

AGENDA

EXTRAORDINARY LOCAL PLAN PANEL MEETING

Date: Tuesday, 25 February 2020

Time: 7.00pm

Venue: Council Chamber, Swale House, East Street, Sittingbourne, Kent, ME10 3HT

Membership:

Councillors Mike Baldock (Chairman), Monique Bonney (Vice-Chairman), Alastair Gould, James Hunt, Jackson, Carole Jackson, Benjamin Martin, Richard Palmer, Eddie Thomas and Ghlin Whelan.

Quorum = 3

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(a) in the event of the alarm sounding, everybody must leave the building via the nearest safe available exit and gather at the Assembly points at the far side of the Car Park. Nobody must leave the assembly point until everybody can be accounted for and nobody must return to the building until the Chairman has informed them that it is safe to do so; and

(b) the lifts must not be used in the event of an evacuation.

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2. Apologies for Absence and Confirmation of Substitutes

3. Declarations of Interest

Councillors should not act or take decisions in order to gain financial or other material benefits for themselves or their spouse, civil partner or person with whom they are living with as a spouse or civil partner. They must declare and resolve any interests and relationships.

The Chairman will ask Members if they have any interests to declare in respect of items on this agenda, under the following headings:

(a) Disclosable Pecuniary Interests (DPI) under the Localism Act 2011. The nature as well as the existence of any such interest must be declared. After declaring a DPI, the Member must leave the meeting and not take part in the discussion or vote. This applies even if there is provision for public speaking.

(b) Disclosable Non Pecuniary (DNPI) under the Code of Conduct adopted by the Council in May 2012. The nature as well as the existence of any such interest must be declared. After declaring a DNPI interest, the Member may stay, speak and vote on the matter.

(c) Where it is possible that a fair-minded and informed observer, having considered the facts would conclude that there was a real possibility that the Member might be predetermined or biased the Member should declare their predetermination or bias and then leave the room while that item is considered.

Advice to Members: If any Councillor has any doubt about the existence or nature of any DPI or DNPI which he/she may have in any item on this agenda, he/she should seek advice from the Monitoring Officer, the Head of Legal or from other Solicitors in Legal Services as early as possible, and in advance of the Meeting.

Part A Reports for Recommendation to Cabinet

4. Local Needs Housing Assessment

5. Local Development Scheme

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6. Suggestions for future work programme

Issued on Monday, 17 February 2020

The reports included in Part I of this agenda can be made available in **alternative formats**. For further information about this service, or to arrange for special facilities to be provided at the meeting, **please contact DEMOCRATIC SERVICES on 01795 417330**. To find out more about the work of the Cabinet, please visit www.swale.gov.uk

Chief Executive, Swale Borough Council,
Swale House, East Street, Sittingbourne, Kent, ME10 3HT

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Local Plan Panel Meeting	
Meeting Date	25 February 2020
Report Title	Local Housing Needs Assessment
Cabinet Member	Cllr Mike Baldock, Cabinet Member for Planning
SMT Lead	Emma Wiggins
Head of Service	James Freeman
Lead Officer	Jill Peet
Key Decision	No
Classification	Open
Recommendations	It is recommended that Members note the content of this report and the Local Housing Needs Assessment in appendix 1.

1 Purpose of Report and Executive Summary

- 1.1 Local plans are responsible for providing a framework for addressing housing needs and other economic, social and environmental priorities. In determining the expected minimum number of homes needed, local plan policies should be informed by a local housing needs assessment, conducted using the standard method in national planning guidance. This is a requirement set out in the National Planning Policy Framework (NPPF).
- 1.2 The purpose of this report is to provide a brief explanation of the standard method and overview of the findings of the Local Housing Needs Assessment for Swale Borough, conducted using the standard method.

2 Background

- 2.1 In February 2017, the then government published the Housing White Paper; Fixing the Broken Housing Market that introduced a number of measures to deliver the government target of 300,000 additional dwellings per annum, nationally. One of the measures identified was the 'standard method' approach to calculating housing numbers in local plans as it was believed this would contribute to speeding up local plan delivery, in turn supporting a plan-led system and the timely delivery of new homes. This replaced the previous methodology requiring the establishment of an Objectively Assessed Need (OAN) which allowed for some debate/challenge to numbers derived.
- 2.2 The National Planning Policy Framework (NPPF) expects local planning authorities with the responsibility for preparing local plans to follow the standard method set out in the National Planning Practice Guidance. Essentially, the standard method uses a formula to identify the minimum number of homes

expected to be planned for, in a way which addresses projected household growth and historic under-supply.

- 2.3 How the standard method is applied is set out in national planning practice guidance <https://www.gov.uk/guidance/housing-and-economic-development-needs-assessments> (and in the main report in appendix 1). It is a three-stage approach that uses ONS data on household growth projections to calculate the average annual household growth over a 10 year period adjusted based on the affordability of the area and capped at a maximum of 40% increase in the local plan figure, i.e. no higher than a 40% increase of 776, the current annual housing need figure for the adopted Local Plan (1,086).
- 2.4 Although this would appear to be a relatively straightforward exercise, there are a few caveats to note. First of all, there is the expectation that numbers should be kept under review and revised where appropriate (e.g. where new population or other statistical data is published). Local housing need calculated using the standard method may only be relied upon for a period of 2 years from the time a local plan is submitted to the Planning Inspectorate for examination.
- 2.5 Additionally, the government have indicated that they are likely to amend the standard method around the time of the release of the 2018 household growth projections due in the late summer/early autumn of this year. For this reason, the Local Housing Needs Assessment considers potential scenarios based on affordability trends and changes to the standard method. As housing figures are not 'fixed' until the plan is submitted for examination, it is prudent to identify a range in order to help prepare for submitting a sound plan. Without a range that looks at 'best case' to 'worse case' scenarios, the local plan policies will be vulnerable to shifts in the data feeding into the standard method and national policy. This approach helps to avoid delays in preparing the local plan review in that it avoids the potential need to revisit evidence prior to submission.
- 2.6 The table below is taken directly from the specialist consultant's report itself and provides figures calculated using the year-base projection. The lower number is based on 32% affordability uplift and the higher number is based on the maximum affordability uplift of 40%. The 32% figure reflects the latest ratio of median house prices to median workplace-based earnings which is 9.14 (compared with 7.8 national average).

Scenario		Start year 2022
		Dwellings per year
Current baseline position	A: 2014-based projections	1,031
For use between May/Sept 2020 and Aug 2022 (Standard method using 2018-based household projections)	B: 2018-based projections	1,079 - 1,153
	B1: Worse affordability (0.4)	1,144 - 1,222
	B2: Worse affordability (trend)	1,199 - 1,239
	B3: Standard method changed	1,520 - 1,624
For use between May/Sept 2022 and Aug 2024 (Standard method using 2020-based household projection)	C: 2020-based projections	980 - 1,079
	C1: Worse affordability	1,039 - 1,144
	C2: worse affordability (trend)	1,066 - 1,101
	C3: Standard method changed	1,380 - 1,520

- 2.7 The NPPF states that the standard method should be used unless exceptional circumstances justify an alternative approach, but this must reflect current and future demographic trends and market signals. A supplementary report has been prepared to assess whether or not there are any exceptional circumstances for Swale. This is contained in appendix 2 and concludes that this is not the case.
- 2.8 The concerns of the administration with regards to the standard method housing figures are noted and other work is underway to investigate the ability of the Borough to deliver the numbers broadly identified using this approach. These concerns relate to infrastructure capacity issues, environmental capacity issues and market absorption rates. The findings of this work will be reported to this Panel in due course and the debate surrounding the local plan review housing figures will be discussed in that context, although it is important to note that the government expects local planning authorities to have minimum housing numbers in their local plans that align with the standard method.

3 Proposals

- 3.1 Members are asked to note the content of the attached report, Future Housing Need in Swale and accept this report as the Local Housing Needs Assessment, part of the evidence base for the local plan review. This report has been prepared in accordance with national policy, using the standard method approach set out in national guidance.
- 3.2 The decision about what numbers to accept as the local plan housing need figure will be for later in this process once all the evidence is available. Endorsement of the report is not an acceptance of these figures for inclusion in the local plan review.

4 Alternative Options

- 4.1 Local Housing Needs Assessment is a fundamental part of the evidence base for informing the local plan review. It is a requirement of the NPPF (paragraph 60) and provides essential information that feeds into other evidence such as identifying infrastructure needs, affordable housing requirements and local standards. The method for preparing this information is standard across the country.
- 4.2 There would be no benefit for Members to disregard the content of the attached report and the use of the standard method approach given that it is a presentation of a fixed calculation required by Government that needs to act at the very least as a starting point from which to derive a housing supply number required to support a Local Plan.
- 4.3 Should the Council decide not to proceed with a Local Plan review as per the NPPF and national planning policy guidance this could place the Council at risk of intervention by the Ministry of Housing, Communities and Local Government and potentially increase the risk of adhoc unplanned development taking place.

5 Consultation Undertaken or Proposed

- 5.1 The Local Plan Review process is subject to public consultation. The technical evidence reported here will be used along with other technical work to draft the content of the local plan document that will include a housing need figure and will be brought to members of this Panel for endorsement in due course.

6 Implications

Issue	Implications
Corporate Plan	Supports the Council's corporate priorities for delivering regeneration and delivering improved quality of life.
Financial, Resource and Property	Work undertaken within existing Local Plan project budget.
Legal, Statutory and Procurement	None identified at this stage.
Crime and Disorder	None identified at this stage.
Environment and Sustainability	The Local Housing Needs Assessment is one element of the Local Plan Review evidence base. A Sustainability Appraisal / Habitats Regulation Assessment Framework has already been established for the Local Plan Review process. Future local plan consultations will be accompanied by a Sustainability Appraisal / HRA document

	and subsequent key stages of the process will also be subject to SA/HRA.
Health and Wellbeing	None identified at this stage.
Risk Management and Health and Safety	None identified at this stage.
Equality and Diversity	The Local Plan process will be subject to a Community Impact Assessments at appropriate points.
Privacy and Data Protection	None identified at this stage.

7 Appendices

7.1 The following documents are to be published with this report and form part of the report:

- Appendix I: Future Housing Need in Swale
- Appendix II: Estimating Swale's Future Local Housing Need

8 Background Papers

8.1 None.

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Future Housing Need in Swale

1. Introduction

- 1.1. Swale benefit from a relatively recent development plan with a sound housing target of 776 dwellings per annum (dpa). But Councils are required to review their local plans at least every 5 years and since the 'Bearing Fruits' Local Plan was adopted national planning policy has been subject to a significant change.
- 1.2. Any new Local Plan now needs to use the 'Standard Method' for determining Local Housing Need. This is a 'simplification' of the old objectively assessed need (OAN) process whereby professional judgement has been removed and replaced by a formula which uses only household projections and local affordability data¹.

i The first step is to apply the current official household projections (2014 based at this time); taking the per annum average from the next 10 years (starting from the current year) to arrive at the demographic starting point

ii The second step is to increase this number for market signals using a formula based on the most recent affordability ratio. This is the ratio of median house price to median workplace-based earnings as published annually by ONS. An adjustment factor must be applied as follows:

$$\text{Adjustment factor} = \left(\frac{\text{Local affordability ratio} - 4}{4} \right) \times 0.25 + 1$$

iii The third step is to cap the level of any increase where homes are more than four times local workplace earnings until capped at 40% above demographic need (or in some cases a recent housing target depending on its current status)

¹ NPPG Paragraph: 002 Reference ID: 2a-002-20190220

Future Housing Need in Swale

- 1.3. This technical assessment of the Standard Method does not address supply side, capacity issues or infrastructure constraints. It is understood that there are some concerns that Kent cannot absorb the level of growth identified by the Standard Method, but it is not the purpose of this strictly technical review to consider this. Councils are required to treat this as the starting point for their local housing need figure unless there are exceptional circumstances that justify an alternative approach. The 'bar' for exceptional circumstances is set very high and, has been considered in the independent work undertaken by demographer John Hollis in the report appended to this note. Having assessed historical data for births, deaths and migration flows it concludes that there are no errors in the data and no exceptional circumstances that would justify departing from the Standard Method formula.
- 1.4. In order to inform the preparation of the next Local Plan, it is necessary consider what the local housing need is likely to be at the time it is submitted, which will probably be sometime during 2022. John Hollis has assessed the likely future demographic projections underpinning the method and considered the implications of using the 2018-based or 2020-based household projections.
- 1.5. The approach and projections identified should be used with caution, they assist in identifying a range of housing numbers that may arise through the Standard Method in the future. They do not purport to be the final and accurate number, but rather are used to develop a range of scenarios that can be tested through the Local Plan evidence base. The detailed findings are set out in the attached report and indicate that the Local Plan should consider testing a possible housing target of between 980 and 1,153 dwellings per year, based on the current Standard Method. This is within 10% of the current Standard Method figure of 1,050 dpa.
- 1.6. Due to the Office of National Statistics (ONS) data release timetable, if the new Local Plan is submitted before September 2022 then the 2018-based projections will be used and the figure will be at the higher end of this range. If the Local Plan is submitted after September 2022 then, the 2020-based projections will need to be used which means the figure will be at the lower end of the range.
- 1.7. The later projections carry more uncertainty because they include more assumptions about migration flows and there is some evidence to suggest that, at least in the last couple of years, estimated population growth has been lower than the level of housebuilding would suggest. As with any estimated population there is a risk that the ONS may revise these population estimates and so these 2020 based projections need treating with extra caution.

