Medway Local Development Framework

Medway Annual Monitoring Report 2009

Volume 1 - Main Report

December 2009

Local Development Framework
Medway

Medway Council
Serving You

1. Introduction

Section 35 of the Planning and Compulsory Purchase Act 2004[1] requires every local planning authority to make an annual report to the Secretary of State containing information on the implementation of the local development scheme (LDS) and the extent to which the policies set out in local development documents are being achieved.

The report needs to look at statistical survey periods for monitoring and which are tied to the financial year. This report therefore covers the period **1 April 2008 to 31 March 2009**.

This is Medway's fifth Annual Monitoring Report (AMR) under the new development plans system. Its role is to report on the implementation of the Development Plan for Medway, including the Medway Local Plan 2003 (MLP) and to inform future policymaking.

It is a key component in the development of a comprehensive system for monitoring the current and emerging development plans in Medway as the Medway Local Plan is successively replaced by Local Development Documents (LDDs) within the portfolio known as the Local Development Framework (LDF).

A formal start was made on a new Core Strategy for Medway in December 2008. This was marked by the commencement of a continuous public engagement phase and scoping for the associated Sustainability Appraisal. This was in accordance with the Local Development Scheme, which was revised in November 2008.

To give a wider context to the Annual Monitoring report, previous AMRs made reference to the Council's residents' opinion poll. The poll was first carried out in 1999 and equivalent questions were asked each year in order that changes in residents' attitudes could be assessed over time. An opinion poll was not undertaken during the 2007 or 2008 survey years. However, in September 2008, the opinion poll was replaced by The Place Survey. This involves a questionnaire being sent to around 3,000 Medway residents to gather their views on local public service delivery. The survey contains around 40 questions asking residents for their views on the council and its partners. The survey is being carried out by local authorities nationwide, as specified by the government. Results from this survey are reported in section 3 of this report.

This report is produced in two volumes. Volume 1 is the main report with volume 2 containing detailed land availability tables.

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[1] Further details of this requirement are set out in Regulation 48 of the Town and Country Planning (Local Development) (England) Regulations 2004.

2. Summary

Key findings of the report

- **Local Development Scheme (LDS) -** Government legislation requires the Council to produce an Annual Monitoring Report (AMR) including progress of the Local Development Scheme for every financial year. The LDS sets out the timetable for the production of the Local Development Framework (LDF). The AMR needs to outline whether the implementation of the LDS is on target and whether milestones have been achieved.
- The LDS in force at April 2008 dated from April 2007 and was replaced by an updated document in November 2008. Progress reported in this AMR is against this November 2008 revision.
- The only key milestone for the relevant period was the SEA/SA scoping stage for the Core Strategy of November/December 2008. This was achieved.
- Significant progress was also made with a number of Supplementary Planning Documents.

- **Business Development –** Although losses have continued in the B1, B2 and B8 use classes, the good news is that some of these sites have been redeveloped for mixed B uses.

- **Housing –** Medway had the highest number of housing completions on record with 914 in 2008/09, despite the economic slowdown. The number of completions exceeded the South East Plan target of 815.
- With a net total of 983 dwellings currently under construction, the trajectory for next year looks healthy but performance thereafter will be heavily influenced by overall economic conditions.
- Flats account for a relatively low proportion of Medway's housing stock compared to the national average (13.4% compared to a national average of 20% at 2001), but it has been increasing recently. Nationally however this sector has seen the greatest contraction in the economic downturn so some slowdown is expected locally. Over the longer term however a strong recovery is expected as the size of households continues to decrease and key waterfront regeneration sites come forward.
- The number of new affordable housing units delivered was 408 in 2008/09. (*This is based on the SEPB[2] definition of an affordable housing completion*). This represented 45% of housing completions during the year, against a target of 25%. This exceptional performance can be accounted for by strong development activity from registered social landlords (RSLs) and active intervention by the Council.
- In 2008/9 the proportion of development on previously developed land was significantly higher than in the previous year at 51% (net). With greenfield sites gradually being built out and a number of regeneration sites, such as Rochester Riverside becoming available, it is anticipated that the figure will be well over the 60% target again in the near future.
- Ninety six percent of completed developments exceeded the national minimum requirement of 30 units per hectare, with the majority exceeding the South East plan target of 40 units per hectare.

[2] South East England Partnership Board.

- **Retail –** Retail accounts for a fifth of businesses in Medway though the sector has been declining over the past five years, a trend that is reflected across the South East. 'Public administration, education and health' was the biggest growing sector in Medway over this period.

- **Open Space –** three sites were submitted for Green Flag status in 2008 - Riverside Country Park, The Vines and Hillyfields. All reached the required standard.

- **Biodiversity –** Changes to monitoring arrangements for SSSIs by Natural England make it difficult to determine any long-term trend in the condition of these sites.

- **Renewable Energy –** two applications were permitted, one for solar power and one for wind power.

- **Minerals –** Production levels of land won materials at 19,903 tonnes were down compared to the previous three years.

- **Waste –** The volume of household waste in Medway decreased by six percent in 2008/09, compared to the previous year. While Medway remains dependent on landfill, the volume of household waste sent to landfill decreased by 10%. Municipal recycling rates increased slightly to 20.4% in 2008/09 back up to a similar level as in 2006/07, having dropped in 2007/08. This is in line with the 2008/09 target.

2a. LDS and Core Output Indicator Summary Tables

Table 1 Progress Against Local Development Scheme in force at November 2008

Local Development Document (LDD)	Stage(s) to be reached from April 2008 - March 2009	Time Achieved
Medway Core Strategy DPD	***SEA/SA scoping: November/December 2008***	***November/December 2008***
Chattenden AAP	***None***	***N/A***
Chatham Interface Land and Historic Dockyard Development Brief	***Start September 2008***	***Work suspended due to economic downturn***
Lower and Upper Upnor Development Brief	***Dependant on disposal plans of MoD***	***Not started***
Liveability Standards	***Start January 2009***	***January 2009 but ongoing***
Corporation Street Development Brief	***Consultation draft August 2008 Adoption December 2008***	***July 2008 November 2008***
Chatham World Heritage Site Management Plan	***Start November 2008***	***April 2008***
Annual Monitoring Report	***December Annually***	***December 2008***
Medway Proposals Map	***When DPDs adopted***	***N/A***

Performance against Core Output Indicators

BUSINESS DEVELOPMENT

- BD1 Amount and type of completed employment floor space.

	B1	B2	B8	Mixed B
Gross	6771m^2	1842 m^2	5293 m^2	8617m^2
Net	-2080 m^2	-1730 m^2	1790 m^2	8617 m^2

- BD2 Amount and type of completed floor space (gross) coming forward on previously developed land (PDL).

B1	B2	B8	Mixed B
6726 m^2 (99.3%)	1842 m^2 (100%)	5293 m^2 (100%)	8617 m^2 (100%)

- BD3 Amount and type of employment land available (hectares).

B1	B2	B8	Mixed B
61.11 ha	41.11 ha	32.93 ha	89.66 ha

- BD4 Total amount of floor space for town centre uses (A1/A2/B1a/D2).

	A1 (m^2)		A2 (m^2)		B1 (m^2)		D2 (m^2)	
	Gross	Net	Gross	Net	Gross	Net	Gross	Net
Town Centre	5567	2787	177	11	88	-7	0	0
Remainder of LA	8218	6198	144	0	6683	-2073	294	294
TOTAL	13785	8985	321	11	6771	-2080	294	294

B1a is not monitored separately

HOUSING

- H1 Plan period and housing targets:

  South East Plan 2006-2026**; 16,300 dwellings**

- H2(a) Net additional dwellings - in previous years. 2006-2008: **1352 dwellings**
- H2 (b) Net additional dwellings - for the reporting year 2009: **914 dwellings**
- H2 (c) Net additional dwellings – in future years.

Expected delivery over the next 15 years (commitments on large and small sites)

Years	0-5 years	5-10 years	10-15 years
No of dwellings	4,313	2,481	1,392

- H2 (d) Managed delivery target.
  Will be available in future years once identified through the Strategic Land Availability Assessment (SLAA) and the LDF.
- H3 number of new and converted dwellings on previously developed land (gross). – **53.9%** (Total gross completions - **972**. Total PDL gross completions - **524**)

- H4 Net additional pitches (Gypsy and Traveller) - **None**
- H5 Gross affordable completions - **408 units**
- H6 Housing Quality - Building for Life Assessments - **Not available**

ENVIRONMENTAL QUALITY

- E1 Number of planning permissions granted contrary to Environment Agency advice on flooding and water quality grounds - **None**
- E2 Changes in areas of biodiversity importance - **None**
- E3 Renewable energy generation – **2 (1 wind, 1 solar)**

MINERALS

- M1 Production of primary land won aggregates – **19,903 tonnes**
- M2 Production of secondary/recycled aggregates – **267,290 tonnes**

WASTE

- W1 Capacity of new waste management facilities - **None**
- W2 Amount of municipal waste arising, and managed by management type.

  Recycled: 24,870 tonnes (20.4%), Composted: 16,059 (13.2%), Used to recover heat, power, other energy solutions: 1729 tonnes (1.4%), Land filled: 80,761 (65%).

3. Context and Key Characteristics

History - Situated on the Thames Estuary 30 miles/48 kms east of London, Medway Council was created in 1998 from the former councils of Rochester, Gillingham under Kent County Council. The Borough comprises the five historically separate settlements of Rochester, Chatham, Gillingham, Strood and Rainham and part of Strood Rural. These have now coalesced into a major conurbation with significant adjacent rural areas. The River Medway, which links the towns, gives the Borough its name.

For around 300 years the Chatham Dockyard and associated industries provided the focus for both economic and population growth. After the last war the area also accommodated population overspill from London leading to the creation of the new suburban neighbourhoods of Lordswood, Walderslade and Hempstead. As a result Medway now has a population that makes it amongst the largest urban areas in the southeast outside London.

This legacy poses challenges in terms of integrating what were once competing towns, achieving large-scale physical regeneration along the urban waterfront and restructuring the local economy.

Employment & Economy –The employment rate in Medway is higher than both the regional and national rate.[3] Despite this, people in employment in Medway are more likely to be in lower paid and lower skilled jobs than in other parts of the southeast[4]. The close proximity of London attracts a significant proportion of the workforce through out-commuting by road and rail. Large numbers also travel out each day to other centres in Kent for work.

The economy has diversified radically since the Dockyard closed but much still remains to be done to put economic performance on a par with the rest of Kent and the South East Region.

Transport - Medway has transport links direct to the continent by road, rail and sea and to London by road and rail. Ashford International is 25miles/40 kms southeast of Medway while the Ebbsfleet Terminal is 12 miles/19 kms west. Within the Borough the main roads are the A2 for east-west travel and A228/A229 for north-south movements. The A289 Medway Towns Northern Relief Road provides a northern by-pass while the M2 motorway has an equivalent role to the south.

Traffic growth in Medway is higher than in most other areas and bus patronage is lower than in equivalent areas. With the focus on central area regeneration there is an obvious need to improve public transport capacity, quality and reliability.

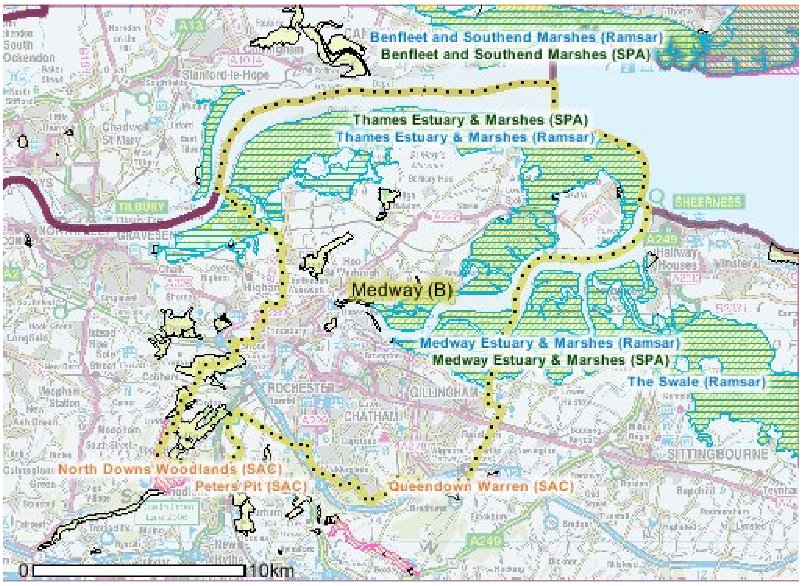
Learning and Skills – Traditionally Medway had a much smaller proportion of young people going on to Higher Education than the national average. With the development of a regionally significant HE/FE[5] hub at Chatham Maritime and

[3] Annual Population Survey, ONS, 2008/09
[4] Annual Survey of Hours and Earnings, ONS, 2008
[5] Higher Education/Further Education

Brompton this is now changing rapidly and there is considerable scope to capture associated economic benefits.

