

## **CABINET**

**15 DECEMBER 2020**

### **AUTHORITY MONITORING REPORT**

Portfolio Holder: Councillor Jane Chitty, Portfolio Holder for 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. The report provides an assessment of development trends and wider social, economic and environmental indicators, together with progress on the preparation of the new Medway Local Plan.

#### **1. Budget and policy framework**

- 1.1. The Medway Local Plan is the statutory development plan for the area and is part of the Council's Policy Framework. The Planning and Compulsory Purchase Act, 2004 requires local planning authorities to publish Authority Monitoring Reports setting out development data and wider social, economic and environmental indicators, and to report progress on plan making as set out in the Local Development Scheme.
- 1.2. 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. The report is produced to meet statutory requirements for the local planning authority to publish information about development in the area and the implementation of the Local Plan.

#### **2. Background**

- 2.1. The Planning Service has been compiling and publishing annual Monitoring Reports for the last 16 years, following the statutory requirement introduced in the Planning and Compulsory Purchase Act, 2004. 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. The report brings together substantial information about the area for the period 1 April 2019 to 31 March 2020. 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. These reflect the planned policy coverage in the new Local Plan.
- 2.3. The Authority Monitoring Report also provides an update on the progress of the preparation of the new Medway Local Plan with reference to the Local Development Scheme.

### 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 Authority Monitoring Report (AMR) 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 presented at Appendix 1).
  - Volume 2 comprises detailed data tables that are summarised in Volume 1. (Due to the length and format of the report, this is web-published only and is available at: [https://www.medway.gov.uk/info/200149/planning\\_policy/597/local\\_development\\_scheme\\_and\\_monitoring/2](https://www.medway.gov.uk/info/200149/planning_policy/597/local_development_scheme_and_monitoring/2))
  - Medway Local Aggregate Assessment, which assesses the supply of mineral aggregates from land won and imported sources in Medway in 2019. Following new guidance from the regional aggregates planning group, this is published in a 'dashboard' format. (This is presented at Appendix 2).
- 4.2. A significant measure reported in the AMR is the annual rate of housebuilding in Medway. 1,130 new homes were completed in 2019/20, which was the highest number of homes delivered in a year in Medway since it became a Unitary Authority in 1998. This was a major achievement and a 75% increase in the rate of housing delivery on the previous year. Homes were completed across Medway, including at Rochester Riverside, Kitchener Barracks, Temple Waterfront, and Hoo. This shows confidence in the regeneration of Medway's urban waterfront and town centre sites, complemented by the development of sustainable greenfield sites in suburban and rural locations. 70% of all residential completions were on brownfield sites. The mix of new

housing is helping to meet needs for affordable housing. 333 affordable homes were delivered, representing 27% of gross completions. House prices in Medway rose by 1.2% between March 2019 and March 2020. This was lower than the regional and national trends. Housing affordability improved in Medway for the first time since 2011, with an affordability ratio at just over 8.4 in 2019, having dropped from 8.67 in 2018. Over twice as many flats than houses were completed.

- 4.3. Despite record levels of housebuilding, the achievement of 1130 new homes was still 532 dwellings below the annual requirement of 1,662, as defined by the Government formula that sets housing need for local authorities. This illustrates the scale of pressure to boost housing supply, and the critical role of the new local plan in meeting Medway's growth needs. There is a pipeline of sites with planning permission for around 8000 homes, demonstrating the Council's commitment to supporting sustainable development.
- 4.4. The report comments on the potential impacts of Covid-19 on the development sector and wider economy but recognises that it is not possible to accurately predict longer term trends. Following the closure of construction sites in Spring 2020, housebuilding has continued again in Medway. There are signs of ongoing interest in investing in Medway. 1407 planning applications were received in 2019/20, which was an increase of nearly a third from the previous year. The Planning Service regularly engages with the development sector on their delivery plans, and this information has been used to inform the phasing of housebuilding in the AMR. These updates were also used in the preparation of the Medway Housing Delivery Test Action Plan published in August 2020.
- 4.5. Activity in the development of commercial land was more limited than in previous years. There were net losses in the development of B1 and B2 employment floorspace, and a small loss in net floorspace for B8 uses, despite the completion of a substantial facility at Veetee Rice Ltd on Medway City Estate. Just over 97% of employment floor space (gross) was completed on previously developed land. The pipeline for employment land for B1/B2/B8/Mixed B uses is 728,516 sq.m (net).
- 4.6. The monitoring data shows ongoing structural changes in the retail sector. The reporting period has not included the more recent impacts of Covid-19. Although there was a net gain in retail floorspace, activity in the town centres was down. However, most of the gross gains in the town centres this year were cafes and restaurants. The report also reflects changes such as the redevelopment of the former supermarket at Britton Farm, Gillingham for housing and health services.
- 4.7. The report has been produced in the context of significant changes to the Planning system. The Government has brought in a number of reforms this year, including revisions to the Use Class Order and greater flexibility for development not needing planning consent through extensions to Permitted Development Rights. In August 2020 the Government published consultation documents proposing further reforms to the Planning system, including radical