Future Housing Need in Swale

2. Alternative assumptions

- 2.1. Although the Standard Method is described as a simplification unfortunately there is a large amount of uncertainty around what the final number will be. This is because the number is only fixed at the time the Local Plan is formally submitted. Until that point the Council's evolving policies are vulnerable to shifts in the data feeding into the method, and possible changes to national policy. The Government has announced that they want to increase the national delivery of new homes up to at least 300,000 per annum but have not yet said how (or where) this will be achieved.
- 2.2. Therefore, it is sensible to test alternatives. Using these starting point projections it is useful to sensitivity-test the potential implications for local housing need that would result from future changes to:
 - the borough's affordability ratio;
 - and what may happen if the Government seeks to align the method to its 300,000 homes per annum target.
- 2.3. The Standard Method affordability adjustment increases housing need by 32% above demographic need. This is because the latest 2018 ratio of median house price to median workplace-based earnings as published annually by ONS is 9.14. For comparative purposes the national average is 7.8.
- 2.4. It is possible that affordability may worsen over the next few years. At the moment the affordability uplift is capped at 40% above demographic need. Because there is a risk affordability will worsen over time we have sensitivity tested a 40% uplift on both the 2018 and 2020 based demographic projections. In addition, John Hollis has explored the changing trend in the affordability ratio and tested what this increase might mean for Swale using both a three and five year trend.
- 2.5. There is another (more complex) element to the cap which uses existing Local Plan targets. This is not relevant at this time. However, it would become relevant once the Local Plan is more than five years old in July 2022. This would set the cap at 40% above the current Local Plan target which would be 1,086 dpa.

Future Housing Need in Swale

- 2.6. We expect changes to the Standard Method to align delivery to the 300,000 target within the next 12 months or so. At the moment the method provides for around 266,000 new homes. But this is based on the 2014-based projections and national demographic need is falling; so to reach 300,000 in the future the uplift on demographic need may need to be more aggressive. Applied to the (currently set aside) 2016 based projections a 41% uplift is needed to reach 300,000 nationally. Because we expect future rounds of national projections to be lower than the 2014-based projections and the demographic factors driving the lower 2016 based projections are unlikely to dissipate (including adjustments to older age mortality – which is no longer decreasing to the same extent as older projection rounds and lower migration) it is reasonable to sensitivity test the projections with a +41% option.
- 2.7. It is not possible to predict how the national total would be distributed between local authority areas, so the scenario assumes a simple pro rata adjustment. In this simple approximation, all local authorities including Swale get the same adjustment.
- 2.8. To test the impact of these assumptions, several scenarios, using the projections are developed to identify the local housing need produced by the Standard Method:
- Scenario A, derived from the ONS 2014-based household projections
 - Scenario B, derived from the predicted 2018-based household projection
 - Scenario C, derived from the predicted 2020-based household projection
- 2.9. In line with the National Planning Policy Guidance (NPPG), the scenarios cover a 10-year period, starting in the year in which the new Local Plan may be submitted; 2022. Several variants are provided, relating to the affordability adjustment (B1, B2, C1 and C2) and relating to the increase in the national total of houses (B3, C3).
- 2.10. For each of the alternatives the local housing need is expressed as a range, based on the two alternative approaches used to calculate the trend projections as explained in the report at the appendix. It should also be recognised that the forecasts are based upon a large number of assumptions and so are liable to considerable uncertainty.
- 2.11. The results are shown in the table below:

Future Housing Need in Swale

Scenario		Start year 2022
		Dwellings per year
Current baseline position	A: 2014-based projections	1,031
	B: 2018-based projections	1,079 - 1,153
For use between May/Sept 2020 and Aug 2022 (Standard method using 2018-based household projections)	B1: Worse affordability (0.4)	1,144 - 1,222
	B2: Worse affordability (trend)	1,199 - 1,239
	B3: Standard method changed	1,520 - 1,624
For use between May/Sept 2022 and Aug 2024 (Standard method using 2020-based household projection)	C: 2020-based projections	980 - 1,079
	C1: Worse affordability	1,039 - 1,144
	C2: worse affordability (trend)	1,066 - 1,101
	C3: Standard method changed	1,380 - 1,520

3. Summary

- 3.1. If no changes are made to the Standard Method, and it continues to use the 2014-based projections the Council's new minimum target would be around 1,031 dpa. However, this is unlikely because we expect both policy changes and new demographic projections to render any 2014-based assessment out of date.
- 3.2. The two other baseline scenarios (B and C) show that the changes are likely to be within 10% (above and below) the current Standard Method number (1,050 dpa). If the Local Plan is submitted after the 2018-based projections are released in late 2020 (assuming September 2020), but before the 2020 based projections are released in 2022 then the Council may be expected to provide for a minimum of around 1,079 dpa (Scenario B). However, in the worst case scenario and if the Government responds to the relatively low projections nationally by amending the standard formula, seeking to align the method to 300,000 homes national, a figure of up to 1,624 dpa (Scenario B3) is possible.
- 3.3. If the Local Plan is submitted after the release of the 2020-based household projections then the need reduces to a minimum of 80 dpa, because these result in a Standard Method number similar to the current 2014-based projections, which are slightly lower than the 2018s. If the Standard Method is increased to align with 300,000 homes this could result in a need of 1,520 dpa (C3).

Future Housing Need in Swale

- 3.4. It is unclear whether any revision to the Standard Method would retain a 'cap', however it is likely that it would need to be revised to provide for any national increase in housing delivery. However, were it to be retained in its current form, it would limit the housing requirement to either 1,086 dpa or 1,222 dpa (40% above the local housing need figures).

4. Conclusion

- 4.1. The figures derived from the three different projections are largely in the same ballpark as the current Standard Method number of between 980 and 1,153 dpa, which is within 10% of the current local housing need figure if calculated today. This provides a useful corroboration and provides an element of stability for Local Plan making. But there is huge uncertainty in the data and it would be unwise to be overly specific when citing numbers. But in the round the analysis suggests the evidence base for the Local Plan ought to test:
- A low minimum target of around 1,000 dpa based on the current 2014-based projections and the forecast 2020-based projections, and assuming the method is not changed to meet the national total of 300,000 (ie around A, C, and C1).
 - A middle target of around 1,250 dpa based on the 2018-based projections which is the most likely scenario if the Council submits prior to the publication of the 2020-based projections.
 - A high target of 1,500 dpa based on the Local Plan being submitted after the publication of the 2020-based projections and with the Standard Method changed to reach the desired national total of 300,000 dpa.

Glossary

Affordability Ratio: These ratios are calculated by dividing house prices by gross annual earnings, based on the median and lower quartiles of both house prices and earnings. The earnings data are from the Annual Survey of Hours and Earnings which provides a snapshot of earnings at April in each year. The house price statistics come from the House Price Statistics for Small Areas, which report the median and lower quartile price paid for residential property and refer to a 12-month period with April in the middle (year ending September). Statistics are available at country, region, county and local authority district level in England and Wales and published annually at end March. The latest 2018 ratio of median house price to median gross workplace-based earnings is to be used in the standard method calculation.

Future Housing Need in Swale

Exceptional Circumstances: If an alternative method for assessing housing need is used then this will be scrutinised closely at examination. The NPPG says at paragraph reference ID: 2a-003-20190220 that any other method will be used only in exceptional circumstances. This means there will need to be clear evidence to justify any departure. As part of demonstrating any exceptional circumstances the population and household projection data will need to be scrutinised to assess whether any of the components; births, death, migration, unattributable population change and household formation rates contain errors or anomalies that are sufficiently large to constitute exceptional circumstances for departing from the standard method.

Household projections: These figures produced by the Office for National Statistics start from the base year (2014, 2018, 2020) and project forward 25 years. They are an indication of the likely increase in households given the continuation of recent demographic trends.

Local housing need: The number of homes identified as being needed through the application of the standard method set out in national planning guidance (or, in the context of preparing strategic policies only, this may be calculated using a justified alternative approach as provided for in paragraph 60 of the National Planning Policy Framework).

Local Plan: A plan for the future development of a local area, drawn up by Swale Borough Council in consultation with the community. In law this is described as the development plan documents adopted under the Planning and Compulsory Purchase Act 2004. A local plan can consist of either strategic or non-strategic policies, or a combination of the two.

Objectively Assessed Need: This was the old process used to identify the housing target to be included in a Local Plan. It was a complex process open to interpretation and professional judgement but which was largely established by a Strategic Housing Market Assessment, which identified the housing market area, tested the robustness of official population and household projections, considered the necessity of uplifting the figure for market signals adjustments, ensured that it provides enough labour supply and possibly boost the supply of affordable homes.

Standard Method: This is the new method for calculating local housing need. It sets out a strict formula to be followed through a three-stage process and includes no judgement or discretion. This was introduced by the 2018 National Planning Policy Framework. The current version is set out in an update to the Planning Practice Guidance issued on 20 February 2019 at paragraph 004 Reference ID: 2a-004-20190220.

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Estimating Swale's Future Local Housing Need

A Report Commissioned by Swale Borough Council from Peter Brett Associates

John Hollis

September 2019

Version 1: 5 September 2019

John Hollis is an independent demographic consultant specialising in population and household estimates and projections. He has an M.A. in Demography from the University of California, Berkeley and is a Fellow of the Royal Statistical Society (RSS). He was President of the British Society for Population Studies (BSPS) in 2005-07 and has also been Chair of the Local Authorities Research and Intelligence Association (LARIA). He was Demographic Consultant at the Greater London Authority until retiring in 2011. He prepared demographic projections for various incarnations of the *London Plan*. He was a member of the CLIP (Central and Local Government Information Partnership) Population Sub-group, which discussed methodology for population and household estimates and projections with ONS and DCLG. He has also been a member of the ONS Expert Panel advising on assumptions for National Population Projections and the DCLG Steering Group on Household Projections, focussing on the 2010 redevelopment of the modelling process. He was also on the ONS Collaborative Group on Household Projections in 2017/18. He led the local government side of the CLIP Census Advisory Group for both the 2001 and 2011 Censuses. In 2011-12 he was one of four external experts assisting ONS with quality assurance of the results of the 2011 Census and in 2013 he was part of the small team that wrote a methodological assessment of the ONS *Beyond 2011* project and also advised ONS on future requirements for small area data. Since 2012 he has prepared demographic analyses and projections for many local authorities as part of local plan development.

The analysis presented is accurate but even with maximum attention to detail errors can arise and, as users are fully aware from media reports, even official data sources are not infallible. Official demographic and housing data are often revised; in recent years ONS has revised its methods of estimating both UK and International migration and the transfer of household projections from DCLG to ONS also caused major methodological changes. Therefore absolute guarantees cannot be given and liability cannot be accepted. Statistics, official or otherwise, should not be used uncritically. If they appear at odds with other sources they should be thoroughly investigated before being used.

All ONS and DCLG/MHCLG population and household estimates and projections, as well as their component parts, referenced in this report are © Crown Copyright.

Acknowledgement is due to Neil MacDonald's report on LHN for Basingstoke and Deane that has been taken as a model for this report

Estimating Swale's Future Local Housing Need

1. Introduction

1.1. This technical note explores:

- whether there are exceptional circumstances which might justify a departure from the Government's revised standard method for calculating Swale's Local Housing Need (LHN);
- how Swale's LHN may change in the future as a result of the projected increase in house building in the district; and,
- the projected impact on Swale's population of a building trajectory determined by LHN

2. Are there exceptional circumstances which might justify departure from the standard method?

2.1. The 2018 National Planning Policy Framework (2018 NPPF) introduced a new standard method for calculating an authority's local housing need. The current version is set out in an update to the Planning Practice Guidance (PPG) issued on 20 February 2019¹ and stipulates that the MHCLG's 2014-based household projections are to be used as the basis of the calculation.

2.2. The PPG addresses the question of whether alternative methods can be used for assessing housing need in the following terms:

Is the use of the standard method for strategic policy making purposes mandatory?

No, if it is felt that circumstances warrant an alternative approach but authorities can expect this to be scrutinised more closely at examination. There is an expectation that the standard method will be used and that any other method will be used only in exceptional circumstances.

Paragraph: 003 Reference ID: 2a-003-20190220

2.3. There is as yet no precedent to indicate how high the threshold of 'exceptional circumstances' might be but, as the objective of introducing the new standard method was to simplify and speed up plan making, the bar is likely to be set fairly high. This implies that there would need to be clear evidence that the standard method produces a result that is misleading to a substantial degree. In view of this this technical note reviews the 2014-based projections for Swale and considers whether they provide a reasonable indication of the likely level of household growth in the district.

2.4. There are two components to a household projection:

¹ Paragraph 004 Reference ID: 2a-004-20190220

- a population projection; and,
- a projection of household formation rates which indicate how the population is expected to group itself into households.

2.5. These two stages are considered in turn.

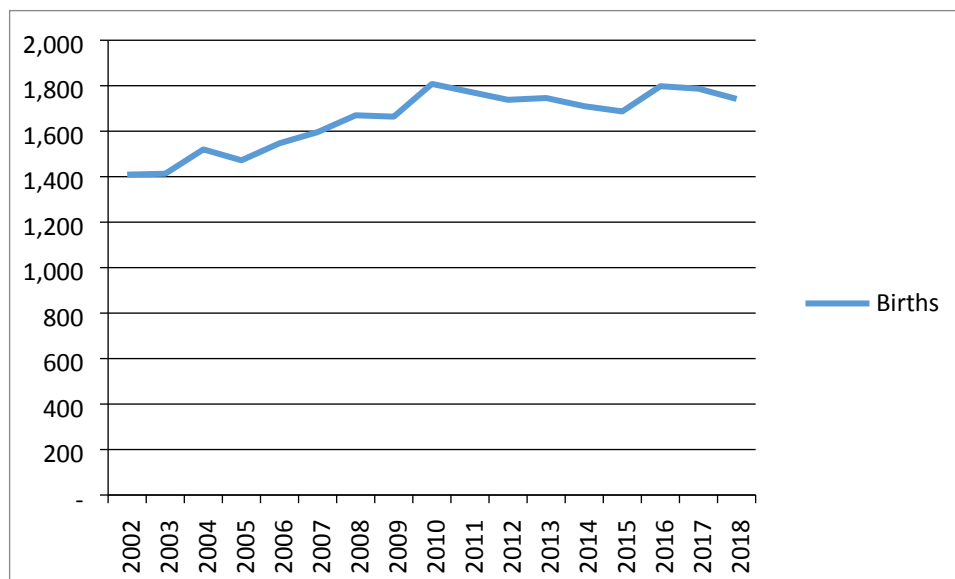
The Population Projections

2.6. The 2014-based household projections are based on ONS's 2014-based population projections. These were constructed by first making trend-based projections for future births, deaths and migration flows. The population projection, calculated by gender at individual ages to 90+, is equal to the number of births, less the number of deaths, plus the net migration inflow (or less the net migration outflow). A review needs to consider the plausibility of each of these components of change.