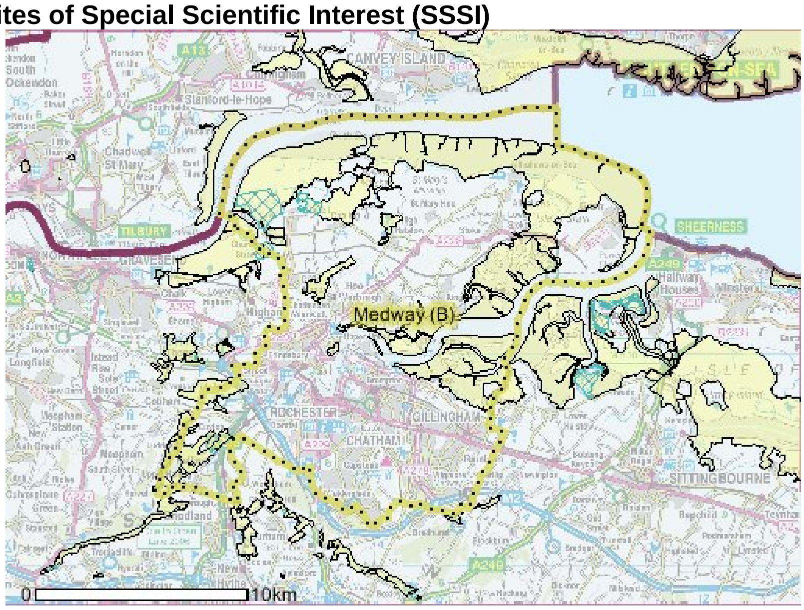
Natural Environment and Built Heritage– The area has a hugely rich and diverse natural environment that includes marshes of international significance (map 1), a large block of the Kent Downs Area of Outstanding Natural Beauty (AONB), Sites of Special Scientific Interest (map 2) and networks of Areas of Local Landscape Importance and Sites of Nature Conservation Interest. It also has large concentrations of the best and most versatile agricultural land. These assets are subject to many pressures but much good work is being done to safeguard and enhance them and to respond to climate change through enhanced land management.

Map 1. International Sites of Nature Conservation Value



Source: © Crown copyright. All rights reserved. Natural England 100046223, 2007. [*http://www.natureonthemap.org.uk/map.aspx*](http://www.natureonthemap.org.uk/map.aspx)

Map 2. Sites of Special Scientific Interest (SSSI)



Source: © Crown copyright. All rights reserved. Natural England 100046223, 2007. [*http://www.natureonthemap.org.uk/map.aspx*](http://www.natureonthemap.org.uk/map.aspx)

As well as 3 country parks, Medway Council is responsible for 48 other natural sites, scattered throughout Medway. Some of these areas are so important to wildlife that they have been designated as Sites of Nature Conservation Importance and/or Local Nature Reserves.

Although significant parts of the main urban area need to be regenerated this has to be balanced against the many listed buildings, conservation areas and scheduled ancient monuments that exist (see table below). In Chatham proposals for a potential World Heritage Site are well advanced.

Table 2: Listed buildings, conservation areas and scheduled ancient monuments

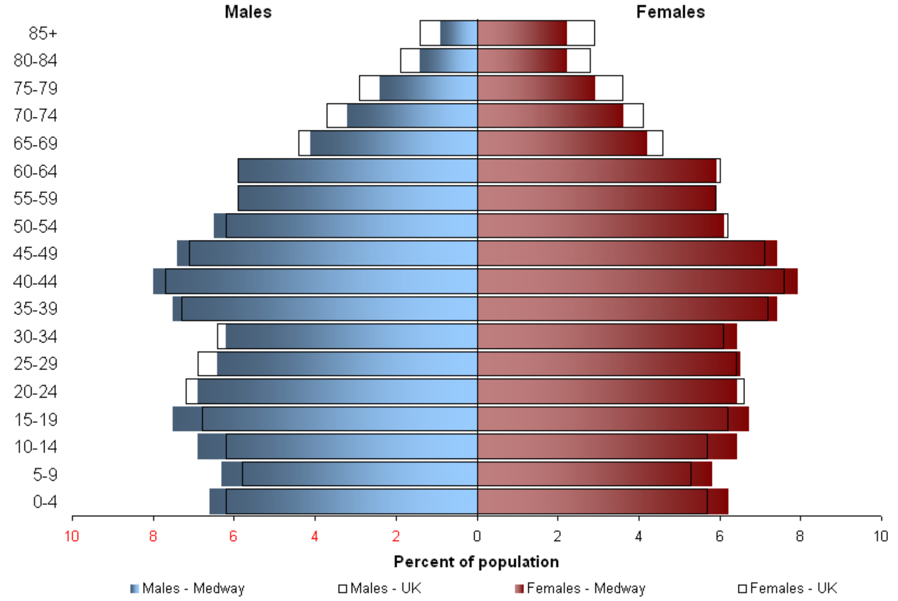
Type	Total
Listed Buildings	780 (604 entries[6] on the list)
Buildings of Grade I and Grade II* at risk of decay	3 Grade I, 3 Grade II*
Conservation Areas	26
Scheduled Ancient Monuments	72
Historic Parks & Gardens	1

Population

With a population in excess of a quarter of a million in 2008, Medway is the largest urban area in Kent and is one of the largest unitary authorities in the southeast outside of London.

Medway is a relatively “young” borough when compared to the UK with more young people (0-19) and less elderly (65+). Of the sixty-seven Local Authorities in the South East, Medway is joint 6th youngest, with 26% of the population aged under twenty[7].

Chart 1: Medway population - 2008



[6] Some of these refer to more than one building. A terrace might for example have one entry but comprise ten houses.
[7] Mid year estimates 2008.

In Medway, average life expectancy at birth at 76.6 years for males and 81 years for females is lower than life expectancy for the South East and England & Wales[8]. Early deaths from heart disease & stroke, cancer and smoking are above the national average[9].

Figures from the Annual Population Survey show that:

Medway has a lower proportion of the working age population who are economically inactive than nationally – 20.3% against 21.1% - but higher than Kent (19%) or the South East (17.5%).

Medway had a lower proportion of the working age population with no qualifications in 2008 than in Great Britain, 9.9% against 12.4% nationally. While 22.8% of people are educated to degree level or higher in Medway, compared with 29% nationally, this gap has narrowed considerably since 2005.

Ethnic groups make up 7% of the population, which is lower than the national average. However, they are diverse and include several groups whose first language is not English[10].

In 2008 Medway's population increased naturally – births exceeding deaths - by 1,300 people. In 2007 the population increased by 500, previously Medway's population had been static between 2003 and 2006[11].

The 2006 sub national population projections show a fairly constant annual increase over the next 20 years. By 2028 the population of Medway is forecast to increase by 24,000 people, with the elderly accounting for a significant proportion of this.

[8] 2005-2007, ONS.
[9] 2005-2007, APHO and Department of Health. © Crown Copyright 2009.
[10] Population Estimates by ethnic group, 2005, published in 2007 by ONS.
[11] Mid Year Estimates, 2008, ONS.

The Place Survey 2008

In December 2008, a questionnaire consisting of around 40 questions designed to find out views on local public service delivery was sent to residents across the UK. Around 1,080 Medway residents responded, the results are listed below:

Table 3: Results from The Place Survey 2008

		Medway	South East	England
YOUR LOCAL SERVICES: % PEOPLE VERY OR FAIRLY SATISFIED WITH…..	**keeping public land clear of litter and refuse**	49.9	59.8	56.9
	refuse collection	82.4	76.8	77.6
	doorstep recycling	79.3	68.2	69.8
	local tips/household waste recycling centres	76.5	72.6	71.2
	local transport information	42.5	44.3	48.0
	local bus services	48.7	48.9	55.2
	sport/leisure facilities	40.6	49.4	46.2
	libraries	67.3	70.2	69.0
	museums/galleries	35.9	40.8	41.5
	theatres/concert/halls	43.7	46.7	43.2
	parks and open spaces	58.8	72.6	68.5
		Medway	**South East**	**England**
Value for Money…	**strongly or tend to agree local council provides value for money?**	27.4	34.4	33.2
Overall satisfaction with council..	**very or fairly satisfied with how council runs things**	39.5	47.0	45.4
More involved in decision making?	**Generally speaking would you like to be more involved in the decisions that affect your local area**	31.5	26.7	26.6
18 NATIONAL INDICATOR QUESTIONS	**% who agree that their local area is a place where people from different backgrounds get on well together (NI 1)**	70.4	78.9	76.4
	ci[1] (+/-)	4.3	0.4	0.2
	% who feel they belong to their immediate neighbourhood (NI 2)	55.0	58.3	58.7
	ci (+/-)	4.1	0.4	0.2
	% who have been involved in decisions that affect the local area in the past 12 months (NI 3)	14.7	14.2	14.0
	ci (+/-)	3.0	0.3	0.1
	% who agree that they can influence decisions in their local area (NI 4)	23.4	28.2	28.9
	ci (+/-)	3.6	0.4	0.2
	% who are satisfied with their local area as a place to live (NI 5)	67.8	82.8	79.7
	ci (+/-)	3.7	0.3	0.1
	% who have given unpaid help at least once per month over the last 12 months (NI 6)	20.6	24.8	23.2
	ci (+/-)	3.5	0.4	0.2
	% Who think that anti-social behaviour is a problem in their local area (NI 17)	25.0	16.2	20.0
	ci (+/-)	3.5	0.3	0.2
	% who agree that the police and other local public services are successfully dealing with anti-social behaviour and crime in their local area (NI 21)	23.2	26.2	26.3

	ci (+/-)	3.4	0.4	0.2
	% who agree that in their local area parents take enough responsibility for the behaviour of their children (NI 22)	19.2	30.9	29.6
	ci (+/-)	3.2	0.4	0.2
	% who think there is a problem with people not treating each other with respect and consideration in their local area (NI 23)	39.9	28.1	31.2
	ci (+/-)	4.1	0.4	0.2
	% who agree that the police and other local public services seek people's views about anti-social behaviour and crime in their local area (NI 27)	23.8	23.7	24.8
	ci (+/-)	3.4	0.3	0.2
	% who feel informed about what to do in the event of a large-scale emergency (NI 37)	12.4	15.5	15.3
	ci (+/-)	2.6	0.3	0.1
	% who think that drunk and rowdy behaviour is a problem in their local area (NI 41)	35.1	26.6	29.0
	ci (+/-)	4.0	0.4	0.2
	% who think that drug use or drug dealing is a problem in their local area (NI 42)	36.0	24.4	30.5
	ci (+/-)	4.4	0.4	0.2
	% who say their health is good or very good (NI 119)	76.0	79.3	75.8
	ci (+/-)	3.4	0.3	0.2
	% people aged 65 and over who are satisfied with both home and neighbourhood (NI 138)	77.1	85.5	83.9
	ci (+/-)	8.1	0.6	0.3
	% who think that older people in their local area get the help and support they need to continue to live at home for as long as they want to (NI 139)	23.9	28.4	30.0
	ci (+/-)	3.4	0.4	0.2
	% who would say that they have been treated with respect and consideration by their local public services in the last year (NI 140)	67.9	75.8	72.4
	ci (+/-)	4.1	0.4	0.2

Source: Communities and Local Government
Note: ci - confidence interval at 95% level

- The handling of waste and recycling scored highly with Medway residents, with 82% very or fairly satisfied with refuse collection, 79% very or fairly satisfied with doorstep recycling and 77% very or fairly satisfied with local tips/household recycling centres. 50% were very or fairly satisfied with keeping public land clear of litter and refuse.
- 68% of residents were satisfied with Medway as a place to live, with 55% feeling they belong to their immediate neighbourhood.
- 77% of people aged 65 or over were satisfied with both their home and neighbourhood.
- 68% of residents would say that they have been treated with respect and consideration by their local public services in the last year.
- Towards the bottom of the ratings for Medway, 14.7% of residents felt that they had been involved in decisions which affect the local area in the past 12 months, although this is broadly in line with the rest of the South East and England.

