

COUNCIL

7 OCTOBER 2021

MEDWAY LOCAL PLAN

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

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Summary

This report outlines work on the draft Local Plan and sets out in detail the process for bringing forward the Plan for consultation in Autumn 2021. It also sets out the context for the preparation of the plan and how the vision, strategic objectives and spatial strategy for Medway's growth up to 2037 respond to key issues affecting the environment, communities and the economy.

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 Council is preparing a new Local Plan covering the period 2021-2037, which on adoption will replace the current Medway Local Plan, 2003. The Local Plan is being produced in conformity with the Planning and Compulsory Purchase Act 2004 and the Town and Country Planning (Local Planning) (England) Regulations 2012 (as amended).
- 1.2. Approval of the Medway Local Plan will be a matter for Full Council because it forms part of the Council's Policy Framework. This report sets out the process leading to the publication of the draft Local Plan for consultation.
- 1.3. The costs of preparing the Local Plan are met within the Planning Service budget.

2. Background

- 2.1. The Council is preparing to publish its draft Local Plan, setting out the direction of Medway's growth up to 2037. It provides direction for investment in homes, jobs and services, and policies to protect and enhance what makes

Medway special, and to deliver quality development that benefits our communities and respects the environment.

- 2.2. The Plan addresses the challenges of providing for high levels of housing need – up to 27,000 new homes by 2037, supporting economic growth, promoting better health in our communities, and addressing climate change. The Local Plan sets out a strategy for growth that will enable us to realise the vision and aspirations for Medway over the next two decades. The strategy has been developed in the context of the global pandemic, structural changes in retail and the economy, increased pressure for housing, speculative planning applications, major changes in government policies, wider recognition of the requirements to address climate change, health inequalities and raised awareness of the value of local places.
- 2.3. The Local Plan provides the framework to shape future growth. It is closely aligned to wider strategies and plans for Medway. It can help to realise opportunities to bring new uses and vitality into areas such as the town centres where many shops have recently closed as shopping patterns have changed. It can help to provide the connections that are critical to the city's success. It can provide for planned development, where new homes are phased with better services and infrastructure.
- 2.4. Medway is a complex and diverse area, including much land of national and international importance for wildlife; strategic infrastructure; and contrasting urban and rural areas. It is challenging to deliver the scale of growth needed in Medway, without significant change. It is the role of the Local Plan to guide that change and deliver development that is sustainable – balancing social, economic and environmental needs.
- 2.5. The Local Plan is a statutory requirement on the Council. The new Medway Local Plan contains strategic level policies and development allocations. The document is structured around a vision, strategic objectives, thematic based policies, development site allocations and a policies map setting out land designations.
- 2.6. The vision for the Local Plan promotes Medway's role as a city with revitalised centres and waterfront sites; growth which is fit for the future – addressing climate change and supporting new ways of living, travelling and working, and providing new opportunities for residents. It values the links with the natural and historic environments and supports healthier lifestyles. The Hoo Peninsula retains its distinctive character and contrasts - of remoteness and special places for nature, with its strategic economic and infrastructure role and thriving communities. Hoo St Werburgh and surrounding villages will have grown, providing a choice of services and facilities, reducing the need for residents to travel and supporting local community life. The Peninsula will be well connected to urban Medway through a range of travel choices.
- 2.7. The strategic objectives of the Plan are focused on aspects of sustainable development:

- Environmental – including addressing climate change; transport; green infrastructure and biodiversity; protection of natural resources, such as air quality, agricultural land, minerals and waste management.
- Social – including meeting housing needs for diverse sectors of the community; addressing health inequalities and tackling obesity; maintaining and providing a range of services and facilities and ensuring that development is accompanied by investments in infrastructure.
- Economic – supporting economic growth; realising opportunities in key sectors and benefiting from better links to the Universities and Colleges in Medway; and directing new investment and uses to town centres where retail patterns have changed.