changes in the Planning White Paper. Although there is no confirmed date for the implementation of the proposals, the consultation process has raised uncertainties, especially regarding the formula to be used in setting local housing needs. These proposed changes could potentially have major impacts for planning in Medway in coming years.

- 4.8. The report provides an update on the preparation of the new Medway Local Plan. The Council intends to publish the draft plan for representations in Spring 2021. Work is being finalised on the evidence base for the plan, including the Strategic Transport Assessment and Infrastructure Delivery Plan. Consultation comments gathered on the 'Planning for Growth on the Hoo Peninsula' document this Spring are informing the production of a Hoo Development Framework to guide potential future growth. Activity on Neighbourhood Plans in Medway has increased recently, and local communities intend to submit their draft plans for Cliffe and Cliffe Woods, High Halstow, Hoo St Werburgh and Arches (Chatham) to the Council in 2021 to progress through to independent examination, referendum and adoption as part of the development plan for Medway.
- 4.9. The preparation of the Medway Local Plan will include a Sustainability Appraisal and a Diversity Impact Assessment. 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. The report considers the preparation of the Medway Local Plan. Associated risks are considered below.

Risk	Description	Action to avoid or mitigate risk	Risk rating
Lack of updated Local Plan	Risk of Government intervention in Medway's planning. Vulnerable position in resisting speculative development proposals in inappropriate locations.	Engagement with MHCLG, members and PINS on emerging Local Plan work and timetable to build confidence that the Council is progressing as quickly as due process allows in positively preparing a new plan.	C2

Risk	Description	Action to avoid or mitigate risk	Risk rating
		Publication of evidence base materials in advance of publication of draft plan.	
Delay in completion of evidence base documents.	Subsequent effect on Local Plan programme	Project management and engagement with consultees.	C2
Planning legislation reform	Impact on timetable, process and evidence for plan preparation.	Collation of robust evidence base to justify sound plan and liaison with MHCLG and PINS.	C2

## 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. Climate change implications

- 7.1. As a factual report on monitoring indicators, there are no direct climate change implications. However, the AMR provides information on a number of measures that show progress in addressing climate change. This includes the energy efficiency ratings of new homes, use of different transport modes, and the number of ultra-low emission vehicles licensed in Medway.

## 8. Financial implications

- 8.1. There are no financial implications arising from this report.

## 9. Legal implications

- 9.1. The Authority 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. There are no legal implications arising from this report.

## 10. Recommendation

- 10.1. The Cabinet is asked to approve the Medway Authority Monitoring Report 2020 for publication.

## 11. Suggested reasons for decision

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

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### Appendices

Appendix 1: Medway Authority Monitoring Report 2020 Volume 1  
Appendix 2: Medway Local Aggregate Assessment 2019 Dashboard

### Background papers

The Authority Monitoring Report (AMR) - Volume 2  
[https://www.medway.gov.uk/info/200149/planning\\_policy/597/local\\_development\\_scheme\\_and\\_monitoring/2](https://www.medway.gov.uk/info/200149/planning_policy/597/local_development_scheme_and_monitoring/2)