Births

2.7. Figure 2.1 shows the historical data for births.

Figure 2.1: Births 2001-02 to 2017-18

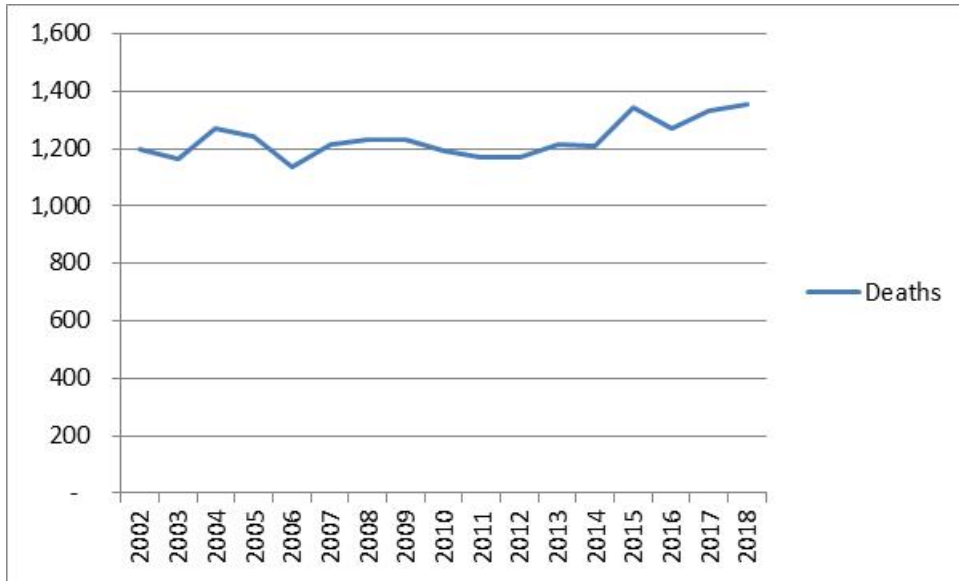


2.8. While there are undulations around the general trend of births increasing to about 2010 and flat lining thereafter the deviations are not such as to suggest a problem with the historical data. Therefore there is no reason to suspect that a projection of further births based on this data would be implausible.

Deaths

2.9. Figure 2.2 shows the historical data for deaths. There is a deviation from trend in 2014-15 but this is small and came after the 2014-based projections were prepared. There is therefore no basis for querying the projection of deaths.

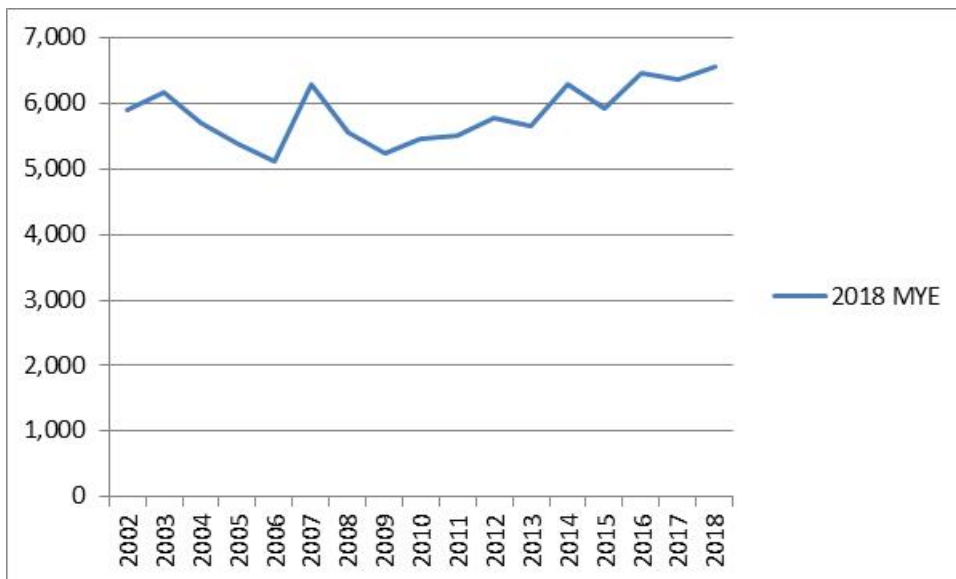
Figure 2.2: Deaths 2001-02 to 2017-18



Migration Flows from the Rest of the UK

- 2.10. Figure 2.3 shows the historical data for flows from the rest of the UK up to those published with the 2018 mid-year estimates. For the 2017 mid-year estimates (2017 MYE) the ONS introduced a new method for estimating flows within the UK, the main change being a new 'Higher Education Leavers Methodology' designed to improve the estimation of when and where students moved to after completing their university courses – a well-known weakness in the earlier population estimates. This generally resulted in slightly higher flows being estimated

Figure 2.3: Migration from the Rest of the UK 2001-02 to 2017-18

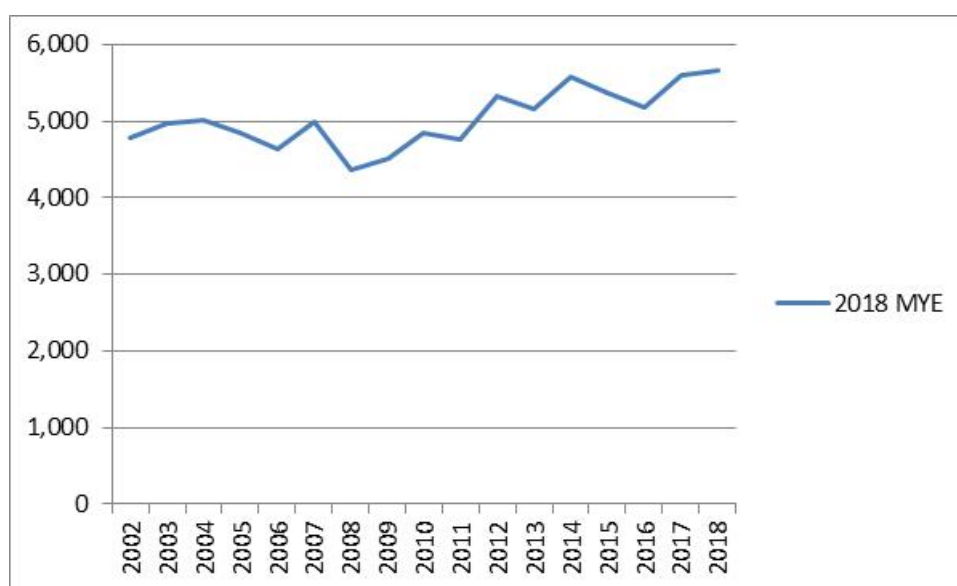


- 2.11. The new method post-dated both the 2014 and the 2016-based projections. It remains to be seen how it will be reflected in the 2018-based projections as the ONS have not corrected their estimates for years prior to 2016-17 to reflect the new method even though it is clear that it would have altered those figures. This is therefore a potentially significant uncertainty in estimating future household projections.
- 2.12. Aside from the question of the new method, there are no reasons for believing that the data in the trend period for the 2014-based projections (2009-10 to 2013-14) was significantly distorted.

Migration Flows to the Rest of the UK

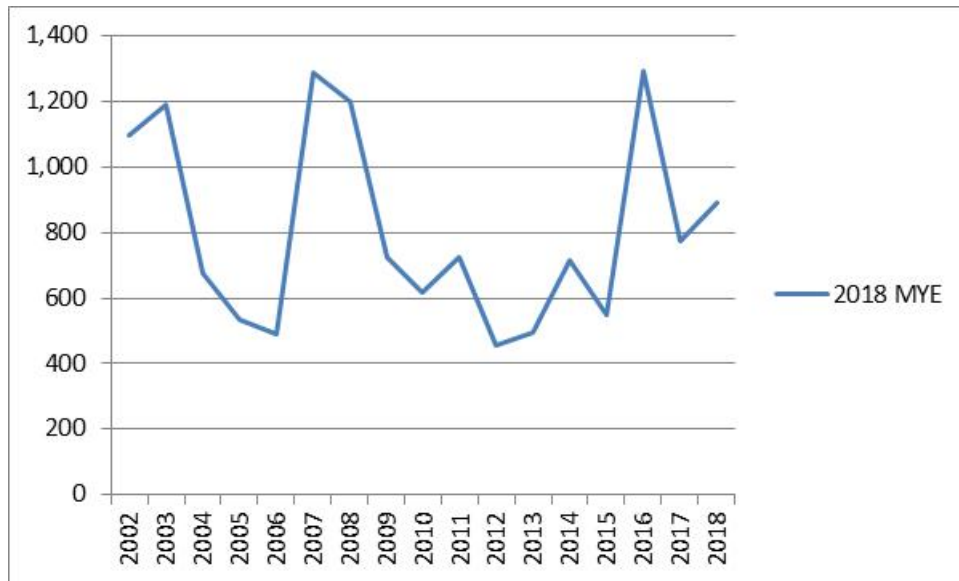
- 2.13. The ONS new method for estimating migration flows has also affected the outflows to the rest of the UK. The difference is, however, small. Figure 2.4 shows the latest figures,

Figure 2.4: Migration to the Rest of the UK 2001-02 to 2017-18



- 2.14. Again there is nothing in the historical data which might distort the projected outflow. Both the outflow and the inflow are on a rising trend since around 2008, but since 2001 the net flow has always been into Swale. The result is that the net flow from the rest of the UK has generally risen since 2011-12 – see Figure 2.5.

Figure 2.5: Net Migration with the Rest of the UK 2001-02 to 2017-18

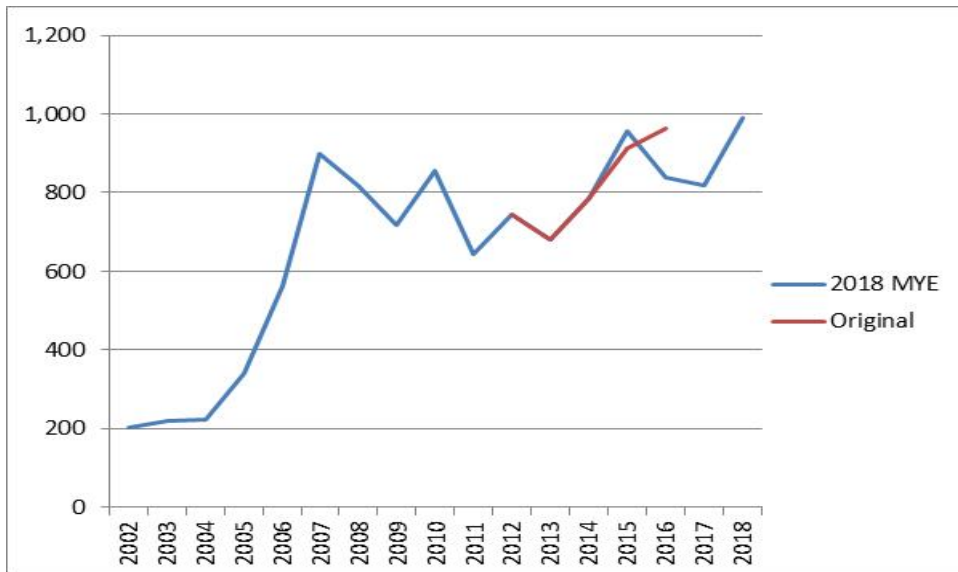


- 2.15. The net flow has varied widely since 2001; between less than 500 and nearly 1,300. In more recent years there is a detectable rising trend. There is relatively little difference in the trend periods for the 2014-based projection (2009-14: 602) and the 2016-based projection (2011-16: 702). Net flows are invariably a relatively small difference between two much larger gross flows with the result that small changes in the gross flows can produce relatively large percentage changes in the net flow.
- 2.16. However the net UK flow for the ONS 2018-based projections (based on 2013-18) is 846 meaning that the projection will almost certainly be higher than either the 2014-based or 2016-based projections.

International Migration Inflow

- 2.17. Figure 2.6 shows the historical data for flows in from overseas. These have also benefitted from methodological improvements by the ONS but in this case the ONS has adjusted the earlier year figures back to 2011-12. Note that these adjusted figures were taken into account in the 2016-based projections but post-date the 2014-based set.