2.8. The policies in the Plan are set out within broad topic areas, to provide a development strategy and site allocation policies, and strategic level policies for sustainable development for housing, employment, retail and centres, the natural and built environment, health and communities, infrastructure, transport, minerals, waste and energy. The strategy seeks to direct growth in Medway to meet the strategic objectives of the Plan. The draft Plan recognises that Medway has changed over recent decades and will continue to do so. In planning for Medway's future, the policy approaches acknowledge the challenges that need to be faced and identify opportunities. The challenges include adapting to and mitigating to the climate emergency, setting out changes in planning for transport, development and green spaces. There is a greater emphasis in the draft Plan on alternatives to car use, making more space for walking and cycling in and around Medway, and promoting sustainable travel choices. Medway's open spaces and countryside are seen as part of a wider green infrastructure network that provide a range of nature-based services. The Plan recognises the need for 27,000 new homes, and the scale of housebuilding required in Medway over coming decades. Planned growth is not just about housing numbers. It is putting the steps in place to secure services and infrastructure, to achieve quality design and a mix of housing types for all sectors of Medway's communities. The draft Plan reflects local regeneration, economic and cultural strategies to strengthen Medway's economy and extend opportunities for residents. There is a broad portfolio of employment sites and locations, and the draft Plan provides for flexibility in adapting to changing requirements of businesses and new opportunities. The draft Plan responds to structural changes in retail and sets out a proposed strategy for investment and renewal of Medway's main centres and High Streets.

2.9. It is anticipated that the most contentious part of the Plan will be the spatial strategy and proposed sites for development allocations, reflecting representations made at earlier stages of plan preparation and planning applications, and the experiences of other local planning authorities. Much of the growth is proposed in the urban centres and waterfronts and on the Hoo Peninsula. Town Centre masterplans have been prepared to support the urban regeneration strategy, and a Hoo Development Framework will be published with the draft Plan providing additional guidance to support a proposed strategic growth allocation on the Hoo Peninsula. The spatial strategy being put forward in the draft Local Plan is one based around

Government priority for urban regeneration. In Medway that focusses on our town centres and riverside sites. The second part of our strategy is the sustainable community at Hoo facilitated by £170m of Government money for infrastructure and again follows Government advice on meeting high levels of housing need. It is considered an appropriate strategy that is supported by evidence.

- 2.10. The Plan is supported by a comprehensive range of evidence base documents, including work commissioned for the draft Plan. A number of these documents are published as supporting documents to this report:
- Local Housing Needs Assessment and Housing and Demographics Report – these consider demographic and market data to provide evidence on Medway’s current and future populations and their housing needs, including affordable housing needs, housing mix and specialist housing types.
 - Employment Land Needs Update – this considers recent economic trends and the impacts of Covid, to provide an update to the evidence base on the quantum and mix of land needed for employment uses over the plan period.
 - Hoo Development Framework – this supports the proposed strategic development allocation on the Hoo Peninsula, providing a masterplan and principles to deliver growth of homes, jobs, services and infrastructure.
 - Hoo Peninsula Landscape Capacity and Sensitivity Study – this has informed the Hoo Development Framework and provides an assessment of the landscape functions in areas that could be impacted by proposed growth on the Hoo Peninsula.
 - Infrastructure Delivery Plan – this assesses the current range and condition of infrastructure in Medway and the needs for additional and expanded services to meet the needs of growth over the plan period.
 - Strategic Flood Risk Assessment and Sequential Test – this suite of documents provides evidence of how flood risk has been considered in the site selection process that has informed the proposed development strategy.
 - Waste Needs Assessment – this suite of reports considers the current basis and future needs of different waste streams in Medway over the plan period, to inform waste management policy in the draft Local Plan.
- 2.11. Further documents, including the Sustainability Appraisal (SA), incorporating Strategic Environmental Assessment (SEA), the Habitats Regulations Assessment (HRA), Consultation Report, Duty to Cooperate Report and Diversity Impact Assessment will be published with the draft Plan at the end of October 2021. The work on these additional supporting documents is well advanced and will be finalised when we have the outputs from the Strategic Transport Assessment regarding air quality impacts. Additional evidence base documents on transport, viability, retail, ecology and green infrastructure are being collated. This will enable the full suite of documents to be published for consultation alongside the draft Local Plan at the end of October 2021
- 2.12. Appendix 1 sets out the current draft of the Plan, which is subject to amendments following the considerations of the SA, SEA and HRA as outlined above. This early review of the draft Plan provides an opportunity for all members to consider the issues that the Plan needs to address, the