- Only 19.2% of Medway residents feel that parents take enough responsibility for the behaviour of their children in their local area, compared to 30.9% in the South East and 29.6% in England, and 25% of Medway residents feel that anti-social behaviour is a problem in their local area.

Housing

Medway's housing stock by type (see table 5) is not typical of the regional or national average. Medway has a large proportion of owner occupied properties; higher than the national rate (see table 4). As a consequence the rented sector is smaller but has shown signs of increasing since the previous Census (22.0% in 1991 to 24.2% in 2001), which is likely to be due to the buy to rent market.

Table 4: Housing tenure

	Medway %	South East%	England and Wales %
Total of owner occupied	75.0	74.0	68.9
Local Authority rented	4.3	7.4	13.2
Housing Associations/Registered Social Landlord rented	9.2	6.6	6.0
Private sector rented	8.1	8.7	8.7
Other rented	2.7	3.3	3.2
Total of rented households	24.2	26.0	31.1

2001 Census Crown copyright

The limited rented property - only 70% of the national average live in LA/HA housing - and the lower sized private sector rented sector implies a restricted choice in comparison with other areas as shown in table 3.

The housing stock in Medway is predominantly made up of terraced and semi-detached houses. Terraced houses make up just over 42% of housing in Medway, which is significantly above the national and regional average. There are proportionately less flats in Medway than in the South East and England & Wales. However flats account for 12.6% of housing stock in 2001, up from 11.2% in 1991.

Table 5: Type of housing (%) – household spaces (unshared dwellings)

	Medway	South East	England & Wales
Detached	14.0	29.4	22.6
Semi-detached	30.2	28.6	31.7
Terraced	42.2	23.2	25.9
Flats	12.6	18.1	19.4
Other	1.0	0.7	0.4

Source: Census Crown copyright Table UV56 (ONS updated 2004)

A lower percentage of properties being vacant in Medway and the South East is an indication of market pressure.

Second homes in Medway account for a lower proportion of the housing stock than other areas. Were this to increase it would add to pressures on the market.

At 2.48, Medway has a larger household size than the region or England & Wales overall.

Housing Stock

The Medway Council Housing Condition Survey 2006 estimates that there are 103,057 dwellings in Medway Council's area. This excludes council homes, which would add a further 3,161 dwellings.

Owner occupation accounts for 83.3% of the housing stock, 8.2% is privately rented, 2.2% is rented from a registered social landlord and the remaining 6.3% is rented from Mhs homes.

There appears to be no significant problem with empty dwellings in Medway with 98% of housing occupied in 2006.

Table 6: Distribution of Dwellings in Medway by Construction Date (%)

	Pre 1850	1850-1899	1900-1918	1919-1944	1945-1964	1965-1975	1976-1981	Post 1981
Medway	0.68	10.36	11.54	13.62	24.30	14.56	8.19	16.75

Source –Medway Council HCS 2006

Housing in Medway shows an age profile broadly consistent with that of the South East and England, although there are slightly more pre-1919 dwellings and slightly less of the most recently built.

The distribution of housing by construction age shows that 36.2% of properties were built before 1945, of these 22.6% were constructed before 1919 and 13.6% were built between the wars. The majority of housing in Medway (63.8%) has been built since 1945.

In comparison, the English House Condition Survey (2001) reports that nationally, 60% of houses were built before 1945, with 21% having been built before 1919.

4. Medway's Community Plan 2007 – 2010

The Community Plan for Medway is a key strategic planning document. It identifies the top priorities for the area that key partners will work to address. The Medway Local Strategic Partnership led the development of this plan and the priorities were identified in consultation with local communities and partner agencies.

The 2007-2010 plan is the third Community Plan for Medway, which is to be updated in 2010 by a new Sustainable Community Strategy.
The Local Strategic Partnership is an umbrella body, which brings together more than 350 organisations representing the communities of Medway. These organisations include local businesses, voluntary and community organisations and public bodies including the police, the health service and the council.

The partnership has agreed the following vision for Medway:

MEDWAY city of learning, culture, tourism and enterprise

To work towards delivering the vision, the partnership has identified 10 priorities for the next three years. These are:

1. Ensure the safety and well being of children and young people so they can play a productive part in Medway's society;
2. Reduce anti-social behaviour to increase people's feelings of safety;
3. Increase and improve local employment opportunities so more local people can work in Medway;
4. Increase vocational training opportunities available for all ages;
5. Realise Medway's cultural ambitions as the City for the Thames Gateway;
6. Deliver accessible and integrated transport options to support the regeneration of Medway;
7. Enable people to remain healthy and independent, especially older people and other vulnerable groups;
8. Empower local people to have greater participation and influence in local affairs;
9. Improve the quality of life for existing and new communities by ensuring that regeneration and development is matched to the natural resources and infrastructure available;
10. Cherish and enhance Medway's urban and rural heritage and the important resources of open space, countryside, and wildlife habitats.

The Council has 6 priority areas, these are:

- A clean and green environment;
- Safer communities;
- Children and young people having the best start in life;
- Older and vulnerable people maintaining their independence;
- People travelling easily and safely in Medway;
- Everyone benefiting from the area's regeneration.

5. The Development Plan

During the year covered by this report the development plan for Medway comprised:

- RPG9 Regional Guidance for the South East (2001 with subsequent amendments)
- RPG9a The Thames Gateway Planning Framework (1995)
- The Kent & Medway Structure Plan (2006)
- Kent Minerals Plan (various dates)
- Kent Waste Local Plan (1998)
- The Medway Local Plan (2003).

The Regional Assembly (SEERA) was responsible for monitoring RPG9 and RPG9a. Medway was jointly responsible with Kent County Council for monitoring the structure plan, waste and minerals plans and solely responsible for the Medway Local Plan.

However on 31st March 2009 the Regional Assembly dissolved itself and the South East England Partnership Board (SEEPB) replaced it. In May 2009 (outside this monitoring period) the South East Plan was adopted, fundamentally changing the structure of the development plan.

6. Local Development Scheme Implementation

Under the new development plans system, the council has to prepare a series of Local Development Documents to eventually replace the Medway Local Plan, the Kent Waste Local Plan, the Kent Minerals Local Plan and where relevant, the Kent and Medway Structure Plan.

The Local Development Scheme (LDS) sets out the intended programme and project plan for the production of the various documents that will make up the Local Development Framework. It is a requirement that performance is monitored and reported in the AMR. This AMR therefore considers the milestones reached during the period April 2008 to March 2009. The relevant LDS is the March November 2008 version.

The Council has also been required to self assess its performance in this area to assist with the calculation of Housing and Planning Delivery Grant.

With the publication of a revised PPS12 in the summer of 2008 it was clear that all LDSs would need to be revised and this was done through the November 2008 revision.

Table 7: Progress against November 2008 to March 2009

Local Development Document (LDD)	Stage(s) to be reached from April 2008 - March 2009	Time Achieved
Medway Core Strategy DPD	***SEA/SA scoping: November/December 2008***	***November/December 2008***
Chattenden AAP	***None***	***N/A***
Chatham Interface Land and Historic Dockyard Development Brief	***Start September 2008***	***Work suspended due to economic downturn***
Lower and Upper Upnor Development Brief	***Dependant on disposal plans of MoD***	***Not started***
Liveability Standards	***Start January 2009***	***January 2009 but ongoing***
Corporation Street Development Brief	***Consultation draft August 2008*** ***Adoption December 2008***	***July 2008*** ***November 2008***
Chatham World Heritage Site Management Plan	***Start November 2008***	***April 2008***
Annual Monitoring Report	***December Annually***	***December 2008***
Medway Proposals Map	***When DPDs adopted***	***N/A***

7. Indicators

This AMR considers three types of indicators – Core Output Indicators defined by central government, Local Output Indicators defined by the Council plus additional contextual indicators.

1. Local Development Framework Core Output Indicators. These are set by government and cover a broad range of land use and environmental subjects.

2. Local Development Framework Local Output Indicators. These help collect evidence that is locally important which is not covered by the above. The identification of these will be part of the ongoing LDF process.

3. Contextual Indicators. These help explain how factors happening on a broader scale are affecting the Borough, for example wider economic changes. Sometimes the frequency of the data sets mean that this contextual data will remain unchanged for year to year e.g. Census, and therefore proxy or anecdotal data may be required in subsequent years.

The Council tends to monitor thematically using a range of indicators. This has comprised Core Output Indicators, plus additional contextual and local indicators to identify emerging trends. Prior to the statutory need for an AMR to be produced, this thematic monitoring was reported via the Council's annual Housing Land Supply reports and related documents for Employment and Retail.

Volume 2 of the 2007 AMR contained a significant number of indicators that were defined as Local Output Indicators (7b). Primarily these were defined through the Sustainability Appraisal. As work on the Local Development Framework has been re-started new indicators have been developed for the associated Strategic Environmental Assessment/Sustainability Appraisal (SEA/SA) and a monitoring framework established. However, the monitoring framework is still being developed so detailed reporting information has not been included in this AMR.

7a. Core Output Indicators

Central Government has defined a set of core output indicators which local authorities are required to address in their Annual Monitoring Report (AMR) under the themes:

- Business Development (BD1, BD2, BD3, BD4)
- Housing (H1, H2a, H2b, H2c, H2d, H3, H4, H5, H6)
- Environmental Quality (E1, E2, E3)
- Minerals (M1, M2)
- Waste (W1, W2)

The numbers in brackets above are the Core Output Indicators listed under each theme. The Core Output Indicator data is considered below and summarised in the summary table located within the executive summary at the front of this document.

Policy Monitoring

A new addition to the tables in volume 2 are those relating to refusals. Although applications for industrial/commercial/retail and housing are monitored the majority are housing proposals.

Table 5, section 1 in volume 2, lists all the refusals that were monitored during the year.

Section 2 looks at the main reasons for refusal under the following headings: -

- Development Policy
- Transport Infrastructure
- Design and Layout
- Amenity & Environment
- Sustainable Economic Development
- Other

Table 8: Number of refused applications received in the year ending 31st March 2009

Application Type	Number of refused applications	Percentage of refusals	Main category for refusal
B1-B8 (Industrial)	9	5.5%	Amenity & environment and design & layout
Residential	126	77%	Design & layout and amenity & environment
Mixed Use	7	4%	Amenity & environment
Commercial Leisure & Other Commercial	13	8%	Design & layout and development policy
A1 (retail)	9	5.5%	Development policy
Total	164	100	

BUSINESS DEVELOPMENT

Overview

The number of businesses in Medway has increased steadily since 1998, standing at just over 8,100 business units in 2007, an increase of 18% over this period. This is higher than the national business growth rate (+16%).

Historically manufacturing in Medway has been in decline. In 2003 manufacturing accounted for 8% of businesses; in 2007 this was down to 6%. This is a trend which is reflected nationally.

Over the past five years the fastest growing sector in Medway is 'Public administration, education and health' (+22%) followed by 'Banking finance and insurance' (+19%).[12]

Progress on major sites during the year

- Chatham Maritime - The Chatham Quays development was under construction. As well as the two iconic residential towers, the wharf buildings will provide retail and leisure uses.
  The St Georges Centre was converted into a new Chamber for the Council. The first meeting took place in the Spring of 2009.
  The University of Greenwich teamed up with Reinshaw, a leading UK manufacturer of precision products, to create the Reinshaw Centre for Manufacturing Productivity on its Chatham campus.
  The Universities at Medway were honoured in the I Civic Trust Awards, both the Drill Hall Library and the Pilkington Building received commendations.
  Three student accommodation blocks were completed providing 144 bedrooms.

- Historic Dockyard - Work continued to convert the disused Smithery building into a visitor gallery and museum, together with three B1 units. Meanwhile work to renovate the adjoining Joiners shop was completed.
  The Dockyard was used as a film set, with the latest Sherlock Holmes movie being shot during the winter months.
  Just along the river the vacant Lloyds of London Building was sold to Medway Council and is now occupied with staff moving into the offices during the spring/summer of 2008.