Figure 2.6: International Inflows 2001-02 to 2017-18

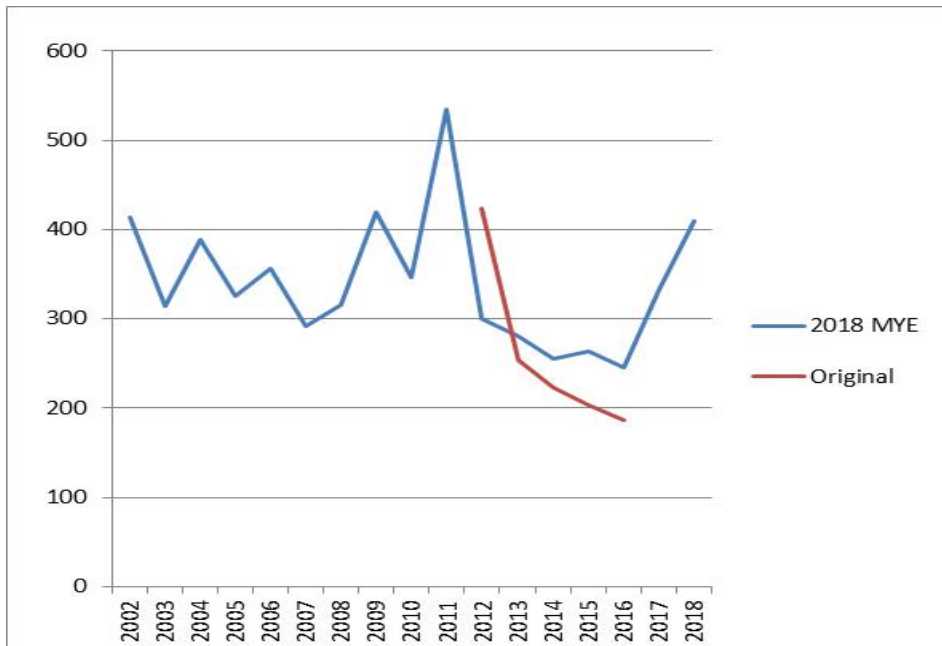


- 2.18. As the figure shows, there was a dramatic increase in the inflow up to 2007 but change has been more undulating subsequently, though still with a detectable upward trend since 2011. These changes do not indicate that there is a problem with the data. The ONS's revised methodology has made relatively little difference and gives support to the view that the earlier figures were sound.

International Migration Outflow

- 2.19. Figure 2.7 shows the data for international out-migration. These have been more affected by the ONS's new methodology, with the revised figures producing slightly higher outflows, though not in 2011-12, and so contributing to a lower population growth. There is nothing that is obviously problematic with these figures.

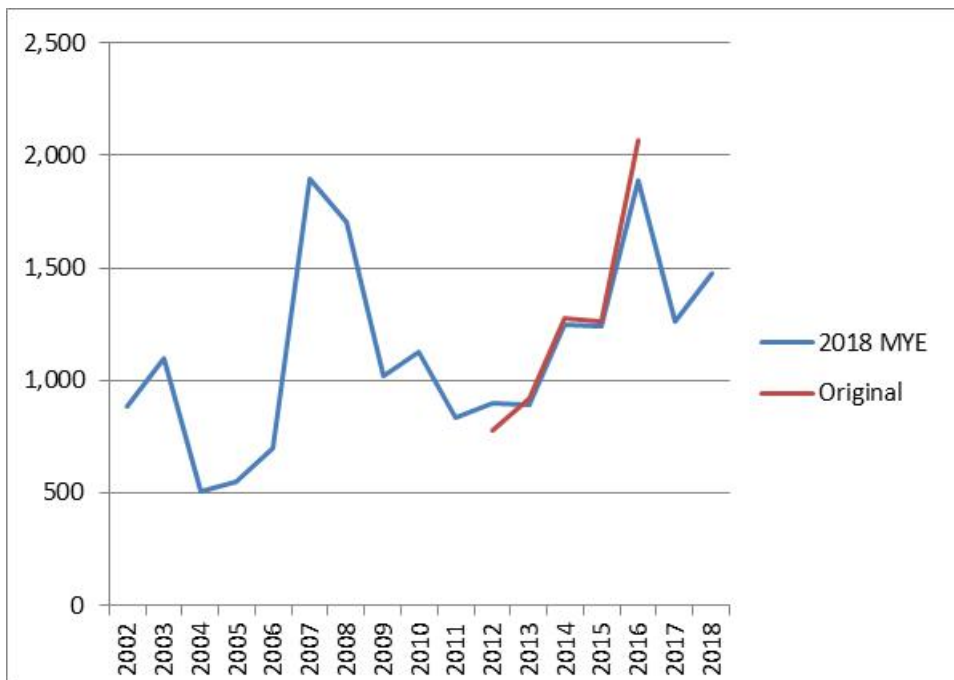
Figure 2.7: International Outflows 2001-02 to 2017-18



Net Migration

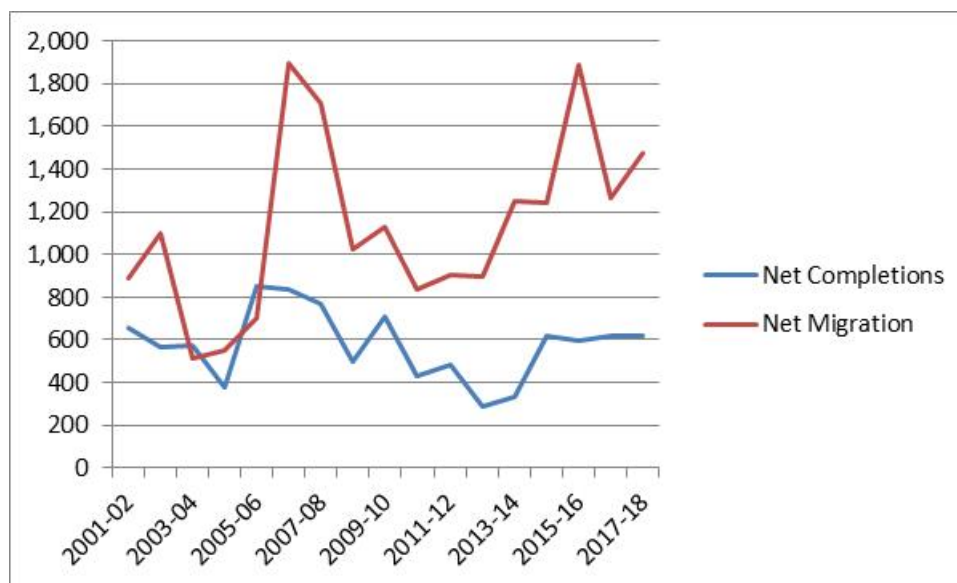
2.20. Figure 2.8 brings all of the migration flows together to show the overall net effect. It is noticeable that a number of small changes in the large individual flows combine to produce net flows that have varied considerably over the 17 year period. In general Swale has received net inflows that have increased, however the significant rise to 2007 fell back until 2011. Although there was a further peak in 2015-16 recent flows have followed the 2011-15 trends

Figure 2.8: Total Net Migration 2001-02 to 2017-18



2.21. Swale has shown limited correlation between net housing completions and net migration since 2001. See Figure 2.9. In the early 2000s the ratio between net migration and net completions was around unity; in the more recent years that ratio has been around 2.5, broadly similar to average household size. Net completions peaked in 2005-06 at 854 and declined to only 291 in 2012-13. There has since been an increase to an average of 556 a year in 2013-18. Variation in net migration has been much greater than the stock change. However, the latest years show that both sets of data have been generally growing since 2012-13.

Figure 2.9: Net Housing Completions and Net Migration 2001-02 to 2017-18

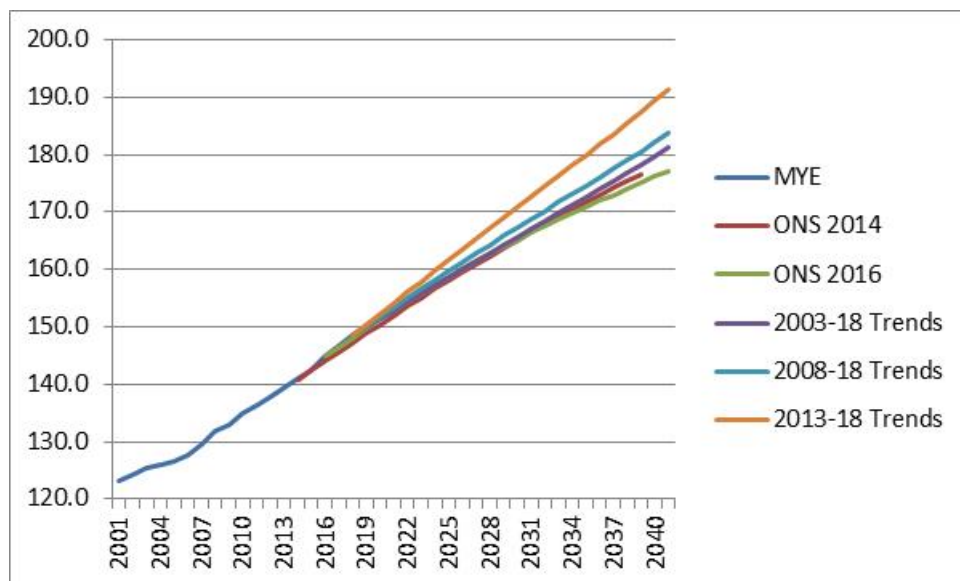


Source: Swale and ONS mid-year estimates change analyses

2.22. Theoretically net migration must be closely related to the net completions to the housing stock, although age structure effects including movers to non-private households may also be significant in the final analysis. In the base period for the ONS 2014 SNPP there was an average of 451 net completions per year, this rose slightly to 465 in the base period for the 2016 SNPP. The latest figure is 556 in 2013-18, the base for the ONS 2018 SNPP which is expected in mid-2020. Therefore it should be expected that the direction of change in the next round of official population and household projections will be upwards.

2.23. The fact that the annual net flow has varied significantly over time, with a general rising trend, means that using a different trend period can produce a significantly different projection. With rising net inflows the more recent five-year period shows the highest projection. This is shown in Figure 2.10.

Figure 2.10: Variant Total Population Projections



2.24. The variants are:

- **2018 SNPP/HP 5YR All Migration:** as 2016 SNPP in terms of fertility and mortality but with all migration based on the average flow rates over the period 2013-18. Household projection uses same assumptions as DCLG 2014 SNHP
- **2018 SNPP/HP 10YR All Migration:** as above but with all migration based on the average flow rates over the period 2008-18.
- **2018 SNPP/HP 15YR All Migration:** as above but with all migration based on the average flow rates over the period 2003-18.

2.25. Table 2.1 shows the impact that different trend periods have on the population and household growth over the period 2020-30. Applying DCLG 2014 assumptions and methodology to the ONS 2016 SNPP makes very little difference in the number of households. This tends to confirm that although the two household formation input data and models were different the results for Swale are robust and offer no indication of implausibility. The three Trends projections have somewhat different age structures to the ONS projections hence, although the projected growth is in all cases higher than in the 2016 SNPP, the numbers of households projected using the DCLG 2014 methods and assumptions do not increase in proportion.

Table 2.1: Population and Household Growth 2020-30 under ONS and variant population projections.

	Population	Households
ONS2014 SNPP/DCLG 2014 SNHP	14,831	7,897
ONS 2016 SNPP/SNHP	13,882	7,543
ONS 2016 SNPP/DCLG 2014 SNHP	13,882	7,566
2003-18 Trends/DCLG 2014 SNHP	14,206	6,940
2008-18 Trends/DCLG 2024 SNHP	15,554	7,692
2013-18 Trends/DCLG 2014 SNHP	18,624	8,622

Unattributable Population Change (UPC)

- 2.26. In a statistically perfect world the population change calculated from the estimates of births, deaths and migration flows for the period between two censuses would equal the difference between the population estimates made from the censuses. In practice it never does exactly and the difference between 2001 and 2011 is known as 'unattributable population change' (UPC) as it is the change in population that the ONS was not able to attribute to births, deaths or net migration flows. For Swale UPC for the period 2001-11 was -1,313, the minus sign indicating that the combined effect of the ONS's estimates for births, deaths and migration flows over-estimated the population change suggested by the 2001 and 2011 censuses. That overestimate was 10% of the population change suggested by the censuses. As natural change is very accurate, being based on the registration system, most of the discrepancy would be with estimates of migration and any other special changes. Compared to this figure the UPC is a 14% of estimated net migration and other changes. This 'error' is relatively small as there are 83 authorities for which the discrepancy is more than 50%.
- 2.27. UPC is only significant for males in their 20s, as shown in Table 2.2. This difference is explained by ONS as due to errors in estimated international migration flows. The methodology to estimate these flows at local level has been improved by ONS since the 2011 Census results were available. It does not suggest that UPC creates a serious ongoing problem in any age group as the largest discrepancy is less than 8%. The inclusion of UPC would only have a small impact on overall net migration in a projection with a base including years prior to 2011 – i.e. a 2008-18 based projection.