challenges to be met in shaping a strategy for Medway's growth and supports the lead into an effective engagement process at the formal Regulation 19 stage. Appendix 2 sets out the proposed policies map for the draft plan, including proposed sites for development allocations.

- 2.13. It is proposed that there will be an eight week period (extended beyond the statutory requirements) during which individuals and organisations can make representations on the draft Plan, and will be asked if they view that the Plan is legally compliant and sound. This is in line with legal requirements and meets the government's expectations on progressing the preparation of the Plan. The Council will review and collate the comments received during the consultation period and consider any changes that may be necessary to the Local Plan. Our intention is to submit the Plan in Spring 2022 to the Planning Inspectorate for independent examination. It is anticipated that the Plan will be adopted in 2023, following the conclusion of the examination, issuing of the Inspector's report and consultation on modifications to the Plan.

3. Options

- 3.1. There is a statutory duty on the Council to prepare a Local Plan to guide growth in its area. Therefore, it is appropriate to progress with the publication of the draft Plan as a key step towards an adopted Local Plan. There are a number of options that have been considered as part of the plan making process. These are outlined below.

Housing Needs

- 3.2. The Plan should be positively prepared to meet the area's development needs. Providing sufficient land to meet the needs for housing is a critical requirement of the Plan. Government directs local planning authorities to use the Standard Method for calculating Local Housing Need, unless exceptional circumstances can be justified and found sound by a Planning Inspector at examination. The Standard Method provides a formula-based approach to meeting the government's policy aims to boost the supply of housing and to reach 300,000 new homes a year. The calculation identifies an annual housing need of 1586 homes in Medway, and this is projected over the Plan period to give the level of development needed up to 2037. The Standard Method uses 2014 based household projections, and more recent data series are available.
- 3.3. Demographic information published by the Office of National Statistics (ONS) shows that rates of growth have declined in Medway in recent years. The later series of household and population projections indicate much lower levels of growth in Medway. The Council has considered if it is appropriate to use an alternative methodology to determine the level of housing needed over the Plan period. This assessment is set out in the Local Housing Needs Assessment, 2021, commissioned as part of the evidence base for the Local Plan. Options on levels of housing delivery have also been considered in the Sustainability Appraisal informing the draft Local Plan. Further, the Council has sought legal opinion on this matter, and Counsel has confirmed that it is

appropriate to use the Standard Method in preparing the Medway Local Plan. Although there are concerns about the Standard Method which the Council has set out in consultation responses to Government, the Council and its independent consultants have concluded that the local circumstances do not meet the very high requirements to justify 'exceptional circumstances'. The Council would expect significant objections to the use of an alternative methodology and detailed scrutiny by the Local Plan Inspector at Examination. The Inspector could reject the Plan as unsound or require the Council to use the Standard Method and allocate additional development sites to meet the levels of housing required. The expectation to use the Standard Method has been restated by government officers from the Department for Levelling Up, Housing and Communities in recent discussions with the Council.

