

CABINET

19 DECEMBER 2017

LOCAL PLAN: AUTHORITY MONITORING REPORT

Portfolio Holder: Councillor Jane Chitty, Planning, Economic Growth and Regulation

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Summary

This report seeks authority to publish the Medway Authority Monitoring Report that is produced annually. It provides an assessment of development trends and wider social, economic and environmental indicators, together with progress on the preparation of a new Medway Local Plan.

1. Budget and Policy Framework

1.1 The Monitoring Report complies with the Policy Framework. Approval of publication of the Monitoring Report is a matter for Cabinet. It has no budget implications.

2. Background

2.1 This is the thirteenth Monitoring Report for Medway. The requirement to produce an Authority Monitoring Report was introduced by the Planning and Compulsory Purchase Act, 2004. The Localism Act 2011 retained the requirement for local planning authorities to publish monitoring information, but removed the need to submit the report to government and a prescribed timetable. Further requirements for the content of the authority's monitoring report are set out in the Town and Country Planning (Local Planning) (England) Regulations 2012. The council has adhered to a timetable for the publication of the Authority Monitoring Report on an annual basis each December. This provides a basis for comparison with previous years.

2.2 This report brings together a great deal of information about the area for the period 1 April 2016 to 31 March 2017. This includes statistics and indicators on Medway's population and development trends, and social, economic and environmental aspects of the local area. It is a valuable reference source for many services, external organisations and potential investors, and is of particular interest to the planning and development sector. The report is

based around a large collection of data, focusing on the progress made against a number of planning policy themes. In general terms these reflect the planned policy coverage in the new Local Plan.

- 2.3 In line with the requirements of the Town and Country (Local Planning) (England) Regulations 2012, the Monitoring Report provides an update on the progress of the preparation of the new Medway Local Plan, as set out in the Local Development Scheme approved by Cabinet in December 2016. It also gives details of actions undertaken by the council in fulfilling the Duty to Cooperate on strategic planning matters with other local planning authorities and other prescribed bodies in the Localism Act.

3. Options

- 3.1 There is a statutory requirement to publish up-to-date information that the council has collected for monitoring purposes, and to report on progress against the Local Development Scheme. It is considered that the publication of the Authority Monitoring Report on an annual basis is an appropriate means of meeting this requirement.

4. Advice and analysis

- 4.1 The Monitoring Report consists of three volumes:
- Volume 1 provides an overview of key population and development trends, social, economic and environmental indicators, and a commentary on progress with the preparation of the new Medway Local Plan. This is attached at Appendix 1.
 - Volume 2 comprises detailed data tables that are summarised in Volume 1. Given its substantial length, as in previous years, it has not been reproduced with this report, but is available to view at: <http://www.medway.gov.uk/planningandbuilding/planningpolicy/authoritymonitoringreport.aspx>.
 - Volume 3 comprises the Medway Local Aggregate Assessment, which assesses the supply of mineral aggregates from land won and imported sources in Medway in 2016. This has been produced in consultation with the regional Aggregates Working Party, and the monitoring period of 2016 is consistent with the approach taken regionally. This is attached at Appendix 2. **Appendices 1 and 2 are set out in Supplementary Agenda No.1**
- 4.2 The main findings from the Monitoring Report include the completion of 642 dwellings in 2016/17, which is a 16% increase from the previous year. Housebuilding rates are still recovering from difficult market conditions in recent years. There are signs of growing confidence in development in Medway, such as progress seen in large regeneration schemes such as Rochester Riverside and Kitchener Barracks. There are also over 800 homes known to be under construction. However, rates of development are below the council's adopted housing target of 1000 homes a year. The development industry is also delivering significantly fewer new homes than the 1281 dwellings per annum identified in the Strategic Housing Market Assessment as Medway's objectively assessed need for housing. The introduction of the proposed Department for Communities and Local Government (DCLG) standard method for calculating housing need would lift the annual figure to

1665 homes. It is questionable if this scale of housing could be delivered by the development industry.

- 4.3 As at 31 March 2017, unimplemented planning permissions and allocations from the 2003 Medway Local Plan provided for 7632 homes. This level of unbuilt permissions demonstrates the complexity of the housing market, and the number of factors outside of the planning regime that influence housebuilding rates. In recognising pressures in the housing market the council has approved a number of planning applications on sites outside of development boundaries in the Medway 2003 Local Plan, where the proposals have represented sustainable development. This is reflected in the significant increase in greenfield sites now forming 22% of all permissions for future dwellings. In recent years, brownfield sites have formed over 90% of the land supply for planning permissions.
- 4.4 Demographic data shows that Medway is continuing to grow, but not as rapidly as in recent years. The mid year population estimate for Medway in 2016 was 278,542, an increase of 2,050 people above the 2015 figure. Medway's population increase is largely driven from natural growth, that is more births over deaths. In the last year, internal migration rates (moves within England) fell noticeably, with more of the local moves being out of Medway, rather than into the area. Migration from London continues to be strong, representing just under two-thirds of the inward flows to Medway, with an increasing trend over the last five years. The population and migration data for Medway have shown noted variation over recent years. The dynamic change from year to year emphasises the importance of longer reference periods when assessing the projection of likely future trends. Such assessments inform the development needs and targets in the new Local Plan.
- 4.5 There was a small net gain in employment floor space in 2016/17, although losses were seen in some sectors, where land went to new uses such as leisure, retail and energy. There are signs of improvement in Medway's economy, with the rate of Job Seekers claimants falling to 1.4% in March 2016, down from 1.8% a year previously. Medway is closing the gap in its unemployment rate with the Kent average. Employment rates are high, at 75.8%, which is above the national level, and the economic activity level stands at 80.1%, which is now above the Kent average. Local jobs in Medway grew at 5.7%, compared to a 1.9% increase nationally. Productivity, as measured by Gross Value Added per head in Medway increased above local and national rates, but still sits below these comparative measures. In town centres, there has been a marginal increase in floorspace for main town centre uses. However there were net losses in A1, A4 and A5 uses. The most frequent losses have been to residential uses.
- 4.6 The information collated in the Authority Monitoring Report provides context to the preparation of the Local Plan. The annual report will have an ongoing function in considering how the council's objectives to strengthen the economy, improve quality of life and opportunities and to enhance the natural and built environment are being met.

5. Risk management

- 5.1 As the Authority Monitoring Report is a factual account of development, social, economic and environmental data, there are no specific risks associated with its production.

6. Consultation

- 6.1 As the Authority Monitoring Report is factual there is no requirement to consult; it is however web published to inform the public and users of the planning system, to meet statutory requirements.

7. Financial and legal implications

- 7.1 There are no financial or legal implications arising from this report. The Monitoring Report fulfils the requirements set out in the Planning and Compulsory Purchase Act 2004, Localism Act 2011 and the Town and Country (Local Planning) (England) Regulations 2012.
- 7.2 There are no direct equalities impacts. Equalities are considered in the context of preparing local plan policies.

8. Recommendation

- 8.1 That the 2017 Authority Monitoring Report be approved for publication.

9. Suggested reason for decision

- 9.1 To comply with the duty to compile and publish a planning monitoring report.

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Appendices (see Supplementary Agenda No.1)

Appendix 1 Medway Authority Monitoring Report 2017 Volume 1
Appendix 2 Medway Authority Monitoring Report 2017 Volume 3: Medway Local Aggregate Assessment 2016

Background papers

None