- Gillingham - Work commenced on the £86 million Mid Kent College Campus in Prince Arthur Road. It will accommodate students from the City Way and Horsted sites. The new Campus opened its doors in September 2009.
  The Black Lion Sports Centre refurbishment and extension commenced ahead of the 2012 Olympics. Once the transformation is complete the centre will be known as Medway Park.
  On the former Akzo Nobel site in Pier Road construction started on 600 units of student accommodation and 144 units were completed at Eastbridge. The

[12] Source: Annual Business Inquiry, 2008, ONS

former site, when complete, will include residential development, hotel, supermarket, restaurant and offices.
The former Council Offices at the Municipal Buildings were sold with plans for its conversion to a care home.
Jeffery Davies and Davies moved into the former RHM Frozen Foods regional headquarters (Grosvenor House) on Gillingham Business Park in the summer of 2008.

- Chatham - Fort Amherst was also the scene for a film set. 'The Royal Flush' was filmed in the historic tunnels in November 2008.
  The Medway Innovation Centre adjoining Rochester Airport was completed, providing accommodation for 40 new small companies and a large space for an anchor tenant.
  A care home in Palmerston Road was demolished; it will be replaced by a 112-bed care home for people with dementia.

- Strood - Gazeley Properties acquired the former Tesco distribution centre in Knight Road.
  The former Alloy Wheels site was cleared to make way for a multi-million pound redevelopment, which could bring about 400 jobs to the area.
  New business units in Knight Road were almost ready for occupation by the year end. Space Business Centre has 51 units ranging from 350sq ft to 776sq ft. When fully occupied the businesses could provide 150 jobs. Incentives were being offered to help fill the units.

- Peninsula - Proposals by EON for a new coal fired power station at Kingsnorth led to an anti climate change camp being set up in August 2008.
  The construction of a 40,000 sq.m combined cycle gas turbine power station, adjacent to the existing Grain Power Station commenced.
  One of the world's largest ships arrived in Medway in November with the UK's largest ever delivery of liquified natural gas (LNG). The *Al Khuwair* docked in Grain, carrying 5 billion cubic feet of LNG from Qatar, enough to fuel 4.5 million homes for a week. At almost 1,000 ft long - the length of 33 double-decker buses, the vessel is the largest ever to visit the Medway.

- Rochester - Premier Inn, the budget hotel operator, had plans for a 120-bedroom hotel at Medway Valley Park.
  Vincents Building Supplies Ltd at Rochester Airport made 11 people redundant and called in the administrators. The firm had thrived since opening in 1969, but became the latest victim of the economic downturn.
  The Registry Office for births, marriages and deaths moved from it's former office in Maidstone Road, Chatham to the former library in Northgate.

- Medway City Estate - Europe's first online gym 'Virtual Gym TV' opened in Neptune Way in August.

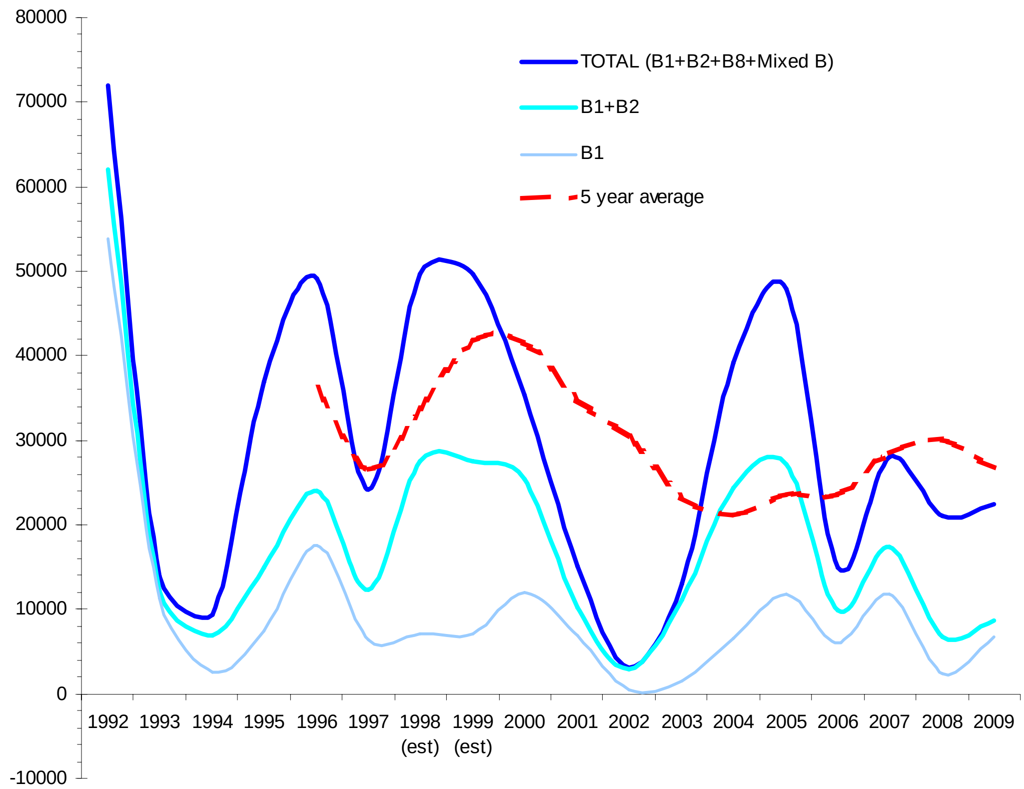
The baseline position and overall trend in terms of both gross and net additions to employment floor space is illustrated in the following tables and charts.

Table 9: Employment summary statistics; planning consents valid 1 April 2008 to 31 March 2009 (sq.m.)

	B1 (sq.m.)	B2 (sq.m.)	B8 (sq.m.)	Mixed B (sq.m.)
Completions				
Development completed in survey	6,771	1,842	5,293	8,617
Lost due to redev./reconstr.	-8,851	-3,572	-7,083	0
	-2,080	-1,730	-1,790	8,617
Commitments				
Not started	26,551	12,127	8,059	21,190
Under construction	4,200	5,875	1,750	14,437
Completed but vacant	0	0	0	0
	(30,751)	(18,002)	(9,809)	(35,627)
Potential losses	-24,059	-8,961	-2,377	0
	6,692	9,041	7,432	35,627
Exclusions				
Expired	914	-1,766	-162	0
Other exclusions	28,767	-4,725	7,112	13,163
	29,681	-6,491	6,950	13,163

Notes.
Permissions prior to 1 April 2005 will not include the category Mixed B.
The data in the exclusions section is for information only.

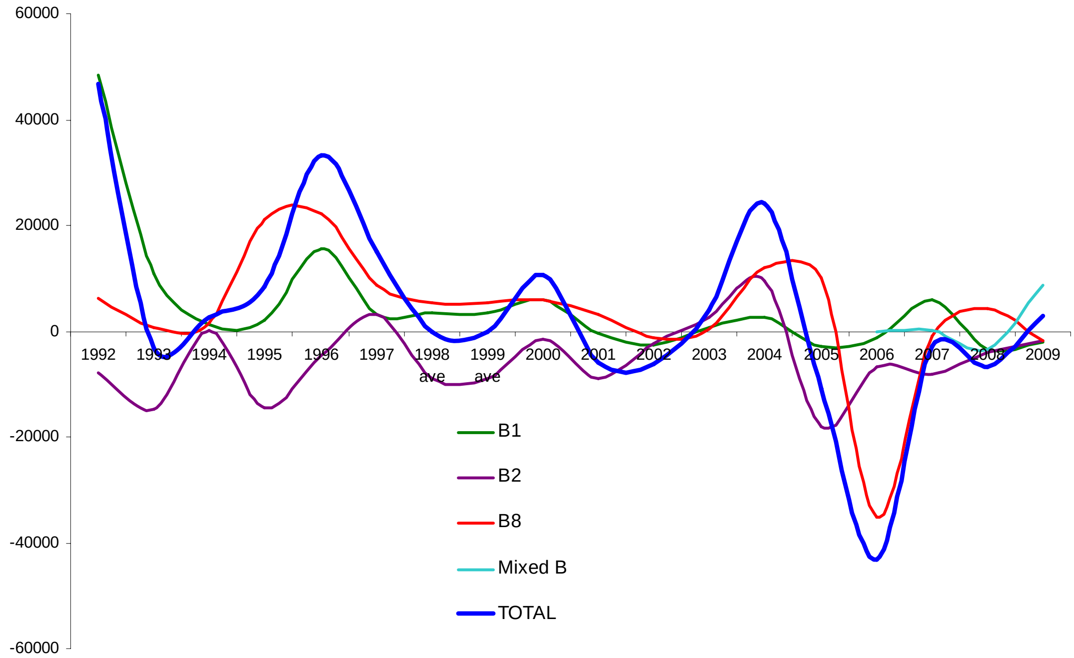
Chart 2 : Gross completions, 1992-2009



B1 includes A2 until 2005, from 2006 onwards B1 excludes A2. Mixed B was introduced in 2006.

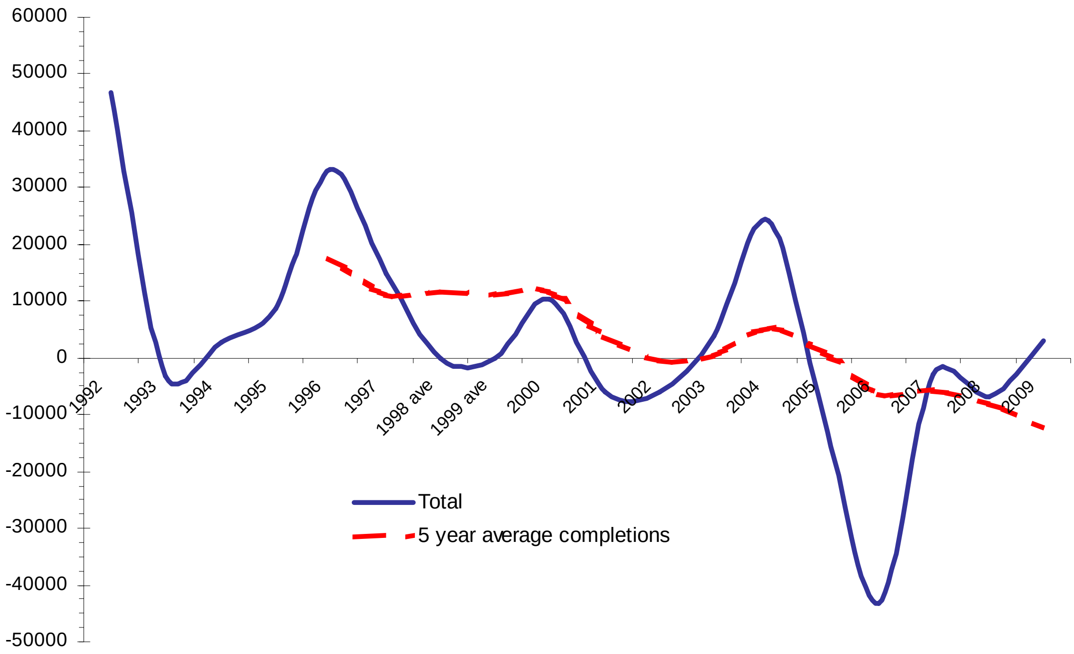
The increase in Mixed B use, which can be seen in chart 3 below, was mainly due to completion of meat processors Jeffery Davies and Davies Ltd move into the former RHM Frozen Foods regional headquarters in Gillingham Business Park, which broadened the existing use classes B1 and B8 to incorporate B2.

Chart 3: Net completions, 1992-2009



B1 includes A2 until 2005, from 2006 onwards B1 excludes A2. Mixed B was introduced in 2006.