Spatial Strategy

- 3.4. The draft Plan sets out a development strategy guiding Medway's growth up to the late 2030s. The strategy promotes urban regeneration and the strategic growth of villages on the Hoo Peninsula, together with a number of sites in suburban areas, many of which have been granted planning permission in recent years. The Council is required to look widely at options for how its development needs can be met. This has involved an iterative process of reviewing land availability and suitability as well as assessing alternative approaches to growth. The high level of housing needs, and the significant range of constraints in Medway (including the natural environment, infrastructure and viability) have made this a challenging and complex process. The reasonable alternatives to the development strategy are set out in the Sustainability Appraisal which will be published with the draft Plan. The assessment considers the potential for different development locations and sites to impact negatively or positively on sustainability.
- 3.5. In summary, the 'reasonable alternatives' include directing more growth to the suburban locations around Rainham and Capstone and release of Green Belt land to the west of Strood. The Council could also consider a strategy that did not meet development needs, but it would be required to reach agreement with neighbouring authorities to provide for Medway's unmet housing needs. Given the development pressures facing many areas in Kent, this is not a realistic option.
- 3.6. The proposed spatial strategy is considered to represent a sustainable approach to guiding Medway's growth. The focus on urban regeneration provides investment in centres, realising new opportunities for homes, jobs and services, providing a positive response to structural changes in retail and employment. The proposal for strategic growth on the Hoo Peninsula is supported by the investment in infrastructure, notably through the transport and environmental measures delivered through the Housing Infrastructure Fund programme.

Local Plan programme

- 3.7. The preparation of the Medway Local Plan is a complex process, involving the collation of a wide evidence base and balanced decision making on sites and policies. There is also ongoing significant change in government policy and strategic projects, such as the Lower Thames Crossing and London Resort that have implications for Medway.
- 3.8. The Council has reviewed the Local Plan programme and updated the risk register. It is considered appropriate to publish the draft Plan this autumn and following consideration of representations to proceed to submit the Plan for independent examination early next year.
- 3.9. It is important that the Council provides direction for Medway's growth, particularly in the context of significant speculative development proposals and a dated Local Plan. Therefore, it is critical that the Council progresses with the publication of the draft Plan in coming months, noting uncertainties in the wider policy and development context, but providing a clear and positive vision and strategy to guide Medway's growth and direct investment.

4. Advice and analysis

- 4.1. Following the completion of the work on the SA, SEA and HRA, the Plan content will be reviewed and a draft prepared for publication. It is proposed that the updated draft plan, that has been informed by SA, SEA and the HRA, be published for representations at the Regulation 19 consultation at the end of October 2021.
- 4.2. A Diversity Impact Assessment will be prepared for the publication of the draft Local Plan.
- 4.3. The Cabinet considered the report on 28 September and agreed the following:
 - that the draft Local Plan be reported to Full Council on 7 October 2021, seeking approval to publish the plan for representations for an extended period of 8 weeks from publication and recommended the Regeneration, Culture and Environment Overview and Scrutiny Committee to consider holding a meeting on 2 February 2022 to consider the item (decision number 100/2021)
 - to approve the publication of the Medway Local Development Scheme, 2021, as set out at Appendix 1 to the report, as the formal programme for the preparation of the Medway Local Plan (decision number 101/2021)
 - to delegate authority to the Director of Place and Deputy Chief Executive to, in consultation with the Portfolio Holder for Planning, Economic Growth and Regulation and the Head of Planning, to sign Statements of Common Ground on behalf of the Council on cross border strategic planning matters, as part of the requirements under the Duty to Cooperate (decision number 102/2021)

5. Risk management

5.1. The Local Plan is complex and subject to a range of external factors, and local constraints. Risk awareness and management has been integral to the Plan making process.

Risk	Description	Action to avoid or mitigate risk	Risk rating
Spatial strategy not deliverable	Plan does not provide for sufficient development – could be found unsound/additional sites allocated	Sites assessed on range of criteria, including viability and infrastructure dependencies	D2
Legal compliance	Publication of the Plan and supporting papers do not meet legal requirements.	Duty to Cooperate work, Counsel advice, use of Planning Advisory Service checklists and independent review of content and process.	D1
Soundness test	Plan proposals not properly justified.	Attention to evidence base	D2
Inadequate consultation and engagement	Lack of stakeholder involvement or frustration with process, including limited time in which to make comments.	Clear communications on Regulation 19 timetable and process. Considered consultation programme with focused engagement with key groups.	C3
Managing objections and responses	Capacity to manage high volume of responses; managing expectations and significant objections to the Plan.	Processing arrangements in place to manage consultation responses, and clear communications on Local Plan process and requirements.	C3