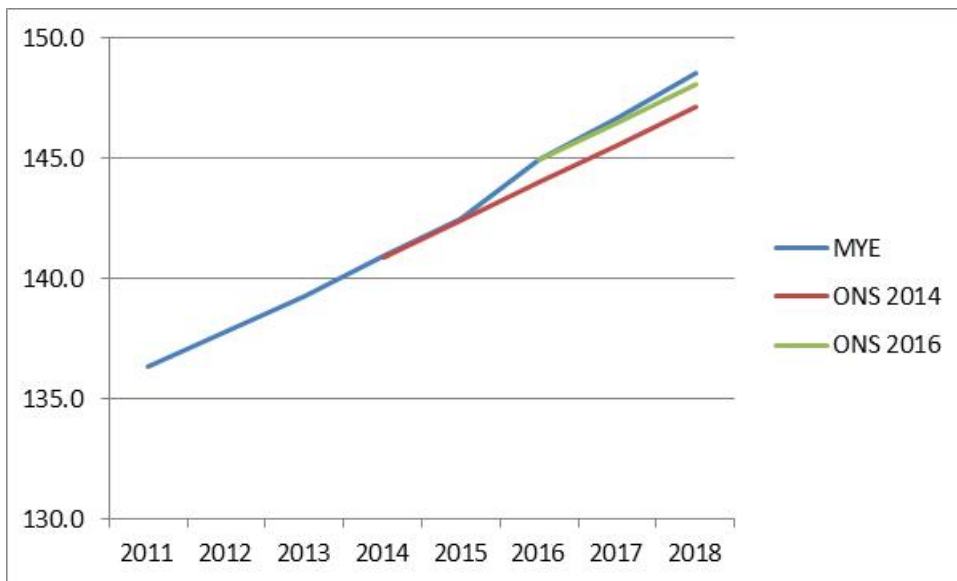
Table 2.2: UPC for males ages 15-34

	MYE	MYE	Difference	UPC
	Rolled	2011 Census	(UPC	(%)
	Forward	Based		
15-19	4,552	4,567	15	0.33
20-24	4,299	3,993	-306	-7.12
25-29	4,366	4,024	-342	-7.83
30-34	3,774	3,765	-9	-0.24

Comparison between the 2014 and 2016-based Population Projections and the subsequent ONS Mid-year Estimates

2.28. The ONS 2014 SNPP was based on the ONS 2014 Mid-Year Estimates. The 2014 MYE have subsequently been revised to reflect the ONS’s new method for estimating international flows and there are now annual estimates to 2018. The ONS 2016 SNPP was based on the ONS 2016 MYE that have – so far – not been re-evaluated. The comparison between the projections and subsequent estimates gives some idea of the direction of change of updated projections

Figure 2.11: Comparison of ONS 2014 and 2016 SNPP with ONS MYE (thousands)



2.29. The latest ONS population estimates suggest that:

- 2014 SNPP: the population in the base year (2014) was little affected by revisions.
- The 2014 SNPP for 2018 was nearly 1,400 lower than the 2018 MYE, a difference of 0.9%.

- The 2014 SNPP showed an increase of 6,300 between 2014 and 2018 whereas the MYE increase was 7,600.
- 2016 SNPP: the base population is still the latest estimate for 2016.
- The 2016 SNPP for 2018 was over 400 lower than the 2018 MYE, a difference of 0.3%.
- The 2016 SNPP showed an increase of 3,200 between 2016 and 2018 whereas the MYE increase was 3,600.

2.30. Assuming what was estimated to have happened in the period 2014-18 as guidance of what is likely to happen in the future then this suggests that both the 2014 SNPP and 2016 SNPP underestimated the future population growth.

Household Formation

- 2.31. The household formation rates (HFR) in the 2014 and 2016-based household projections are very different. The 2014-based projected rates were the last produced by DCLG and were based on data drawn from 5 censuses between 1971 and 2011. The 2016-based set was the first produced by the ONS and used data from just two censuses: 2001 and 2011. The two projections also used different definitions of 'household', the 2014-based set using an earlier definition which necessitated the adjustment of the output from the 2001 and 2011 censuses to estimate what the figure would have been had those censuses used the earlier definition.
- 2.32. There were also substantial methodological differences. In particular, the 2014-based projection was built up using household formation rate projections for gender, 5-year age groups from 15-19 to 85+, and relationship status (single, in a couple, formerly in a couple) whereas the ONS's 2016-based set only used gender and age groups 16-19, 20-24 ...85-89 and 90+. This could be significant as the household formation rates of single coupled and previously coupled people are very different in many age groups. As result the 2016-based projections may not accurately reflect likely changes in the household formation rates of some age/gender groups due to changes in the status of those groups. For example, as the life expectancy of men increases more couples are likely to survive longer into old age, reducing the overall household formation rate of older age groups.
- 2.33. Another key difference is that the ONS's 2016-based projections hold household formation rates constant after 2021 whilst the DCLG's 2014-based projections allow the rates to continue to change to 2039.
- 2.34. In seeking to assess the reasonableness of the household formation rates there are two aspects that should be considered:
- How well do the rates reflect what has happened since 2011?
 - How plausible are the rates going forward?

How well do the HFRs reflect what has happened since 2011?

- 2.35. Unlike the population projections, there is for the household projections no equivalent of the ONS's mid-year population estimates with which to compare

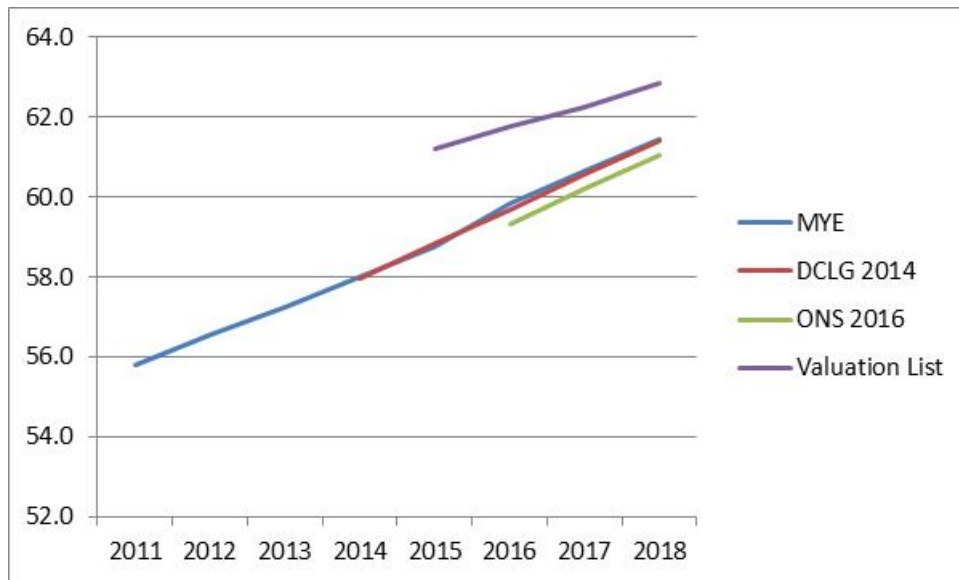
a projected number of households with a separately estimated number. Although the household projections are described as “2014-based” or “2016-based” it is only the population element that has the stated date as its base year: The household formation rates in the base year are themselves projections from the census-based figures and, although the controlling change in England in the 2014 SNHP references the latest data from the Labour Force Survey, as such at local authority level could be significantly adrift from what is actually happening.

- 2.36. This issue was addressed by the ONS in an article entitled, “Household projections for England, comparisons with other sources: 2001 to 2018²” which was published alongside the 2016-based household projections in September 2018. This notes that household projections are not forecasts. They show the number of households there would be if a set of assumptions about the size and structure of the population and the patterns of household formation were realised in practice. They do not predict the impact of future public policy, changing economic circumstances or other factors which may influence household growth.
- 2.37. The paper reviews other sources of estimates of household numbers between 2001 and 2018, focussing in particular on the household estimates derived from the Labour Force Survey (LFS). It shows that after 2011 there is a significant divergence between the household numbers suggested by the LFS and all of the household projections produced since 2011, all of which suggest higher household numbers. The lower numbers suggested by the 2016-based projections are the closest to the LFS estimates but are still somewhat higher. This raises the possibility that all of the recent household projections may have taken as their starting point a set of household numbers in the base year that was too high – and potentially be projecting future household formation rates that are too high.
- 2.38. The Labour Force Survey is too small to provide accurate data at the local authority level. It is, however, possible to compare local authority level household numbers with dwelling stock figures and council tax valuation lists.
- 2.39. Figure 2.12 compares household estimates with the numbers of homes on the Council Tax valuation list. The household numbers shown in Figure 2.12 have been produced using the most recent ONS mid-year population estimates, converted to households using the DCLG 2014 relationships and methodology, and both the 2014 and 2016-based SNHPs

² Household projections for England, comparisons with other sources: 2001 to 2018, ONS, 20 September 2018 at:

<https://www.ons.gov.uk/peoplepopulationandcommunity/populationandmigration/populationprojections/articles/householdprojectionsforenglandcomparisonswithothersources/2001to2018>

Figure 2.12: Comparison of 2014 and 2016 Household Projections and the Council Tax Valuation List (thousands)

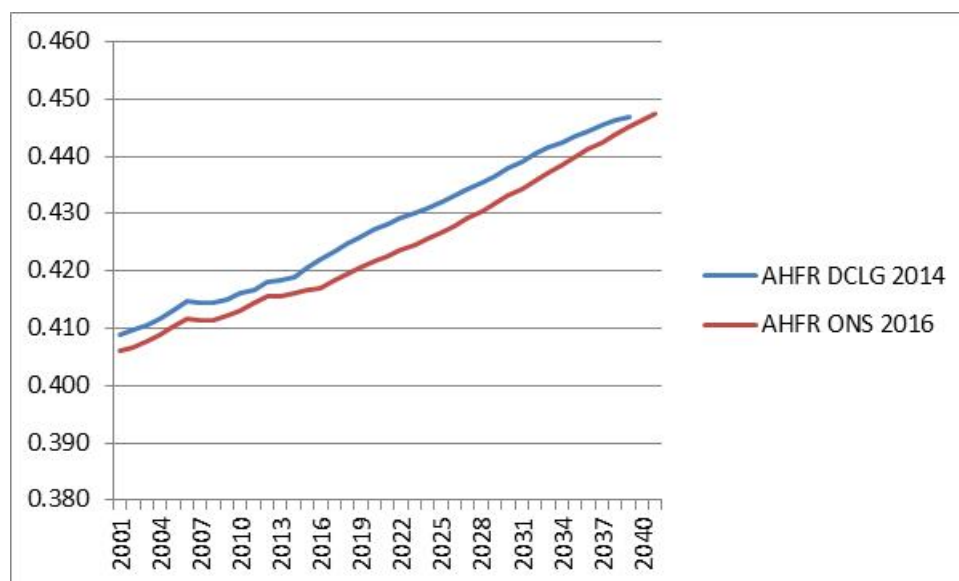


- 2.40. Comparing the Valuation List with the 2014 SNHP, allowing for empty and second homes, the discrepancy between the datasets has fallen from 2,300 in 2015 to 1,400, or about 2.3%, in 2018. The change comparing the 2016 SNHP is similar, though the differences are a little greater. In general the differences are small enough to be explained by a reduction in the numbers of empty and second homes, or some increase in sharing households
- 2.41. In recent years the increase in the number of homes on the valuation list has been less than the increase in the number of households according to both projections. This suggests that both the 2014 and the 2016-based SNHP for Swale may be overestimating the change in household numbers. This can be due to two factors, working separately or in combination, the projected population is too large or the household representative rates are too high. Given the latest population estimates exceed the two projections it is more likely that the HRRs are the main cause of concern. However, the over-estimation in the case of Swale is relatively small and is potentially explained by changes in the valuation list and is insufficient to argue that there are exceptional circumstances which justify departing from the published projections.

How plausible are the HFRs going forward?

- 2.42. Figure 2.13 compares the aggregate household formation rates (AHFR) in the 2014 and 2016 based projections. The aggregate is the total number of households divided by the number of people of all ages living in households. It is the inverse of average household size. In Swale the 2016-based AHFR is consistently lower than the 2014 AHFR but in later years the gap narrows.

Figure 2.13: Comparison of 2014 and 2016 Aggregate Household Formation Rates (AHFR)



- 2.43. The reasons for this are complex and include the way in which the 2016-based projections hold HRRs constant after 2021, rather than continuing to project the 2001-11 rises and falls, and the way in which the 2014-based projections reflect likely changes in the relationship status of the population. This feature was based on a 2008-based projection that there are no plans to update and so was dropped by ONS from the 2016-based HFRs. However it may be particularly significant for some older age groups. Therefore, whilst the 2014-based HFRs for 2018 are seemingly too high, they may be less so for later years in the projection which are needed to get the ten years household change required by MHCLG for the standard way of calculating LHN.
- 2.44. The difference between the 2014 and 2016-based HFRs could be important, particularly over the ten year periods used for the standard method. For Swale, applying the 2014 HFRs to the 2016 SNPP instead of using the 2016 HFRs would change the average number of additional households over the period 2020-30 from 754 to 757, a trivial difference.
- 2.45. The projections are not forecasts. They only aim to demonstrate what would happen if past trends continue; they do not take any account of policy changes or possible future events. (Apart, perhaps, from the exception of the assumptions about international migration in the short term.) Of particular relevance here is the Government's intention to boost housing supply to 300,000 homes a year. That is well in excess of the number of homes needed to accommodate the projected increase in the number of households in the country and, if achieved, would almost certainly result in household formation rates rising faster than envisaged in the projections. The impact that this would have on individual authorities is, at present, very difficult to predict.