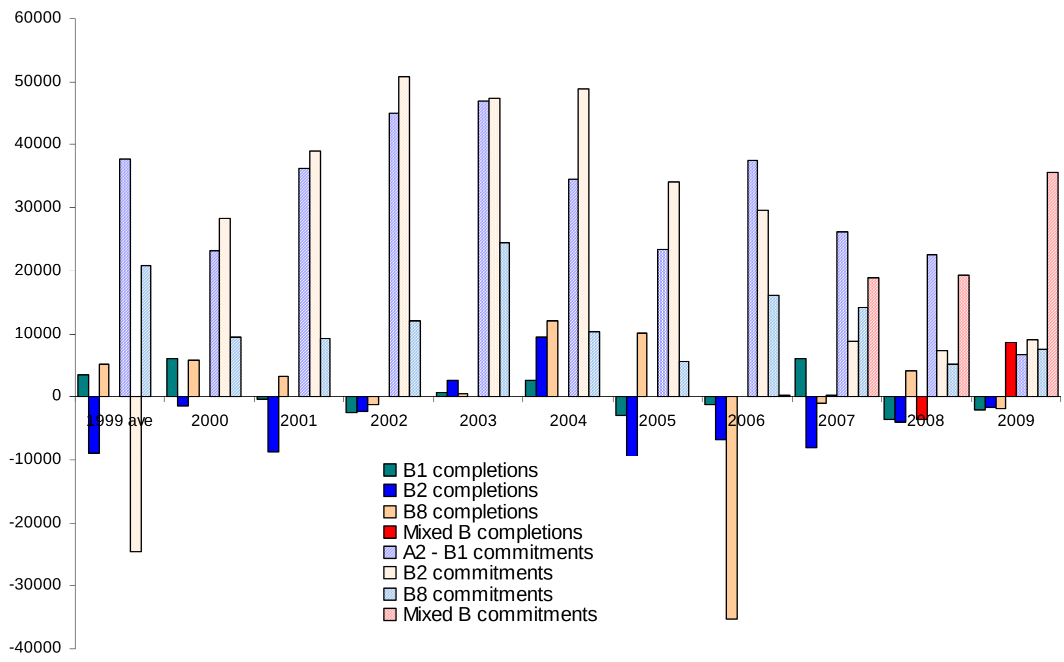
Chart 4: Net completions (B1, B2, B8 and Mixed B) 1992- 2009 with 5-year average (sq.m)



B1 includes A2 until 2005, from 2006 onwards B1 excludes A2. Mixed B was introduced in 2006.

As can be seen in chart 4, net completions rose above 0 for the first time since 2004 as there were no major losses in 2008/09. This is due to the fact that most of the regeneration sites (e.g., Rochester Riverside) have now been cleared for development.

Chart 5: Net commitments and completions 1999 – 2009 by use class (sq.m)



B1 includes A2 until 2005, from 2006 onwards B1 excludes A2. Mixed B was introduced in 2006.

Employment Areas/ Business Parks in Medway

Within Medway most industrial activities/businesses are to be found within the following estates. Further employment and retail uses are planned within various development briefs and areas where there are policy commitments (these are detailed in volume 2).

Table 10: Industrial Estates and Business Parks

Site Name	Ward	Extent of site in hectares	Local Plan Designation
2-10 Cuxton Road, Strood	Strood South	0.32 ha	White land, ED3, T15
Ballard Business Park, Strood	Strood South	1.67 ha	Employment land ED1
Beechings Way Industrial Estate	Twydall	9.22 ha	Employment land ED1 (B1/B2/B8 uses; loss to other uses will not be permitted – excluding mixed use areas).
Bridgewood Business Park, Rochester	Rochester	3.74 ha	Employment land ED1 (B1/B2/B8 uses)
Castle View, Rochester	River	0.71 ha	Part of Action Area – mixed use: ED2 (B1/B2 uses) S7, ED12, D13, R9, CF6, L13, H1, H3
Chatham Maritime, Chatham	River	58.02 ha	Mixed use zone ED2 (B1(a)), S8, ED12, ED13, BNE12, CF3, CF6, CF7, L11, L13, H1
Historic Dockyard, Chatham	River	26.37 ha	ED12 (Tourist attractions & facilities), S9, BNE12, BNE20, CF7, L11
Chatham Port, Chatham/Gillingham	River	55.36 ha	Employment land ED1 (B1/B2 uses), ED9, T7
Commercial Road, Strood	Strood South	1.12 ha	Part of Action Area ED2 (B1/B2/B8) S10, H1, H3, T15
Courteney Road, Gillingham	Rainham Central	22.09 ha	Employment land ED1 (B1/B2 uses)
Cuxton Industrial Estate, Cuxton	Cuxton & Halling	0.9 ha	White land within tidal flood plain ED3, CF13, BNE31
Elm Court Industrial Estate, Gillingham	Lordswood & Capstone	3.53 ha	Employment Land ED3 (B1 uses), ED4
Fenn Street Industrial Estate, Hoo		1.78 ha	Employment land ED3 (B1 uses).
Formby Road, Halling	Cuxton & Halling	28.7 ha	Employment land, part of the site within the tidal flood plain. ED1 (B1/B2/B8 uses), CF13, T10, BNE36
Fort Horsted	Rochester South & Horsted	5.43 ha	Scheduled Ancient Monument ED3 (B1 uses), BNE20
Gads Hill, Gillingham	Gillingham North	3.8 ha	Employment land ED1 (B1/B2/B8 uses)
Gillingham Business Park, Gillingham	Watling	56.18 ha	Employment land ED1 (B1/B2/B8 uses), ED5 (B1 uses) for

			undeveloped Health Authority Land.
Hoo Industrial Estate, Hoo	Peninsula	7.5 ha	Employment land within the tidal flood plain. ED1 (B1 use), CF13, BNE46
Hopewell Drive, Chatham	Princes Park	3.83 ha	Employment land ED1 (B1/B2/B8 uses) however reasoned justification states, to safeguard residential amenity only B1 uses will be permitted.
Isle of Grain	Peninsula	595.52 ha	Employment land, most of the site within the tidal flood plain. ED1 (B1/B2/B8 uses - B1 development restricted to B1 (c)), S13, ED5 (B1/B2/B8 uses - B1 development restricted to B1(c)), ED7, ED8, CF13, T10, BNE2, BNE3, BNE23, BNE24, BNE46, L3
Kingsnorth Industrial Estate, Hoo	Peninsula	243.7 ha	Employment land within the tidal flood plain and Strategy Area. ED1 (B1/B2/B8 uses - B1 development restricted to B1 (c) except where the development makes provision for increased accessibility by means other than the private car), S12 (as ED1), ED5 (as ED1), ED7, ED8, CF13, T10, BNE2, BNE3, BNE23, BNE24, BNE46
Lordswood Industrial Estate, Chatham	Lordswood & Capstone	8.76 ha	Employment land ED1 (B1/B2/B8 uses)
Lower Twydall Lane, Gillingham	Twydall	0.48 ha	Employment land ED1 (B1 use)
Medway City Estate, Frindsbury	Strood Rural	99.02 ha	Employment land ED1 (B1/B2/B8 uses), T10, R10
Otterham Quay Lane, Rainham	Rainham North	4.46 ha	White land within tidal flood plain ED3, CF13, BNE45
Otterham Quay Lane, Canterbury Lane, Rainham	Rainham North	1.68 ha	Employment land ED1 (B1/B2 uses), ED5
Pier Road, Gillingham	Gillingham North	12.67 ha	Employment land ED1 (B1/B2/B8 uses), ED9, T7
Railway Street Industrial Estate, Gillingham	Gillingham North	1.46 ha	Employment land ED1 (B1/B2/B8 uses), however the reasoned justification only refers to B1.
Rochester Airfield Estate, Rochester	Rochester South & Horsted	18.61 ha	Employment land but part also of Action Area ED1 (B1/B2/B8 uses), S11 (high quality business, science technology development B1/B2/B8
Second Avenue, Chatham	Luton & Wayfield	5.31 ha	Employment land ED1 (B1 use)
Temple Industrial Estate, Strood	Strood South	37.18 ha	Part of an Action Area ED2 (B1/B2/B8 uses), S10 (appropriate B1/B2/B8 uses), H1, H3, BNE20.
Jenkins Dale,	Chatham	1.09 ha	White land ED3

Chatham	Central		
Medway Valley Park Industrial Estate, Strood	Strood South	5.72 ha	Part of an Action Area ED2 (B1/B2/B8 uses), S10 (appropriate B1/B2/B8 uses), H1, H3, BNE20.
Thameside Industrial Estate, Cliffe	Strood Rural	9.8 ha	ALLI within the tidal flood plain BNE34, CF13

Source: Draft Employment Land Study 2006

Table 11: Employment land completed by previously developed land (sq.m) (completed planning permissions)

	B1 net	B2 net	B8 net
Non PDL	45	0	0
PDL	778	1208	4949

Table 12: Floor space supply

	B1	B2	B8	Mixed B	Total
Completed floor space 2006 - 2009	-738	-20694	-33778	5326	-49884
Floor space with planning permission as at 31/3/2009	6692	9041	7432	35627	58792
Total supply	**5954**	**-11653**	**-26346**	**40953**	**8908**

Table 13: Land lost to residential development (Hectares)

Use Class	**District total** (on PDL)
B1a	0
B1b	0
B1c	0
B1a,B1b,B1c (unable to split)	0.07
B1 (B1a, B1b,B1c)	0.07
B2	0.31
B8	0
Mixed B1-B8	0
Total	**0.38**

HOUSING

Overview

Property prices dropped in Medway after many years of high growth, reflecting the national situation. It appears however that the fall in Medway was slightly higher than the national drop but less than the regional drop in house prices.

Housing affordability continues to be a key issue in Medway with the gap between house prices and earnings widening. Since 1999 house prices have doubled in Medway, while earnings have increased over this period by around a third.

Progress on major sites at 31st March 2009

- Medway Gate Strood - Despite concerns that after the completion of phase 1 development would be put on hold, activity continued on this site with phase 2 well underway.

- Grange Farm Gillingham - Just 24 units remained to be completed.

- Compass Close Rochester - This development was completed.

- Chattenden - Elm Avenue development complete.
  Land Securities were appointed as the delivery partner for the MOD land at Lodge Hill.

- Hoo - George Wimpey and Bellway Homes continued building here with many more homes completed during the year.

- Chatham Maritime - Ventura Riverside was completed, however work on St Mary's Island slowed considerably, with nothing under construction at the time of survey. At Chatham Quays the development of the two towers (the tallest 240ft) was proceeding well. In addition to the 1 and 2 bedroom flats there will also be shops/restaurant/bar/gym on the site.

- Wainscott - Crest Nicholson is developing Liberty Park and phase 1 was progressing well, much of this phase is likely to be completed in 2009/10.

- Pier Road Gillingham - Student accommodation at the front of this site was under construction.
  An exclusive development of 24, three and four bedroom apartments (The Hamptons) was being built on the adjoining site at Gillingham Marina.

- Rochester Riverside - A riverside walk was completed but no building work had started.

- Formby Road Halling - Outline planning permission was granted for 550 new homes to be built on the site of the cement works.

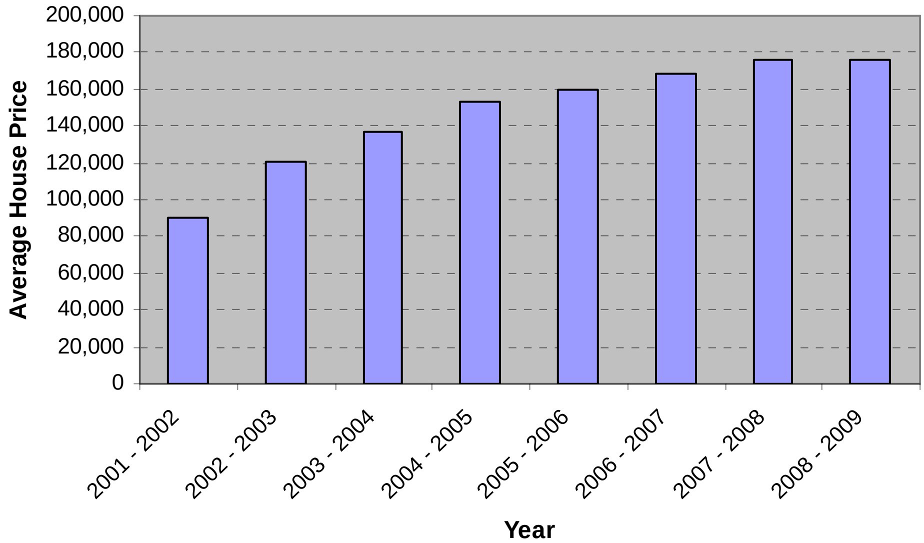
- Lyon Court Rochester - The site next to Rochester Station was finished. MHS bought 16 of the 68 flats.

