ensures that housing delivery performance is assessed

accurately against the emerging Local Plan requirement and that any under-delivery is addressed at the earliest reasonable opportunity²³.

- 9.10 The housing trajectory indicates that a cumulative shortfall of approximately 59 dwellings is likely to arise during the first two years of the plan period (1 April 2026 to 31 March 2028). In accordance with the Sedgefield approach, this shortfall would be addressed within the following five-year period by adding the 99 dwellings to the relevant five-year housing requirement. This approach is consistent with the objective of addressing any under-delivery at the earliest reasonable opportunity whilst maintaining a realistic and deliverable housing trajectory. The resulting five-year housing land supply calculation is set out in **Table 6**.

Table 6: Cotswold District Council Housing Supply anticipated at 1 April 2028		
		Total
A	Number of dwellings required for five years 1 April 2028 to 31 March 2033 as per stepped requirement (420*3+1030*2)	3,320
B	Number of dwellings required for five years 1 April 2028 to 31 March 2033 as per stepped requirement including expected shortfall (112)	3,432
C	Number of dwellings required for five years 1 April 2028 to 31 March 2033 as per stepped requirement including deficit and 20% buffer	4,118*
D	Estimated supply of deliverable sites for five years 1 April 2028 to 31 March 2033	3,815*
E	Shortfall over the requirement (D-C)	-303*
F	Annual housing target (C divided by five years)	824*
G	Number of supply years (D divided by F)	4.6* years

- 9.11 Whilst national planning policy only requires the Council to demonstrate a 5YHLS from the anticipated date of adoption, the Council has also assessed housing land supply across the remainder of the Plan period. This shows that whilst the current 5YHLS cannot currently be demonstrated at 1 April 2028, it can be demonstrated throughout the majority of the Plan period. This provides confidence that the proposed housing trajectory can maintain an adequate supply of deliverable sites thereafter. The assessment demonstrates that the

²³ [PPG: Housing supply and delivery](#). Paragraph: 022 Reference ID: 68-031-20190722, Revision date: 22 07 2019

emerging Local Plan provides a robust and resilient housing land supply position throughout the Plan period. The resulting trajectory demonstrates a realistic and deliverable pattern of housing growth in which any temporary shortfall arising during the early years is addressed within the subsequent five-year period, consistent with the Sedgefield approach, whilst later surpluses provide confidence that the District's housing requirement will be met in full over the Plan period. Whilst the assessment identifies a housing land supply equivalent to 4.8 years in the final monitoring year of the Plan period, this does not indicate a deficiency in the Plan's overall strategy. By this stage, only a limited number of years remain before the end of the Plan period and a substantial proportion of the District's housing requirement will already have been delivered.

- 9.12 There will be less than five years remaining of the Plan period after 2038/39, so a 5YHLS cannot be calculated after this date. The resulting 5YHLS position is summarised in **Table 7**.

Table 7: 5YHLS throughout the Plan period

Date	Years Supply
2028/29	4.6
2029/30	5.2
2030/31	5.0
2031/32	5.0
2032/33	5.1
2033/34	5.1
2034/35	5.2
2035/36	5.1
2036/37	4.9
2037/38	5.0
2038/39	4.8
2039/40	-
2040/41	-
2041/42	-
2042/43	-

10. Conclusion and summary

- 10.1 This Topic Paper demonstrates that the emerging Cotswold Local Plan provides a robust, justified and deliverable strategy for meeting the District's housing needs over the period 2026 to 2043. The evidence confirms that sufficient

housing land has been identified to meet the District's LHN of 17,918 dwellings in full, whilst also providing additional flexibility through an overall housing supply of approximately 18,877 dwellings.

- 10.2 The housing land supply is derived from a range of sources, including existing commitments, saved allocations, proposed strategic and non-strategic allocations, and a justified windfall allowance. The Council has undertaken a detailed assessment of the deliverability and developability of sites, having regard to planning status, infrastructure requirements, lead-in times, viability considerations, developer evidence and anticipated build-out rates. This provides a clear and proportionate evidence base to support the housing trajectory and 5YHLS position.
- 10.3 The evidence demonstrates that the proposed windfall allowance represents a reliable source of housing supply. Historic delivery rates have remained consistently strong over an extended period and are supported by local circumstances, national policy changes and the anticipated continuation of a range of windfall opportunities throughout the Plan period. The Council is therefore satisfied that the inclusion of a windfall allowance is fully justified by compelling evidence.
- 10.4 The Council has also considered the implications of the significant increase in housing requirements introduced through the revised NPPF and Standard Method in December 2024. Given the scale of this increase, the reliance on strategic site allocations to deliver a substantial proportion of housing growth, and the lead-in times associated with bringing such sites forward, the Council considers that a stepped housing requirement provides the most realistic and deliverable approach to meeting housing needs.
- 10.5 The stepped housing requirement has been designed to align with the anticipated delivery profile of the Council's strategic growth strategy. It reflects the expected timing of housing delivery whilst ensuring that LHN is met in full over the Plan period. The approach is consistent with the PPG and does not seek to delay the delivery of housing need unnecessarily.
- 10.6 The housing trajectory demonstrates that the Council is capable of maintaining a 5YHLS for nine years following the anticipated adoption of the emerging Local Plan. The Local Plan review will likely be undertaken well before 2037, particularly in light of upcoming Local Government Reorganisation changes.

Any shortfall arising during the early years of the Plan period can be addressed through the application of the Sedgefield approach, whilst the overall level of planned housing delivery and available headroom provide confidence that housing requirements will continue to be met throughout the Plan period.

- 10.7 Overall, the evidence indicates that the emerging Local Plan provides a realistic, deliverable and positively prepared framework for housing growth. The housing trajectory, 5YHLS position and identified housing supply provide confidence that the District's housing needs can be met in full whilst maintaining a Plan-led approach to sustainable development. The Council therefore considers that the emerging Local Plan's housing requirement, housing trajectory and housing land supply strategy are justified, effective, deliverable and consistent with national policy.