Conclusion on Exceptional Circumstances

- 2.46. There is nothing in the historical data for births, death and migration flows to suggest there are errors or anomalies in the statistics. However, the figures do partly reflect the change in house building in the district since the peak in 2005-06. The fall has recently been reversed and net migration inflows to Swale reflect this.
- 2.47. As a consequence, population and household projections for Swale are sensitive to the trend period used. This explains much of why the 2016-based projections suggest somewhat lower population and household growth than the 2014-based set.
- 2.48. An OAN based on the 2016 SNHP would have been criticised under the 2012 NPPF as being too low as it would have reflected the relatively low levels of house building in its trend period. It is also doubtful whether the 2014 SNHP could be considered as being too high as, whilst the first year of the trend period (2009-10) was a year of high house building, the number of homes built in the rest of the period fell sharply and only in 2004-05 were fewer homes built since 2001 than in any of the years 2010-14.
- 2.49. The population projections which underlie the 2014 SNHP are too low for the period 2014-18. This reflects the increased average house building rates in those years. Assuming a return to much higher house building rates will result in population projections that are substantially higher than the 2014 SNPP.
- 2.50. There are some indications that both the 2014- and 2016-based HFRs over-estimate household formation rates since 2011 but the discrepancy is not large.
- 2.51. The difference between the two sets of HFRs is not large. Even if it could be shown that the 2016-based set were clearly superior, the difference is not sufficient to constitute exceptional circumstances for departing from the 2014 SNHP in the standard method.
- 2.52. **The overall conclusion is that there are no exceptional circumstance that would justify departing from the standard method formula based on the 2014-based household projections.**

3. How Swale's LHN may change in the future

Estimating future household projections

- 3.1. There are two key inputs to the LHN standard formula: the projected household growth over a ten year period; and the latest median affordability ratio. Whilst the affordability ratio may change over time, there is no way in which this can be projected. It is, however, possible to estimate how the projected household growth may change in future official projections.
- 3.2. There are a large number of inputs and assumptions to any household projection and it is possible that the ONS may adjust its methodologies at any time. However the projected changes in the numbers of homes built in the district over the next 10 years is likely to have a bigger impact than all but the most radical of changes to other inputs and assumptions. A useful indication of the levels of household growth which may be envisaged in the 2018-based projections can therefore be gained by estimating the impact which the recent (2013-18) estimated migration flows will have on the population projection. It is possible that anticipated levels of house building between 2018 and 2020 will have a further impact on Swale's migration between 2018 and 2020. Any population projections based on these two premises must assume that nothing else changes; that is continue with the latest fertility and survival rate assumptions.
- 3.3. There are two possible responses to a significant increase in house building: more people may move into the district to fill the additional homes (i.e. an increase in net migration); and those who were expected to be in the district may form more separate households than they otherwise would have (i.e. household formation rates may rise). The practical reality is that the actual response is likely to be a combination of the two. However, in a high demand South East local authority within London's commuter belt such as Swale the most likely effect is an increase in net migration. This effect may be ameliorated if there is a similarly large increase in house building in the rest of the region. It is the Government's intention to see house building nationally rise to 300,000 homes a year. This would undoubtedly result in a rise in average household formation rates nationally. The projections in this section assume that the response to increased house building would be increased net migration without any impact on household formation rates.
- 3.4. Working on this assumption, the first step in estimating the 2018 and 2020-based projections is to estimate how net migration flows would need to change to fill the additional homes that are expected to be built. Having estimated revised migration flows; those can then be used to calculate revised migration flow rates for the trend periods of the 2018 and 2020-based projection, which in turn can be used to produce revised projections.
- 3.5. Two methods have been used to calculate the impact which the projected higher house building rates will have on flow rates.

2018-based Projections

- 3.6. The ONS mid-year estimates already show gross and net migration flows up to mid-2018. Therefore a projection using five-year average flows may be prepared with no reference to planned house building. The population projection would effectively update the ONS 2016-based population projection and use the same fertility and survival assumptions. Given that MHCLG has rejected the use of the ONS 2016 SNHP the population would be converted to households using the DCLG 2014 SNHP data and assumptions. The LHN could then be calculated.
- 3.7. A variant 2018-based projection would continue to use DCLG 2014 SNHP data and estimate the migration required to fill the planned house building.

2020-based Projections

- 3.8. To create a 2020-based projection it is first necessary to estimate the population forwards to 2020 from the 2018 MYE. This would be done by assuming the planned house building of 2018-20 and link this to population change via the 2014 SNHP data. This would set migration levels in 2018-20 and provide a basis for 2025-20 trend-based projections from 2020 and a projection based on planned house building after 2020.

Revised Population Projections

- 3.9. Figure 3.1 shows the results of two projections starting with the 2018 MYE. They are compared to the two previous ONS 2014 and 2016 SNPP for Swale. The initial 2013-18 based trends projection is adjusted so that from 2018-19 to 2030-31 the Swale housing trajectory, as shown in the *Annual Monitoring Report 2016-17* is used as the guide for migration. Although the OAN for Swale as determined by the EiP and published by the Inspector in 2017 is 776 dwellings per year the trajectory has taken account of issues regarding starts and site availability. Additional dwellings rise from 387 in 2018-19 to 1,394 in 2020-21 before declining to 570 in 2030-31 – the last year of the current plan. Due to the uneven trajectory the population, while initially lower than the trends projection exceeds it in 2022 but returns to almost the same value by 2031.
- 3.10. Figure 3.2 shows the results in terms of households. The picture is very similar to the population projection.

Figure 3.1: Comparison of ONS SNPP and 2018-based Population Projections (thousands)

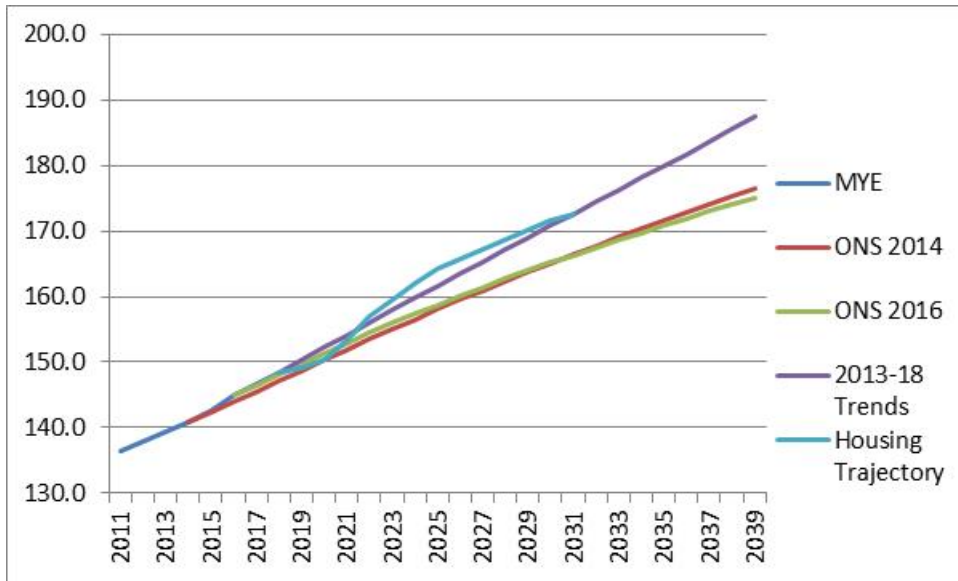
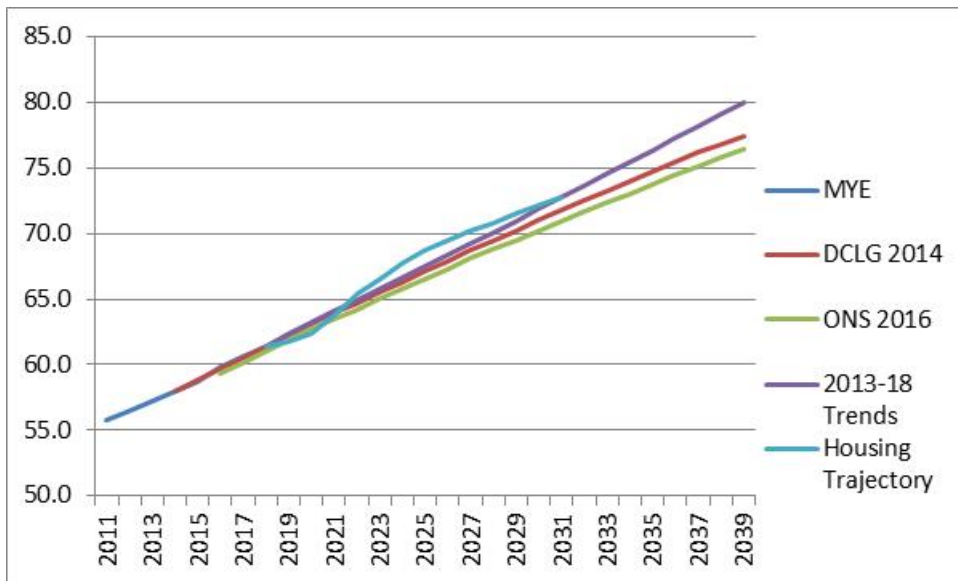


Figure 3.2: Comparison of DCLG and ONS SNHP and 2018-based Household Projections (thousands)



3.11. Figures 3.3 and 3.4 show the results for 2020-based population and household projections respectively. The outcomes are similar to the 2018-based projections but as the Swale housing trajectory shows low annual totals in 2018-20 the results of the 2020-based projections are lower than the 2018-based projections.

Figure 3.3: Comparison of ONS SNPP and 2020-based Population Projections (thousands)

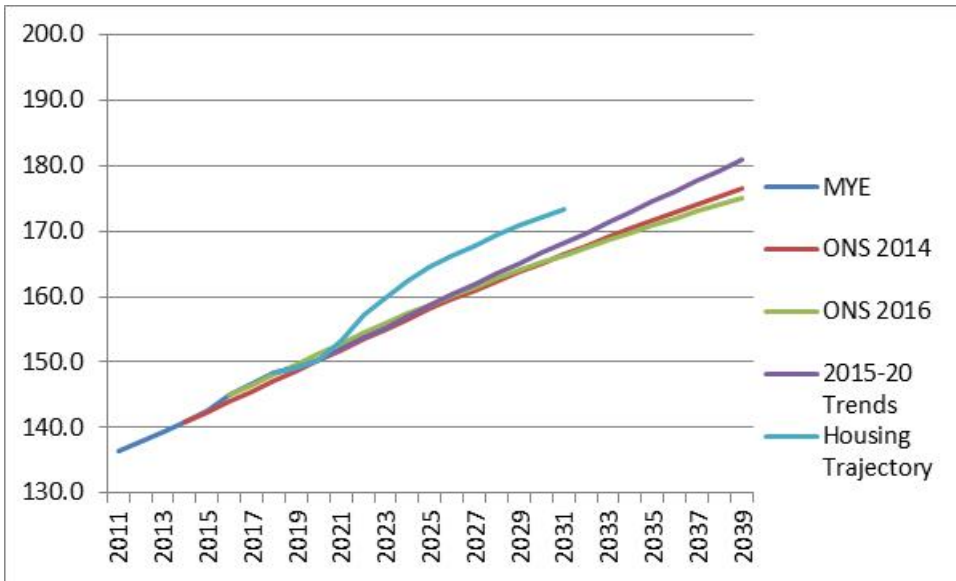
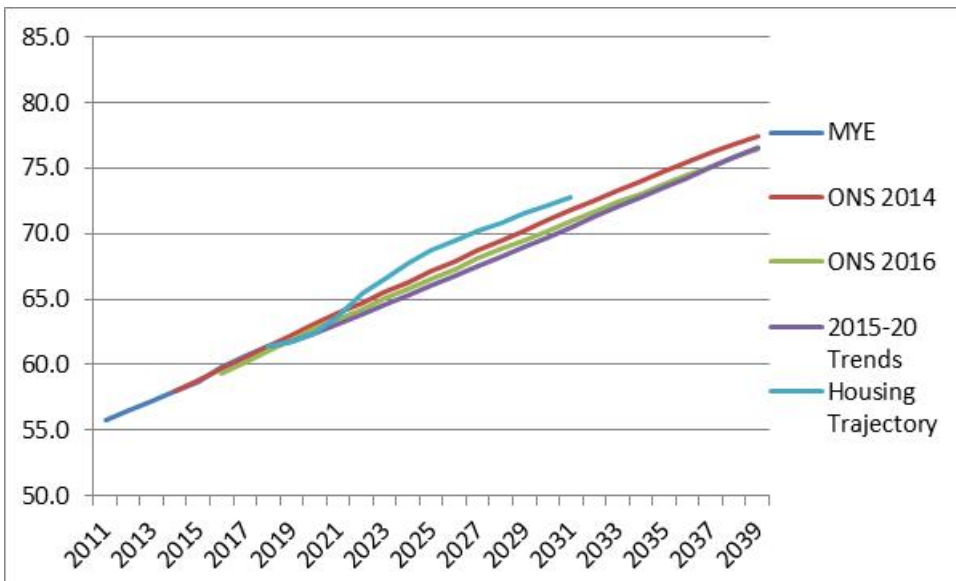


Figure 3.4: Comparison of DCLG and ONS SNHP and 2020-based Household Projections (thousands)



- 3.12. Table 3.1 summarises the results for the 10-year periods which would be used in the standard LHN methods for 2020 and 2022:

Table 3.1: Variant Household Projections

	2020-30	2022-32
2014 SNHP	790	780
2016 SNHP	754	739
2014 SNHP + 2013-18 Trends	862	873
2014 SNHP + 2018-31 Trajectory	984	817 ⁽¹⁾
2014 SNHP + 2015-20 Trends	735	742
2014 SNHP + 2020-31 Trajectory	984	817 ⁽¹⁾

(1) 2022-31 average

- 3.13. These results depend crucially on the assumptions made: different assumptions or alternative methods for updating the 2014 SNHP could produce significantly different but equally valid results.
- 3.14. Updating the 2014 SNHP to 2018 produces household growth figures that are higher than the 2016 SNHP. This is partly because levels of migration have increased since 2016 but also due to differences in the age profiles. Updated 2014 projections using 2015-20 estimated migration trends are quite similar to the 2016 SNHP due partly to relatively low build number in the housing trajectory for 2018-20 lowering the average annual net migration. Figures for 2022-32 based on the housing trajectory are the same for both projections and are based on the 9-year average 2022-31 as the trajectory linked to the current local plan ends at 2031.