House Prices

The House Price Index, maintained by the Land Registry contains details of completed house sales. From this source detailed house price information can be obtained by property type.

The average price of a 3 bedroom-terraced property remained fairly constant in Medway between 2008 and 2009, increasing by just 0.2%, from £175,600 to £176,000 based on advertised house prices.

Chart 6. Average price of 3 bedroom terraced properties 2002-2009



Source: House Price Monitor (Medway Council)

Table 14 below tracks changes in property prices in Medway between 2007 and 2009, with comparative data for Kent, the South East and England & Wales.

For the first time in a number of years property prices in Medway fell; this is a pattern which is reflected nationally. One of the contributing factors affecting house prices is the difficulty in obtaining mortgage finance with high deposits being required. More recently there are some indications that the housing market is stabilising.

Table 14: House Price Sales

	March 07	March 08	March 09	07-08 change	08-09 change
Medway	£157,424	£163,242	£134,922	+3.7%	-17.3%
Kent	£196,711	£207,484	£172,309	+5.5%	-17.0%
South East	£219,170	£227,889	£186,938	+4.0%	-18.0%
England &Wales	£178,891	£184,043	£153,132	+2.9%	-16.8%

Source: Crown Copyright Land Registry Property Price data

For further information on house prices in Medway refer to the Property Price Information Bulletin produced by the Development Plans and Research Team and available on the website.

Housing Requirement

The number of new dwellings Medway is required to provide is set out in the South East Plan (Adopted May 2009). Although the policies in the Kent and Medway Structure Plan remained saved until the 5th July 2009 the reporting below relates to the South East Plan.

The South East Plan sets out a total requirement of 16,300 homes (815 per annum) to be built over the period 2006-2026 (15,700 in the Medway part of the Thames Gateway and 600 in the rest of Medway).

Table 15: South East Plan requirements at 31st March 2009

Adopted South East Plan					**Net Completions**
2006-2011	2011-2016	2016-2021	2021-2026	2006-2026	2006-2009
4075	4075	4075	4075	16,300	2,266

Housing Supply

This essentially comprises four components:

- Dwellings completed during the relevant year
- Dwellings under construction
- Dwellings not started but with planning permission
- Allocated sites in an approved development plan (in this case the Medway Local plan 2003)

Over the longer term these elements inevitably indicate a shortfall and addressing this is a key function of the Local Development Framework.

The number of dwellings built this year - at 914 - exceeded the South East Plan target of 815.

With a net total of 983 dwellings currently under construction, the trajectory for the next few years indicates acceleration. However, a continued downturn in the economy could have a significant impact on these future build rates.

Table 16: Small site completion rates over the last 5 years

Year	2004/5	2005/6	2006/7	2007/8	2008/9
Completion rates	113	127	144	122	111

The 5-year average of housing completions on small sites is 123.

Table 17: Windfall completion rates over the last 5 years

Year	2004/5	2005/6	2006/7	2007/8	2008/9
Greenfield	7	49	8	124	216
PDL	193	238	232	113	183
Completion rates	200	287	240	237	399

The average completion rate on previously developed land windfall sites fluctuate between years however the five year average is 192 per annum.

Table 18: Residential land availability summary at 31st March 2009

	Gains				*Losses*				*Net*			
	N/S	*U/C*	*C/P*	*Tot*	*N/S*	*U/C*	*C/P*	*Tot*	*N/S*	*U/C*	*C/P*	*Tot*
Large sites												
Permissions	6474	893	2655	**10022**	*27*	*22*	*22*	***71***	6447	871	2633	**9951**
Allocations	572	0	0	**572**	*0*	*0*	*0*	***0***	572	0	0	**572**
TOTAL	7046	893	2655	**10594**	*27*	*22*	*22*	***71***	7019	871	2633	**10523**
Small sites												
Permissions	334	144	157	**635**	*65*	*32*	*36*	***133***	269	112	121	**502**
Totals												
TOTAL	7380	1037	2812	**11229**	*92*	*54*	*58*	***204***	7288	983	2754	**11025**

As can be seen in table 19 below, the build rates for the last year 2008/9 are much higher than in previous years.

Table 19: Annual Completion Rates 2006-2009

Year	**2006/ 2007**	**2007/ 2008**	**2008/2009**	**Completions 2006-2009**
South East Plan Requirement	815	815	815	2445
Actual Completion Rates	591	761	914	2266

From table 15 the South East Plan requires that between 2006-2011 a total of 4075 dwellings should be built. Table 19 above shows that in the first 3 years Medway achieved 2266, which is a shortfall of 179 dwellings. Over the next 5 years a further 4075 units will be required, adding this to the shortfall results in a total of 4254 dwellings.

The housing trajectory table below shows that 4313 dwellings should be completed over the next 5 years; therefore within this time period there are more than sufficient numbers to meet the requirement. In the longer term, 5 to 10 years and 10 to 15 years, the projected shortfall will be addressed through new allocations in the LDF. The council has begun work on a Strategic Land Availability Assessment (SLAA), which will be completed by Spring 2010. There is an agreed protocol with Kent Authorities on the approach to the SLAA.

Medway Council's 5 year Land Supply Assessment 2009

Table 20: Housing Trajectory 2006-2026

	Year	**06/ 07**	**07 /08**	**08/ 09**	**09/ 10**	**10/ 11**	**11/ 12**	**12/ 13**	**13/ 14**	***5-10 yrs***	***10-15 yrs***	***15-20 yrs***
	Actual comps (all)	**591**	**761**	**914**	-	-	-	-	-	**-**	**-**	**-**
Phasing of future completions	Large site apps				855	484	714	749	800	***3602***	***2346***	***1340***
	Small site apps				145	93	115	22	6	***381***	***0***	***0***
	MLP Allocations				0	0	0	102	228	***330***	***135***	***52***
	Pipeline sites				0	0	275	501	651	***1427***	***4026***	***2336***
	TOTAL				**1000**	**577**	**1104**	**1374**	**1685**	***5740***	***6507***	***3728***

Table 19 above makes no allowance for future windfalls, although pipeline sites have been included. These are in areas where development briefs have been published or where there is a policy commitment. They will also be examined through the SLAA (Strategic Land Availability Assessment) and may eventually become allocations.

Table 21: Phasing over the next 15 years (commitments on large and small sites)

Years	0-5 years	5-10 years	10-15 years
No of dwellings	4313	2481	1392

Over the next 5 years there appears to be enough development planned to meet the South East Plan target.
Note: *as indicated above the projected shortfall over the longer term will be addressed through new allocations in the Local Development Framework.*

Medway's Housing Trajectory shows a 5-year housing land supply based solely on applications with planning permission (full, outline and subject to Section 106 agreements), and Local Plan allocations. No allowance is made for future windfalls. The methodology used for estimating delivery of these applications and allocations is as follows:

- If the planning decision is outline, the site is phased until one year after the expiry date. This is when the site is expected to be fully developed.
- If the planning decision is full or for reserved matters, it is phased up to the final year of the permission expiring. It is then expected to be fully developed.
- Remaining dwellings in residual applications[13] are phased up to the 5th year.
- All small sites[14] are expected to be completed within a 5-year period. For large sites this may be longer.
- Any dwellings that are currently under construction are phased for completion/delivery in the next survey year (i.e. if the current survey year is 07/08, the dwellings under construction are phased for completion in the 08/09 survey year). This is applicable for small sites – larger ones may need to be spread over more than one year - on a larger site; generally no more than 75 units are phased per year.
- Allocated sites need to be more carefully considered, there will be many factors influencing the way that these are phased. Local knowledge on particular sites, ownership issues, whether or not planning applications are awaiting decisions or appeals pending, developers own commitments on other sites etc. Therefore each allocation is phased on its own merits.
- The figures phased are always net.
- Local knowledge of council officers with round table discussions being held.

Previously Developed Land

The Government has set a national target for at least 60% of housing completions to be on 'previously developed land' (PDL).

Between 2001 and 2007 Medway performed well above this target. However a number of old greenfield local plan allocations are being developed, resulting in only 37% total PDL completions (net) last year. This year, 2008/9, was better with the

[13] Residual applications occur when a full application is received for part of an allocated site or part of a site with an existing outline application.
[14] Small sites are less than 5 units. Large sites are 5 units or more.

figure up to 51%. With the greenfield sites gradually being built out and a number of regeneration sites such as Rochester Riverside becoming available it is expected that the figure will be well over the 60% target within a couple of years.

Chart 7: Proportion of completions on Previously Developed Land

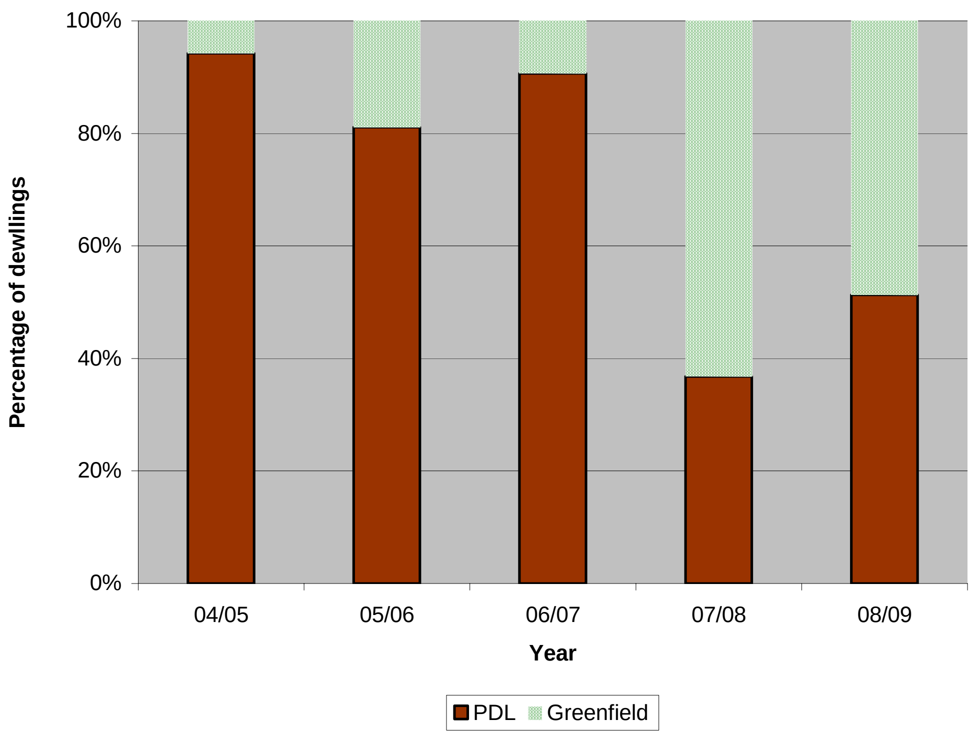


Table 22: Percentage of annual completions on previously developed land for the last 5 years

Year	2004/5	2005/6	2006/7	2007/8	2008/9
PDL	94%	81%	91%	37%	51%
Greenfield	6%	19%	9%	63%	49%

In 2008/2009 there were 914 completions, 469 were on previously developed land and 445 were on greenfield sites. While the proportion of completions on previously developed land in 2008/9 improved on the previous year, it is still below the 60% target figure. As previously stated the number of large greenfield sites with planning permission are rapidly being developed. Table 23 indicates that the number of sites 'under construction' show a PDL/Greenfield split which is a much improved situation.

Table 23: Percentage of dwellings under construction on previously developed land and greenfield sites 2008/9

	PDL	Greenfield
Under construction	77%	23%
Not Started	94%	6%
Not started and under construction combined	**92%**	**8%**

Density

The table below illustrates that 96% of completed developments exceed the national minimum requirement of 30 units per hectare, with the majority exceeding the South East plan target of 40 units per hectare.

This can be attributed to the many urban sites suited to higher densities.

Table 24: Percentage of new dwellings completed in 2008/9 at various densities (gross completions)

Dwellings per hectare (dph)	Percentage
Less than 30 dph	4%
Between 30 and 50 dph	24%
Above 50 dph	72%

The average net density of full permissions by ward is shown in appendix 2, section 2.

Affordable Housing

For a more accurate picture of affordable housing, data supplied by the Councils Housing Strategy Team is used rather than relying on the information supplied with planning applications.