Risk	Description	Action to avoid or mitigate risk	Risk rating
Significant issues raised at Regulation 19	Issues indicate changes required to Plan – significant changes could require further consultation prior to Submission.	Strategy and content of plan clearly based in evidence and following legal requirements.	C2
Further government policy changes	Could require new policy or procedural approaches that may delay/change Plan.	Keeping abreast of anticipated changes; generally transition period for major policy changes.	B3
Government intervention	Government could intervene in Plan making process due to lack of up-to-date Local Plan, and reduce local input	Publish draft Plan as planned, to provide certainty to government on progress.	D3
Impacts of external strategic development	Projects such as the Lower Thames Crossing and developments on Medway's borders could impact on growth strategy.	Engagement on strategic development and planning matters; consideration of wider planned growth in transport evidence base.	B2

6. Consultation

- 6.1. The publication of the draft Plan for representations is a formal part of the plan making process, referred to as Regulation 19. This provides the opportunity to review the proposed plan, and its supporting evidence base and make comments on its legal compliance and soundness.
- 6.2. The Council intends to publish the draft Local Plan and supporting evidence for representations for eight weeks this autumn, from 29 October to 24 December 2021. The Council is under pressure to progress plan making and a lengthy extension to the statutory consultation process would be questioned by Government. However this programme goes beyond the legal requirements for six weeks and provides additional time for comments, recognising the interest in the plan and its complexity. All information will be published on the Council's website and hard copies of key documents will be available for inspection at a number of public libraries and at Gun Wharf during this eight-week period. The Planning Service will directly contact

organisations, groups, businesses and local people with an interest in the Plan, using its database of over 1000 contacts. The consultation programme will be discussed with members of the cross-party Development Plans Advisory Group, who have been involved through the Plan making process.

- 6.3. This paper to Full Council provides an early briefing on the draft content of the Plan. It is hoped that this approach will help to raise awareness of the formal consultation process. The Council will use the time between this meeting and the formal start of the consultation to alert key stakeholders and agree details of the consultation programme. It is recognised that the Local Plan is a matter of great interest for many residents, businesses and community groups across Medway. The Council will arrange briefings for members and parish councils, in advance of the wider consultation programme. The early briefings on the draft Plan respond to calls for more information, and help groups and residents prepare for the formal consultation process.
- 6.4. The Council's website will be the primary source of information on the Local Plan, and the Council's Communications team are working with the Planning Service to raise awareness of the publication of the draft Plan. A number of events and meetings will be planned as part of the consultation process, with consideration to public health, and those communities potentially most affected by the proposals in the Plan.
- 6.5. Given experience with other Local Plans promoting high levels of development, it is anticipated that many people and organisations will want to comment on the draft Plan. Following the close of the formal period for comments, the Council will review and collate the information received, consider any changes needed to the draft Plan, and the written representations will be submitted to the Planning Inspector with the draft Plan and its supporting evidence base.

7. Climate change implications

- 7.1. Climate change is one of the key issues to address in the Local Plan. It is recognised in the vision for Medway's growth and in the strategic objectives for the Plan.
- 7.2. The scale of growth needed in Medway over the Plan period will have impacts on use of resources, including transport, energy usage in homes and other buildings, and the natural environment. The Local Plan is one aspect of the policy framework and measures promoted by the Council to deliver its commitment to address climate change.
- 7.3. The Plan seeks to support sustainable development. The spatial strategy directs growth to urban regeneration sites that benefit from good accessibility for public transport, walking and cycling that reduce reliance on cars. The proposed strategic growth on the Hoo Peninsula seeks to deliver better access to services and transport choices and build better for the future of residents and the environment.

7.4. Many policies also directly seek mitigations and adaptations to climate change, including transport, housing design, energy, waste, flood and water management, and green infrastructure. Accessible town centres and local centres can also provide local services for residents and reduce the need to travel. Further details will be set out in the Sustainability Appraisal published with the draft Plan. This considers the options available for sustainable growth in Medway and assesses each policy and potential development site for its impacts on climate change.