Calculating the LHN

- 3.15. There are several steps in the current methods for calculating the LHN. Applying the standard methods to the above figures if the plan start date is 2020 the 2018-based projections are used and if it is 2022 then the 2020-based projections are used.
- 3.16. Step 1 takes the baseline 10-year household change from the 2014 SNHP. This is 790 and 780 from the above table for the respective start years.
- 3.17. Step 2 adjusts for the affordability adjustment. For Swale the latest (2018) median Workplace-based Affordability Ratio is 9.14. This leads to an Affordability Adjustment Factor of 1.32125. The results would be requirements of 1,043 and 1,031 respectively.
- 3.18. Step 3 involves applying a cap based upon the status of the local planning process. As Swale has a Local Plan adopted in 2017 (ie within the last five years) for which the Inspector specified an annual housing requirement of 776, this would be capped by a factor of an additional 40%. This would lead to a current baseline requirement of 1,086. As this is above either of the two Step 1 and Step 2 calculations using the 2014 SNHP it would not be applied.

- 3.19. If a plan was to start in 2020 and could use an updated 2018-based projection (i.e. 2014 SNHP plus 2013-18 migration trends as in Table 3.2) The Stage 2 calculation would be 1.139. The cap would again be 1.086 but this time it would be applied.
- 3.20. However, Swale’s next plan is likely to be for 2022-38 therefore a separate approach may have to be taken for the capping process if the plan is deemed to break the ‘five year’ rule for reviewing the housing requirement. Although the current plan was adopted in 2017 it runs from 2014-31. In this case the cap is set at 40% above the higher of the most recent average annual housing requirement figure (776) or household growth projection (742, calculated for 2022-32 from the 2014 SNHP with 2015- 20 trend based projection – see Table 3.1). In this example the cap would still be 1,086 but as it is higher than the Stage 2 calculation of 980 it would not be applied.
- 3.21. However the timing of the work may be such that the latest household growth projection would have been the 2018 trends (ie in this case the 2014 SNHP adjusted by 2013-18 migration trends). The cap on this occasion would be 1,222 but would not be applied as it would be greater than the Stage 1 and 2 calculations based on the higher of 776 or 873 (2014 SNHP plus 2013-18 trends over the period 2022-32). The LHN would be 1,153.

Table 3.2: Current Method LHN

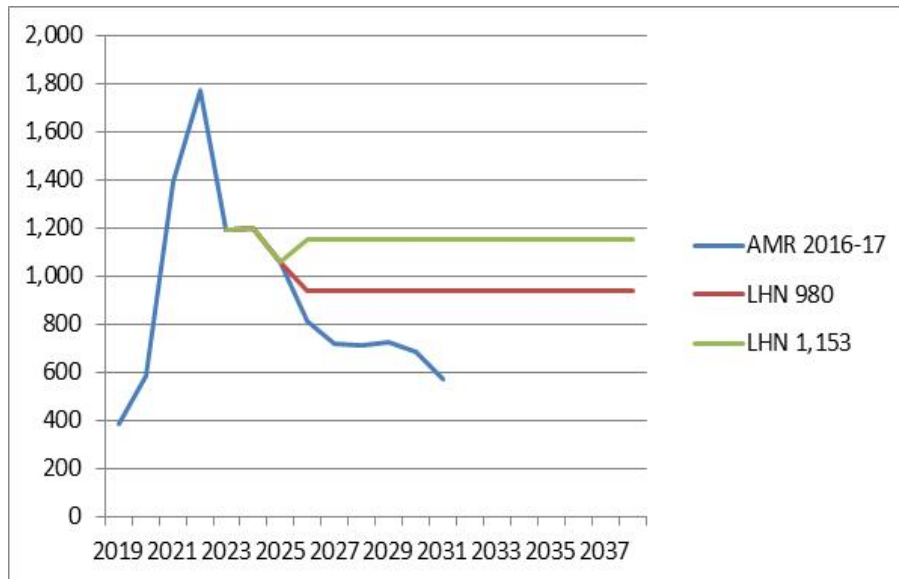
	Start Year		Start Year	
	2020	Cap	2022	Cap
2014 SNHP	1,043	1,086	1,031	1,086
2014 SNHP + 2013-18 Trends	1,139	1,086	1,153	1,222
2014 SNHP + 2015-20 Trends	na	na	980	1,086

- 3.22. There is currently uncertainty as to whether, and how, the standard method may change in the future. The DCLG 2014 SNHP uses a projection of relationship status that has not been updated and for which there is no prospect of being updated by ONS. It is also likely that the ONS SNHP methodology will be developed to project beyond 2021.
- 3.23. The projections of LHN shown in Table 3.2 are therefore speculative in the continuation of methodology as well as the accuracy of estimated migration data based on the level of assumed house building in Swale up to 2020. As Swale has a requirement set by the Inspector of the current plan that, at 776, gives rise to an LHN cap of 1,086. This is above recent performance and the current trajectory until 2020-21. Therefore it may not be used for a new local plan running from 2022. The LHN in this case would be 980. However, the alternative, higher, LHN of 1,153, may be necessary if the migration in a 2018-based population projection becomes the most recent available.
- 3.24. **Given a plan starting in 2022 it is likely that the LHN that needs to be planned for is between 980 and 1,153.**

4. Projections based on Swale's LHN

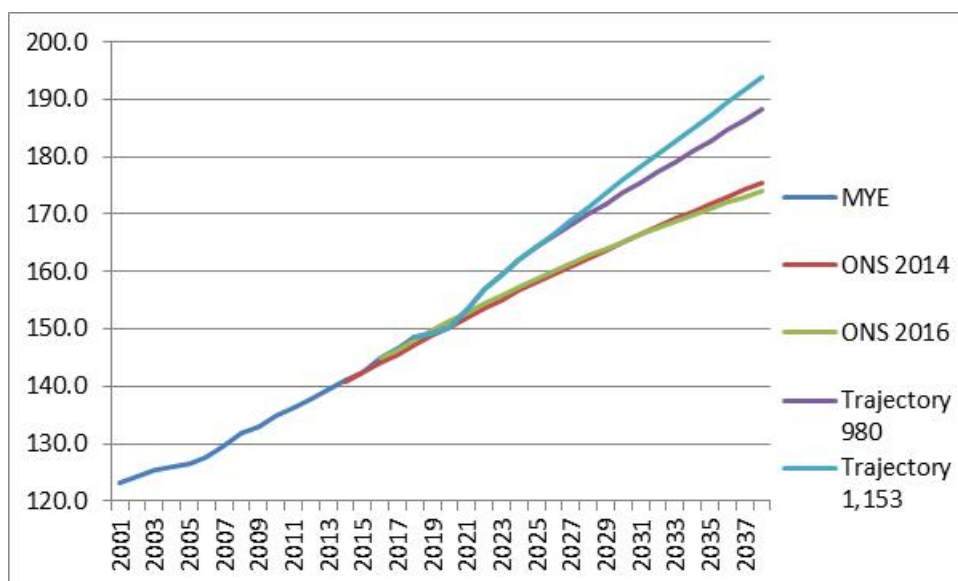
- 4.1 In order to prepare projections based on an LHN starting in 2022 it is necessary to consider an appropriate housing trajectory. The current trajectory peaks at 1,773 in 2021-22 but falls below the range of the potential future LHN in 2025-26. It is assumed that the current trajectory to 2024-25 will be maintained but that in years 2025-26 to 2037-38 the remainder of the requirement will be provided evenly at each year. The results are shown in Figure 4.1.

Figure 4.1: LHN Trajectories 2018-19 to 2037-38



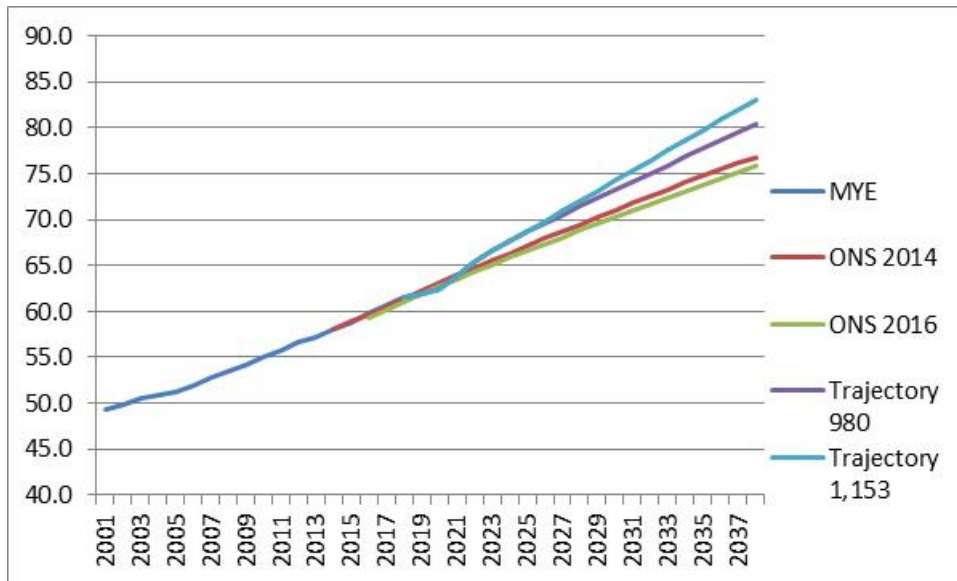
- 4.2 From 2025-26 the annual average completion rates are 940 and, remarkably, 1,153. Both figures imply significantly higher completion rates after 2025 than the present trajectory. Figure 4.2 shows the resulting population projections related to the LHN range.

Figure 4.2: Population Estimates and Projections: 2001 to 2038 (thousands)



- 4.3 Both projections are significantly above both the ONS 2014 and 2016 SNPP, rising to 188.2 to 193.9 thousand persons in 2038. These are projected increases of 31.2 to 37.0 thousands over the proposed plan period.
- 4.4 Figure 4.3 shows the equivalent household projection. Growth in households is less than the LHN as the 2011 Census net vacancy rate of 4.25% is assumed to remain. With an LHN of 980 there is a projected growth of 15.0 thousand households, rising to 80.4 thousand in 2038. The higher LHN of 1,153 leads to a growth of 17.7 thousand to 83.1 thousand in 2038.

Figure 4.3: Household Estimates and Projections: 2001 to 2038 (thousands)



- 4.5 Over the plan period the population is expected to rise in almost all ages – the few exceptions are due to undulations in the age structure existing in the projections base – the 2018 MYE. Figure 4.4 shows the overall changes. The most significant increases are seen in the 40's and above age 65, particularly the very old. This is shown in Table 4.1 with numbers from the higher LHN.

Figure 4.4: Population Projections by Age: 2022 and 2038

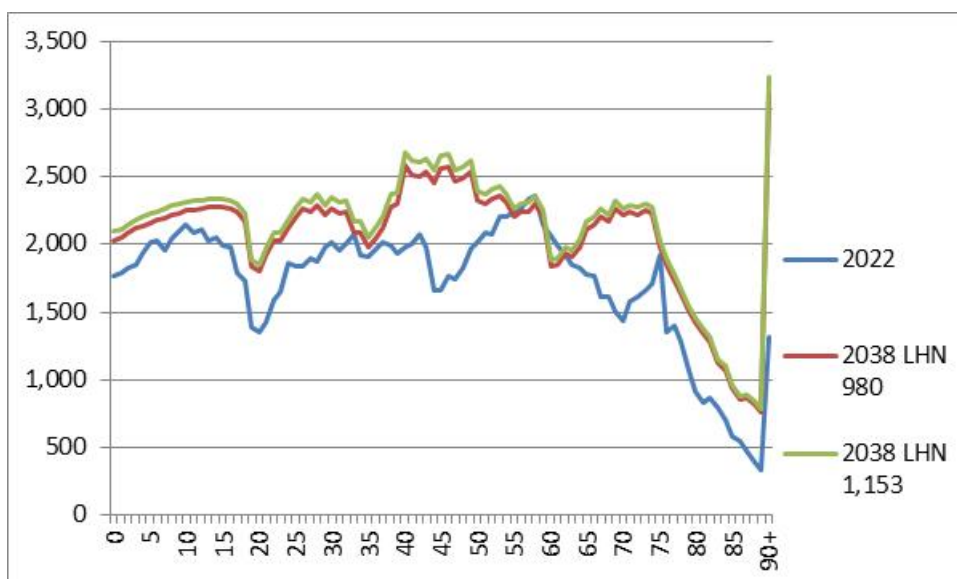


Table 4.1: Projected Population Change by Age

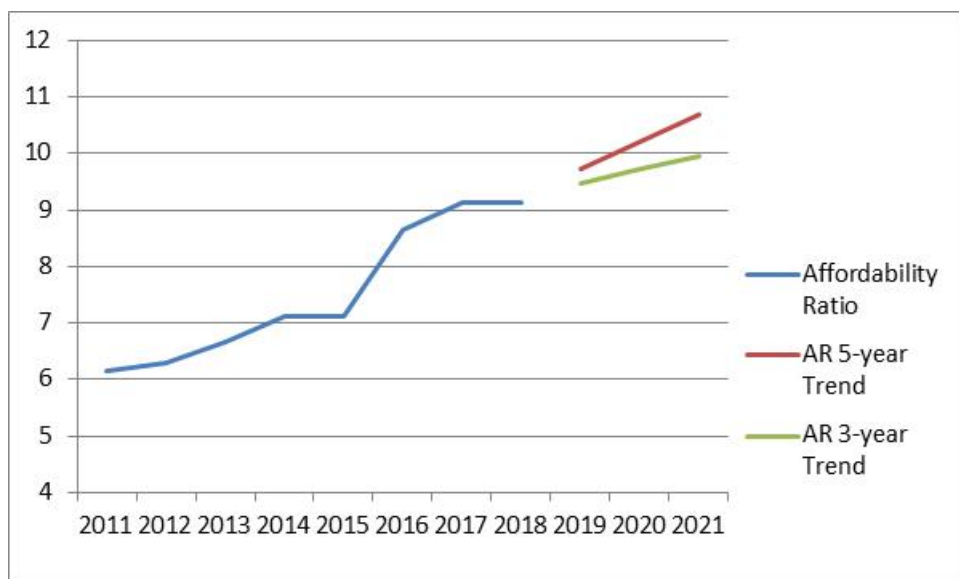
		2022-38	2022-38
	2022	Change	%
0-3	7,229	1,321	18
4-10	14,216	1,627	11
11-15	10,277	1,375	13
16-19	6,902	1,828	26
20-29	17,281	4,488	26
30-39	19,791	2,711	14
40-49	18,657	7,496	40
50-59	21,959	1,520	7
60-69	17,942	2,986	17
70-79	15,004	5,332	36
80-89	6,417	4,352	68
90+	1,320	1,918	145
Total	156,996	36,954	24

- 4.6 In order to construct the two projections based on LHN a number of critical assumptions have been made:
- The affordability ratio was fixed at its 2018 value
 - The household formation rates of the DLG 2014 projection held true
 - The link between net migration and net completions after 2018 was maintained

While the projections rely on the link between population change and stock change there can be some debate about the affordability ration and the household formation rates.