In 2008/09, 408 affordable homes were completed. This means that just under 45% of net completions were affordable units. This is based on the SEERA/SEEPB definition of an affordable unit which is a narrower definition than that used by the Homes and Communities Agency (previously the Housing Corporation). An additional 19 units fell within the definition of open market HomeBuy.

Table 25: Affordable new housing splits by type and number of bedrooms

	1 bed	**2 bed**	**3 bed**	**4 bed**	**Total**
Houses	0	76	109	39	**224**
Flats	62	114	0	0	**203**
Total	**62**	**217**	**109**	**39**	**427**

The table above shows the type of new affordable housing built in Medway in the year 2008/9. It should be noted that the data includes the 19 open market HomeBuy housing units.

The tenure can be split further into 185 rented, 10 intermediate rent and 232-shared ownership.

Dwelling types

Table 26: Projected build rates by property type

Dwelling	2009 /10	2010 /11	2011 /12	2012 /13	2013 /14	2014 /15	2015 /16	2016 /17	2017 /18	2018 /19
Flats with planning permission	748	308	524	522	496	420	226	243	245	212
Estimated allocated flats	0	0	0	51	114	29	25	13	0	0
Total flats	**748**	**308**	**524**	**573**	**610**	**449**	**251**	**256**	**245**	**212**
Houses with planning permission	252	269	305	249	310	263	195	189	190	163
Estimated allocated houses	0	0	0	51	114	29	25	14	0	0
Total houses	**252**	**269**	**305**	**300**	**424**	**292**	**220**	**203**	**190**	**163**
TOTAL	**1000**	**577**	**829**	**873**	**1034**	**741**	**471**	**459**	**435**	**375**

The 2001 Census shows that flats make up just 12.6% of unshared dwellings in Medway, compared to 18.1% in the South East, and 19.4% in England.

Chart 8 illustrates that over the next 10 years, more flats than houses are expected to be built, which is likely to have a significant effect on the overall proportion of flats to houses in Medway in the future. A ratio of 50:50 has been used when estimating the number of flats and houses on the remaining allocations from the Medway Local Plan, however, on applications for mixed dwelling sites there tends to be a 55:45 flat/house split.

Chart 8: Projected build rates by property type

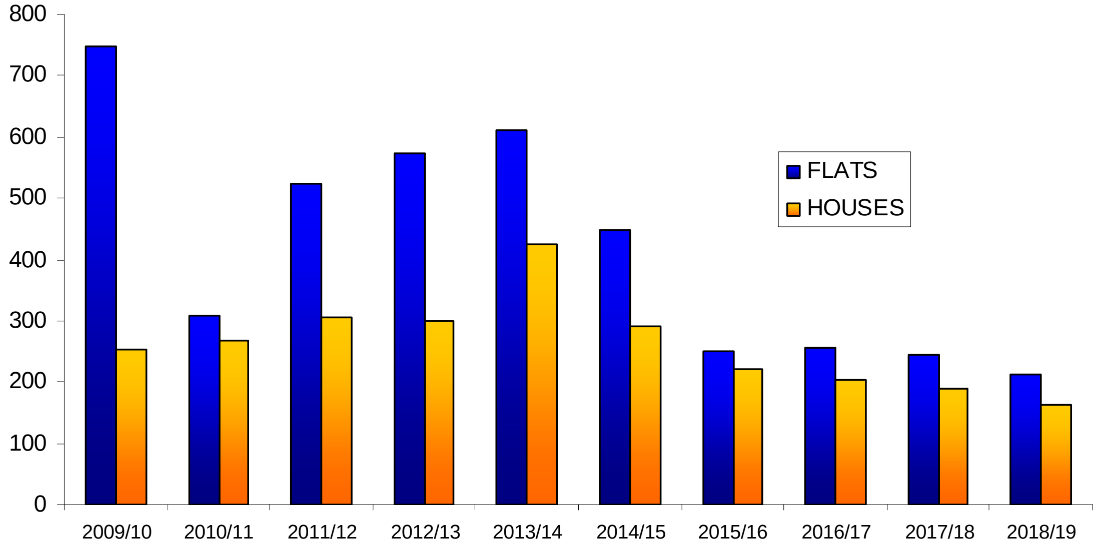


Table 27: Percentage of completions by ward

Ward	2006/7	2007/8	2008/9
Chatham Central	4.9	2.0	2.7
Cuxton and Halling	0.8	1.3	1.8
Gillingham North	6.3	23.8	19.6
Gillingham South	24	2.2	3.3
Hempstead and Wigmore	0.2	1.7	0.2
Lordswood and Capstone	-0.3	0.3	0.4
Luton and Wayfield	2.5	2.5	1.2
Peninsula	2.2	17.3	11.9
Princes Park	2.7	0.5	0
Rainham Central	7.3	1.3	0.5
Rainham North	4.7	1.1	0.2
Rainham South	0.2	0	0.1
River	15.1	0.9*	24.2
Rochester East	-1.0	8.0	15.4
Rochester South and Horsted	0.5	0.9	1.2
Rochester West	2.7	2.9	0.4
Strood North	11.5	2.0	0.4
Strood Rural	5.2	12.5	5.5
Strood South	0.2	13.7	10.3
Twydall	0.2	0.9	0
Walderslade	2.9	3.9	0.3
Watling	7.3	0.3	0.2

***** 65 dwellings were demolished in this ward, as these are net figures, the percentage is very low.

The table above shows the amount of building activity in each ward (expressed as a percentage). River and Gillingham North are areas showing significant development over the last three years while Lordswood & Capstone, Rainham South and Twydall have had fewest new dwellings.

For large sites built out in the year 2008/9 the breakdown of houses and flats by number of bedrooms is shown in the table below. As can be seen, exactly the same number of houses were completed as flats on these sites, but 2 bed flats and 3 bed houses continue to be the most prevalent newly built properties in Medway.

Table 28: Completions on large sites by property type and number of bedrooms

Number of bedrooms	Houses	Flats
One	2	81
Two	64	162
Three	145	0
Four or more	32	0
Total	243	243

Please note, some of these properties will have been completed before 2008/9, as this table refers only to fully completed sites and not all housing completions.

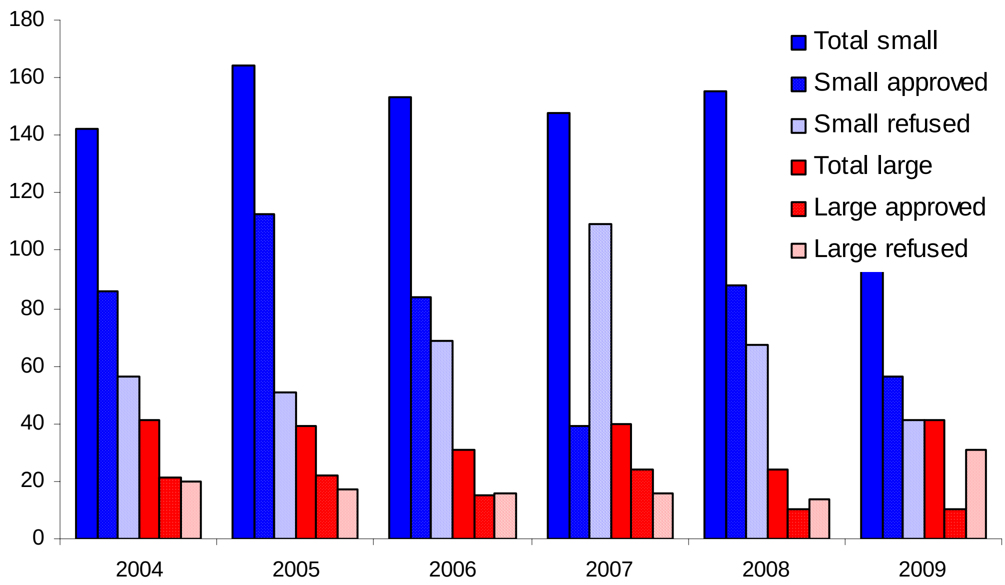
New Large and Small Sites

Table 29: New large and small sites proposed 2004 – 2009, split by approval/refusals

	Total new sites	Small sites			Large sites		
		No of sites	Approved (%)	Refused (%)	No of sites	Approved (%)	Refused (%)
2004	183	142	61%	39%	41	51%	49%
2005	203	164	69%	31%	39	56%	44%
2006	184	153	55%	45%	31	48%	52%
2007	188	148	26%	74%	40	60%	40%
2008	179	155	57%	43%	24	42%	58%
2009	138	97	58%	42%	41	24%	76%

Fewer new small sites were approved in the 2009 survey year, although large sites remained fairly constant. However, a large proportion (76%) of these large sites were refused.

Chart 9: New large and small sites, approved and refused 2004 – 2009



RETAIL AND TOWN CENTRE DEVELOPMENT

Overview

Retail accounts for a fifth of Medway's businesses, employing approximately 15,000 people – this represents 18% of the workforce.

The retail sector in Medway has been in decline over the past 5 years (2003-2007), with just over 40 less business units and 800 less employees. This trend is reflected across the South East with a similar reduction in employee jobs in this sector.[15]

Progress on major sites during the year and news

- Subway opened 6 restaurants in Medway this year, at Hempstead Valley, Chatham Dockside, Strood, Pentagon Centre, Rochester and Gillingham.

<u>Chatham</u>

- Cabinet approved the Chatham Centre and Waterfront Development Brief. The initial stage of the process has begun, which will conclude with a new £6M bus station. The first phase involves the partial demolition of the Theatre Royal and other buildings to make way for a temporary road, allowing the flyover to be demolished.
- Asda supermarket in Maidstone Road launched its new look in October 2008 – with a new mezzanine floor displaying clothes, home & leisure products and toys. The store also has a pharmacy.
- There was evidence on the High Streets of the economic difficulties. In Chatham casualties included Woolworths, Adams, Zavvi, Rosebys and the Scope charity shop.
- Kent Reliance Building Society revealed that it is hoping to create 500 jobs over the next six months in India, while also cutting around a fifth of its staff in Chatham.
- More positively, TK Maxx opened a new two floor store on 3rd July in the former Marks and Spencer unit, whilst sports retailer JJB acquired a 15 year lease of a unit in the Pentagon totalling 15,000sq ft.

<u>Chatham Maritime</u>

- A new pharmacy was added to the facilities on St Mary's Island, located opposite the doctor's surgery.
- The discount department store The Range moved into the Dockside Outlet Centre Spring 2009. More than 150 jobs were created, with the store selling 65,000 products offering everything from furniture, arts & crafts, to camping and gardening.
- ProCook, a kitchenware company, closed its branch in the Dockside Outlet Centre. The company closed 18 shops across the country and said that it would concentrate efforts on internet and business-to-business sales and other factory outlet stores.
- Past Times opened in the Dockside Outlet Centre in October 2008.

[15] Source: Annual Business Inquiry, 2008, ONS

Strood

- The Matalan store was destroyed by fire in 2006. Two years later the rebuilt shop reopened, creating around 60 jobs.
- Iceland bought the Woolworths store in Strood High Street. The store is one of 51 former Woolworth's stores bought by the frozen food retailer.
- Netto and Wilkinson opened in the former Safeways building in Strood High Street.

Hempstead Valley

- The centre celebrated its 30th Anniversary in 2008.
- A branch of the Body Shop opened in the centre in November 2008.
- Cardfair, part of the Celebrations Group, went into administration in October. The Hempstead Valley store closed in January with the loss of one full-time and five part-time jobs.

Rainham

- Greens Motor Group went into administration. The Greens showrooms at Rainham and Holborough were emptied of cars before Christmas 2008.

Gillingham

- Gillingham and Twydall High Streets were also casualties of the Woolworths closures.
- Furniture Village opened next door to the B&Q warehouse in September 2008.

Rochester

- The weekly market was merged with the popular farmer's market in June.

The baseline position and overall trend in terms of both gross and net additions to retail floor space is illustrated in the following tables and charts.