8. Financial implications

8.1. The costs of preparing the Local Plan are met through the Planning Service budget. The draft Plan will include an updated policy on infrastructure, that directs developer contributions to mitigating the impacts of growth on services.

9. Legal implications

9.1. The Local Plan forms part of the Council's Policy Framework and must be prepared in accordance with statutory processes. These include conformity with the Planning and Compulsory Purchase Act 2004 and the Town and Country Planning (Local Planning) (England) Regulations 2012 (as amended).

9.2. As indicated at paragraph 6.3 above this report whilst seeking delegated authority to begin the consultation process is being brought at an early stage. Therefore, it has unfortunately not been possible to provide a complete suite of all the supporting assessments. Making determinations ahead of those documents being available would open up a significant risk of challenge.

9.3. It is important that Members retain their ability to influence the Local Plan through effective participation in the consultation process and in the later debate on the Plan when the responses from all stakeholders can be properly considered. Proposing changes at this stage would put this ability at risk in two respects. Firstly, in that any proposed change to the document ahead of having the complete suite of supporting documentation would be premature and secondly that it would mean that the evidence base which currently supports the emerging spatial strategy is not consistent with any changes made, thereby opening up the draft Plan to potential challenge.

9.4. The Local Plan has been developed over a period of time as would be expected to ensure that it is appropriately supported by a wide-ranging evidence base. It is vital that the Plan, in the form it will be consulted upon, is fully supported by that completed evidence base, without it there is a significant risk that the Plan will either be found unsound by an Inspector or challenged through a Judicial Review on the ground of irrationality as not all the relevant information would be available to support any decision to alter the document at this stage.

9.5. It is for this reason that Full Council is being asked to delegate to the [Deputy] Chief Executive [and Director of Place] in consultation with the Assistant Director Culture and Community and Head of Planning to finalise the content

of the Plan once the full evidence base is available and only at that stage publish the Plan to begin the Consultation Process.

- 9.6. As with all effective consultations the responses received during that period will influence and shape the final iteration of the Local Plan before it is submitted for Examination in Spring 2022. It goes without saying that the appropriate forum to suggest alterations to the draft is within that Consultation process. The Consultation will run for 8 weeks and is in compliance with the statutory regime.
- 9.7. Medway has been without an up-to-date Local Plan for a significant period of time, this has put considerable strain on the authority and has left it at risk of “planning by appeal” with a number of unfavourable sites being pursued for development by developers taking advantage of the age of the Plan and our significant housing targets. It is therefore imperative that we protect the integrity of the decision-making process as we enter the final stages of the work to adopt a new Local Plan

10. Recommendations

- 10.1. The Council is requested to:
- 10.2. Approve, on an in-principle basis only, the strategic aims of the Draft Local Plan.
- 10.3. To Delegate to the [Deputy] Chief Executive [and Director of Place] in consultation with the Assistant Director Culture and Community and Head of Planning the consideration of the completed SA/SEA and HRA and the making of any final amendments to the Draft Plan to take account of the completed SA/SEA and HRA
- 10.4. To delegate to the [Deputy] Chief Executive [and Director of Place] in consultation with the Assistant Director Culture and Community and Head of Planning the publication of the finalised Plan and proposed submission documents for consultation for a period of eight weeks, pursuant to the regulation 19 of the 2012 Local Planning Regulations.

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Appendices – included in Supplementary Agenda No.1

Appendix 1 - Medway Local Plan Pre-Submission Draft (draft)

Appendix 2 - Medway Local Plan Pre-Submission Draft Policies Map (draft)

Background papers

These are available on the Medway Local Plan Evidence Base webpage at:

https://www.medway.gov.uk/info/200149/planning_policy/519/new_medway_local_plan/2

- Local Housing Needs Assessment, and Housing and Demographics Report
- Employment Land Needs Assessment
- Hoo Development Framework
- Hoo Peninsula Landscape Capacity and Sensitivity Study
- Infrastructure Delivery Plan
- Strategic Flood Risk Assessment and Sequential Test
- Waste Needs Assessment