Table 30: Retail summary statistics
A1 - A5 summary statistics; planning consents valid 1 April 2008 to 31 March 2009

	A1 (sq.m.)	*A2 (sq.m.)*	*A3 (sq.m.)*	*A4 (sq.m.)*	*A5 (sq.m.)*
Completions					
Development completed in survey period	13,785	321	1,202	0	617
Lost due to redevelopment/reconstruction	-4,800	-310	-808	-606	-65
Net Completions	**8985**	**11**	**394**	**-606**	**552**
Commitments					
Not started	28,661	2,621	4,984	1,662	1,937
Under construction	15,229	50	2,755	0	0
Completed but vacant	0	0	0	0	0
	(43,890)	**(2,671)**	**(7,739)**	**(1,662)**	**(1,937)**
Potential losses	-6,371	-1,873	-248	-968	0
Net Commitments	**37,519**	**798**	**7,491**	**694**	**1,937**
Exclusions					
Expired	-535	72	87	0	0
Other exclusions	3,226	-662	2,735	-325	125
	2,691	**-590**	**2,822**	**-325**	**125**

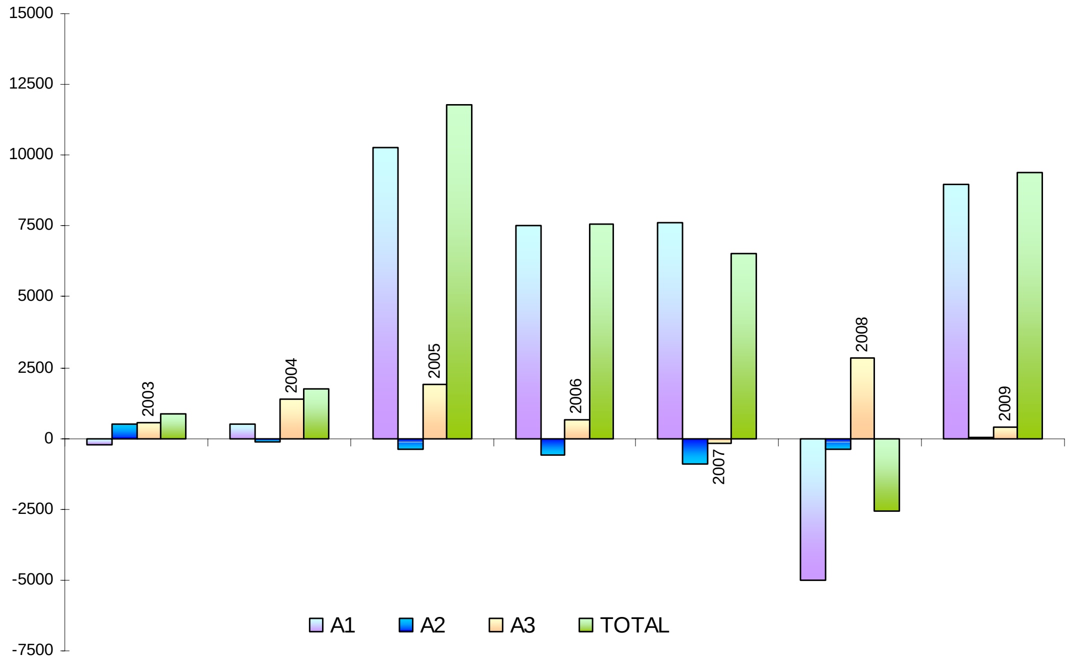
Notes: Permissions prior to 1 April 2005 will not include the categories A4 or A5.
The data in the exclusions section is for information only.

Table 31: Commercial and Leisure summary tables
Other commercial and leisure summary statistics; planning consents valid 1 April 2008 to 31 March 2009

	C1 (beds)	***C2 (beds)***	***D1 (sq.m.)***	***D2 (sq.m.)***	***SG (sq.m.)***
Completions					
Development completed in survey period	0	7	1,500	294	4,211
Lost due to redevelopment/reconstruction	0	-66	-418	0	-1,177
Net Completions	**0**	**-59**	**1,082**	**294**	**3,034**
Commitments					
Not started	910	200	32,138	1,496	4,092
Under construction	12	19	37,877	4,627	16,800
Completed but vacant	0	0	0	0	0
	(922)	**(219)**	**(70,015)**	**(6,123)**	**(20,892)**
Potential losses	-15	-30	-38,995	-713	-1,109
Net Commitments	**907**	**189**	**31,020**	**5,410**	**19,783**
Exclusions					
Expired	0	0	217	-3,175	0
Other exclusions	77	0	839	2,765	12,318
	77	**0**	**1,056**	**-410**	**12,318**

Notes. Permissions prior to 1 April 2005 will not include the category SG.
The data in the exclusions section is for information only.

Chart 10: Net completions A1 to A3 (2003 – 2009)



Net completions of A1 development are at their highest since 2005. A large part of this was due to completion of the redevelopment of two formerly vacant stores in Chatham High Street - Co-Op and Marks and Spencer - accounting for 4,990 sq.m. The former Co-Op store has now been replaced with two retail units - totaling 3,670 sq.m - one of which became occupied by New Look in 2008.

TK Maxx moved into the former Marks and Spencer unit, resulting in a gain of 1,320 sq.m.

Table 32: Gross completions in town centres 1 April 2008 to 31 March 2009

Use	Percent of completions in town centres
A1	40%
A2	55%
A3	37%
A4	N/A*
A5	74%
D1	31%
D2	0%

**There was no A4 completed either in or outside the town centre this year*

Table 33: Town centre activity

Use	Losses (sq.m)	Gains (sq.m)	Net (sq.m)
A1	2780	5567	2787
A2	166	177	11
A3	388	442	54
A4	0	0	0
A5	0	459	459
D1	278	464	186
D2	0	0	0

In 2009, 1,225 sq.m of A1 was lost due to the commencement of the redevelopment within part of the Pentagon Centre. However, construction of 2,375 sq.m of A1 within the Pentagon is now underway so the "loss" is temporary.

OPEN SPACE

The Green Flag Award is the national standard for parks and green spaces in England and Wales. The award scheme began in 1996 as a means of recognising and rewarding the best green spaces in the country.

COI 4c Amount of eligible open spaces managed to Green Flag Award standard.

Riverside Country Park, The Vines and Hillyfields were all entered and all gained Green Flags in 2008. In addition to these three, Broomhill Park and Capstone Farm Country Park will be entered in 2009/10.
Management plans have been produced for Gillingham Park, Copperfields Open Space, the Great Lines, Riverside Country Park, Berengrave Local Nature Reserve and The Vines.

Further management plan proposed over the next year include those for Broomhill Park and Capstone Farm.

ENVIRONMENTAL QUALITY

FLOOD PROTECTION AND WATER QUALITY

COI 7. Number of planning permissions granted contrary to the advice of the Environment Agency on either flood defence grounds or water quality:

None

The Medway Estuary Strategic Flood Risk Assessment Main Report is available on the Council's website via http://www.medway.gov.uk/51087

BIODIVERSITY AND COUNTRYSIDE

National Indicator 197 – Improved Local Biodiversity

Of the 8 SSSIs in Medway, 74 % are in Favourable condition, 7% are in Unfavourable Recovering condition, 7% are in Unfavourable No Change condition, 12 % are in Unfavourable Declining condition, and 0% is in Part Destroyed & Destroyed condition. (January 06).

RENEWABLE ENERGY

CO1 9 - Renewable energy capacity installed by type

Table 34: Permitted planning applications

Status	Application Number	Renewable energy type	Summary	Decision
Permitted	MC2008/0873	Solar	Installation of solar panels	Permitted 16.07.08
Permitted	MC2008/1512	Wind	Installation of micro turbine	Permitted 28.10.08

MINERALS

Production of primary land won aggregates

For the year to December 2008 Medway produced 19,903 tonnes of land won sand and gravel from the site at Grain. This is lower than in the previous three years when levels of production were around 38k tonnes per annum.

Production of secondary/recycled aggregates

Production of secondary/recycled aggregates is estimated to be around 267,290[16] tonnes in 2008.

'Secondary aggregates' is the term used to refer to the new product that is produced by the crushing and screening of inert construction wastes (brick, block and concrete wastes).

The 267,290 tonnes breaks down into 194,217 tonnes of polversied fuel ash (PFA) and 65, 873 tonnes of furnace bottom ash (FBA), both of which are produced at Kingsnorth. Finally 7,200 tonnes of construction and demolition waste was produced.

High purity chalk extraction

For the period 2008/9, 22,000 (est) tonnes of chalk were extracted at Cliffe.

[16] The total tonnage quoted for secondary/recycled aggregated is not likely to represent the total produced by the industry due to difficulties of obtaining accurate figures from the industry. The overall output from the industry is likely to be significantly higher.

<u>Importation of minerals through the wharves in Medway for 07-08</u>

- Marine Dredged Sand and Gravel – 1,518,647 tonnes, a 2% decrease from the 1,555,320 tonnes in 2007/08.
- Crushed Rock – 1,239,596 tonnes a 29% decrease from the 1,756,048 tonnes in 2007/08.
- Land won soft sand (imported via wharf) - None.

WASTE

<u>COI 6b. Amount of municipal waste arising, and managed by management type, and the percentage each management type represents of the waste managed</u>

For 2008/09 a total of 123,407 tonnes of household waste was generated in the Medway area, a six percent decrease on 2007/08.

Total recycling (including composting and dry recycling) amounted to 33.6 %. Total dry recycling amounted to 24,870 tonnes (20.4%). Total composted waste was 16,059 tonnes (13.2%),'Used to recover heat, power, other energy solutions' totalled 1720 tonnes and the total sent to landfill was 80,760 tonnes (65%).

The 'Used to recover heat, power, other energy solutions' increased significantly on 2007/08 levels due to materials recycling facility rejects going to energy recovery rather than land fill. The amount of waste going to landfill in 2008/09 decreased by 10%.

The recycling rate increased slightly to 20.4% in 2008/09 from 19.97% in 2007/08, this is above the target of 19.6%.

Appendix 1 – Use classes order

Use Classes

Classes of land and building use as categorised by the Town and Country Planning (Use Classes) Order 1987 as amended. The various classes and categories appropriate to that class are as follows:

A1 Shops for the sale, display or provision of goods and services (except hot food) to visiting members of the public - includes hairdresser, funeral director, post office, dress or DIY hire shop, ticket and travel agency, internet cafe, sandwich bar, dry cleaner and pet shop.

A2 Financial or professional services (other than health or medical services) - includes betting shop, building society office, estate agent and bank.

A3 Restaurant and cafe.

A4 Drinking establishment – includes public house and wine bar.

A5 Hot food takeaway

B1 Business - includes office (a), research and development premise (b) and light industry which can be carried out in a residential area (c).

B2 General industry - any industrial use not covered by B1.

B8 Storage and distribution – includes wholesale warehouse (but not retail warehousing), distribution centre and repository.

C1 Hotel – includes boarding house and guesthouse.

C2 Residential institution – includes residential school and college and training centre, hospital and convalescent/nursing home.

C2a Secure residential accommodation – includes prison, young offenders institution, detention centre, custody centre, secure hospital and military barracks

C3 Dwelling house, communal housing of the elderly and handicapped.

D1 Non-residential institution - includes place of worship, law court, church hall, clinic, health centre, crèche, day nursery, consulting room, museum, public hall, library, art gallery, exhibition hall, non-residential education and training centre.

D2 Assembly and leisure –includes cinema, music and concert hall, dance hall, bingo hall, sports hall, swimming bath, skating rink, gymnasium and other indoor and outdoor sport or recreation.

Sui Generis (SG) Uses not falling within any of the above classes - includes theatre, night club, casino, sale of motor vehicles, sale of motor fuel, taxi service, launderette, hostel, live/work unit and motor sport or firearm activities.

Appendix 2 - Supplementary Planning Documents

The table below contains a list of adopted documents, which set out the vision for parts of Medway and how the Council see their future redevelopment /regeneration. Many of these publications provide details to the strategy policies outlined in the Adopted Medway Local Plan 2003.

	Title
SPG	Chatham Centre and Waterfront Development Framework
SPG	Star Hill to Sun Pier Planning and Design Strategy
SPG	Gillingham Waterfront Development Brief
SPD	A Building Heights Policy for Medway
SPD	Pentagon Development Brief
SPD	Temple Waterfront Development Brief
SPD	Strood Riverside Development Brief
SPD	Gillingham Town Centre Planning Framework
SPD	Developer Contributions Guide
SPD	Chatham Centre and Waterfront Development Masterplan
SPD	Corporation Street Development Framework

Note: SPG = Supplementary Planning Guidance. SDP = supplementary Planning Document

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