- 4.7 Figure 4.5 shows the median affordability ratio from 2011 to 2018 together with two trend-based forecasts.

Figure 4.5: Median Affordability Ratio 2011-18 plus Trends to 2021



- 4.8 The affordability ratio has risen by about 50% between 2011 and 2018 but after an accelerated increase to 2017 has been more stable. The two projections to 2021 are straight line trends over the most recent 3 and 5 year periods. These show the ratio rising from 9.14 in 2018 to between 9.97 and 10.71 in 2021, the data that would be the most recent at the start of the plan period in 2022. Increases in the ratio would – under current MHCLG methodology – raise the affordability adjustment factor from 1.32125 for 2018 to between 1.37313 and 1.41914 in 2021; these are increases of between 3.9% and 7.4%.
- 4.9 How would these increases in the affordability adjustment factor impact the LHN values shown in Table 3.2? They would increase the requirement calculated at Step 2 of the MHCLG calculations. This is shown for a 2022 start year in Table 4.2. The LHN calculated using a 2018-based population projection would rise to 1,199 using the 3-year trend of affordability and to 1,239 using the 5-year trend. However the latter figure is higher than the cap hence the cap would be applied. The situation is similar for a 2020-based projection with the cap being applied to the 5-year trend affordability but not the increased LHN based on a 3-year trend. The possible revised range of the LHN would be as shown in the boxed figures in Table 4.2 – a range from 1,066 to 1,222.

Table 4.2: Sensitivity of LHN to Affordability Ratio

	Population Projection:	
	2018-based	2020-based
Original LHN	1,153	980
Cap	1,222	1,086
3-year Trend LHN	1,199	1,066
5-year Trend LHN	1,239	1,101
LHN % Increase	5.98	8.78

- 4.10 The future projection of household formation rates is very hard to foresee as the modelling is now done by ONS using simpler methodology than by DCLG. It is important to again note that the valuable intervening variable of relationship status is no longer a part of the ONS methodology owing to marital status no longer being projected by ONS. However as seen in Table 2.13 the changes in the aggregate household formation rates is extremely similar. More telling are the results of applying the DCLG 2014-based household formation methodology to the ONS 2016 SNPP. The result – referenced in paragraph 2.44 - was a trivial difference in the projected number of households compared to the ONS 2016 SNHP – 3 households out of 754 averaged over the projection period from 2016 to 2039. Therefore at this point it seems best not to speculate on future household formation.

5. Conclusions

- 5.1 2018 and 2020-based population and household projections have been prepared based on the ONS 2018 MYE. These projections adopt the fertility and mortality assumptions of the ONS 2016 SNPP with migration after 2018 based upon (a) average 2013-18 trends or (b) the Swale housing trajectory for 2018-20 and the resulting migration trends for 2015-20. The conversion to households used the data, methods and assumptions of the DCLG 2014 SNHP.
- 5.2 Having established that there were no exceptional circumstances to question the base data for the population and household projections the two projections were used to calculate the LHN for 2020 and 2022 plan start dates using the current MHCLG guidance.
- 5.3 **For a 2022 start date the LHN was calculated to be 980 or 1,153 depending upon which of the two projections was used and how the LHN Cap was applied.**
- 5.4 Two further population and household projections were prepared that used the two LHN values in the period 2022-38. Housing completion trajectories were established by assuming that the current Swale trajectory would persist until 2024-25 after which a constant annual number of completions were assumed to match the LHN requirement.
- 5.5 These two projections showed population growth of between 31.2 and 37.0 thousand over the plan period. This is equivalent to 15.0 to 17.7 thousand additional households.
- 5.6 Over the plan period the population would increase particularly for persons in their 40s and those over 65, notably at the highest ages.
- 5.7 While it was concluded that future developments in the projection of household formation may have an impact on the above numbers the comparison between the use of the DCLG 2014 and the ONS 2016 SNHP household formation rates with the ONS 2016 SNPP was so small that no sensitivity tests were undertaken. However, as the median affordability ratio for Swale had steadily increased since 2011 it was decided to test the impact on the LHN of two variants of projecting the ratio to 2021. **This resulted in a new – higher - range of LHN of 1,066 to 1,222.** These new values are indicative only and were not the subjects of additional projections.

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Local Plan Panel Meeting	
Meeting Date	25/02/2020
Report Title	Swale Local Development Scheme
Cabinet Member	Cllr Mike Baldock Cabinet Member for Planning
SMT Lead	Emma Wiggins
Head of Service	James Freeman
Lead Officer	Matt Randall
Key Decision	Yes
Classification	Open
Recommendations	1. The Local Development Scheme (LDS) at Appendix I to this item be recommended to Cabinet for adoption as the current programme for the Swale Borough Local Plan Review.

1 Purpose of Report and Executive Summary

- 1.1 A Local Development Scheme (LDS) is the programme for production of local development plan documents and is required to be produced, monitored and kept up to date under Section 15 of the Planning and Compulsory Purchase Act (2004). The Panel is requested to recommend that this Local Development Scheme at Appendix I to this item should be adopted as an updated programme for the Swale Local Plan Review, which has already commenced.

2 Background

Local Development Scheme

- 2.1 A Local Development Scheme is required under section 15 of the Planning and Compulsory Purchase Act 2004 (as amended by the Localism Act 2011). This must specify (among other matters) the documents which, when prepared, will comprise the Local Plan for the area. It must be made available publically, displayed on the web site and kept up-to-date. The last LDS adopted for Swale was dated September 2018 and covered the programme for the Swale Local Plan Review.
- 2.2 Reviews of Local Plans at least every five years are a legal requirement (Regulation 10A of the Town and Country Planning (Local Planning) (England) Regulations 2012). Council Minute 44 of 2017 recorded the decision to commence a review, based on the recommendations of the Bearing Fruits Local Plan Inspector's Final Report.
- 1.3 Subsequent to adoption of the previous Local Development Scheme in 2018, the new Local Development Scheme proposes a new Local Plan Review timetable. This timetable does not include an additional Issues and Options stage as it is

considered that the Looking Ahead consultation in April 2018 was sufficiently robust to justify progression to the Regulation 19 stage (Preferred Option). This consultation asked for the community's views on a series of 46 questions on how the borough should develop and how this should influence the scope and content of the Local Plan. These questions also asked for comment on the borough's strategic development options such as those around new settlements and the alternatives for future growth. The new LDS reflects the statutory stages of the plan process and the Statutory Regulations.

- 1.4 The LDS programme proposed to achieve adoption of a Local Plan Review is set out at Appendix I to this item. It represents an extremely tight schedule to ensure that an up to date Local Plan is in place and is compliant with the new NPPF and regulation.
- 1.5 In accordance with the regulations, it includes those element of the development plan for which the Council is responsible for producing. For Swale, this comprises the Local Plan itself. A Community Infrastructure Levy programme is not yet included in the LDS. If pursued, it is likely that it would be in parallel with the Local Plan itself. A decision on whether it is appropriate for the Council to set a CIL charge may be in itself dependent on the Local Plan development strategy the Council prefers to pursue and viability assessments of it. This may need to be reviewed and included in a revised LDS if appropriate to do so.
- 1.6 The LDS is effective from the date of the resolution to adopt it (the relevant Minute). The LDS can be reviewed at any time by the Council if there is good reason to do so, subject to a further Council Minute to confirm adoption of a revised programme.
- 1.7 Progress on achieving the milestones in the LDS should be reported in the Annual Monitoring Report.

2 Proposals

Local Development Scheme

- 2.1 The Local Development Scheme at Appendix I is proposed as the programme to achieve Local Plan Review. It will require a council minute to adopt it as such and Panel are asked to recommend to Cabinet that it be adopted for the purposes of guiding and monitoring progress on the Local Plan review. The date it becomes effective will be the date of the relevant Cabinet decision and Minute to adopt it.
- 2.2 The revised programme puts forward a timeline for the consultation on a preferred option Draft Local Plan (Reg 19) in early 2021, and examination in early 2022 and an adoption by Spring 2023.

3 Alternative Options

- 3.1 Production and maintenance of an up to date LDS is a statutory requirement and guides the timetable for production of development plan documents. It is required as part of the suite of documents to be submitted with the Local Plan for Examination in

Public. Without it the plan could be found unsound. There is no realistic alternative to compliance with this requirement, so non adoption of the LDS is not recommended.

3.2 The Swale LDS itself is required only to show the programme of production for documents which comprise the development plan (strategic and non strategic policies and Neighbourhood Plans. Notwithstanding the timeline for the council's SPDs are shown as they will inform the content of the Local Plan.

4 Consultation Undertaken or Proposed

4.1 The Local Plan itself is subject to public engagement or consultation at several points in the process. The LDS programme indicates when these are expected to take place. There is no requirement for the LDS to be subject to consultation.

4.2 Budgetary provision for the Local Plan Review is tackled through the Council's normal budget setting procedures.

5 Implications

Issue	Implications
Corporate Plan	This Local Plan supports the priority of the Council to build the right homes in the right places and supporting quality jobs for all.
Financial, Resource and Property	The costs for the production of the Local Plan can be met from existing budgets
Legal, Statutory and Procurement	A Local Development scheme is required under section 15 of the Planning and Compulsory Purchase Act 2004 (as amended by the Localism Act 2011) and a Council minute confirming its adoption will be needed. Most of the commissions for evidence base to support the Local Plan have been procured using the Bloom Procurement Framework which the Council subscribes to.
Crime and Disorder	None identified at this stage.
Environment and Sustainability	The Local Plan will be supported by its own Sustainability Appraisal and Habitats Regulation Assessment at each key stage in decision making.
Health and Wellbeing	None identified at this stage
Risk Management and Health and Safety	None identified at this stage.
Equality and Diversity	None identified at this stage, although the Local Plan Review itself will be subject to equality impact assessments at key stages as

	advised by the policy team.
Privacy and Data Protection	None identified at this stage

7 Appendices

7.1 The following documents are to be published with this report and form part of the report:

- Appendix I: Swale Local Development Scheme (February 2020-23)

8 Background Papers

None

**Swale Borough Council
Local Development Scheme
March 2020- 2023**

1. Introduction

- 1.1 Swale Borough Council is required to prepare and maintain a Local Development Scheme (LDS) in accordance with Section 15 of the Planning and Compulsory Purchase Act 2004 (as amended by the Localism Act 2011).
- 1.2 This LDS will come into effect upon agreement by the Council's Cabinet on 18th March 2020.
- 1.2 As set out in the Planning and Compulsory Purchase Act 2004 (Section 15) the LDS must specify:
 - a) The local development documents which are to be development plan documents;
 - b) The subject matter and geographical areas to which each development plan document is to relate;
 - c) Which development plan documents (if any) are to be prepared jointly with one or more other local planning authorities;
 - d) Any matter or area in respect of which the authority have agreed (or propose to agree) the constitution of a joint committee under section 29;
 - e) The timetable for the preparation and revision of the development plan documents.
- 1.3 The LDS is a project plan which sets out the timetable for the production of new or revised development plan documents which will form the Council's Local Development Plan. This LDS sets out a work programme for the Council's Local Plan Review over the period to Spring 2023 and anticipated adoption of the review. Progress against this LDS will be reviewed annually through the Authority Monitoring Report.
- 1.4 The Council produced its first LDS in 2005, followed by subsequent revisions in 2008, 2010, 2015, and 2016. These related to the former Local Plan (Adopted Feb 2008); and the current adopted Local Plan 'Bearing Fruits' (Adopted July 2017). The extended process which evolved as a result of the National Planning Policy Framework (NPPF) and move toward a single Local Plan system was reflected in a number of LDS revisions to achieve adoption of the Bearing Fruits Local Plan.
- 1.5 The current LDS was the one produced in 2018 and contained a a fresh programme for Local Plan Review, which addressed the challenges for development raised by the National Planning Policy Framework (NPPF) July 2018; and new statutory requirements for the five yearly review of local plans.

This LDS will supercede the 2018 LDS and will contained a revised Local Plan Review programme.

2. The current adopted development plan documents for Swale

2.1 The current statutory adopted elements of the development plan for Swale Borough are:

- Bearing Fruits 2031: The Swale Borough Local Plan (Adopted July 2017)
- Faversham Creek Neighbourhood Plan (Adopted June 2017)
- Kent Minerals and Waste Local Plan 2013 – 2030 (Adopted July 2016)

3. Current Supplementary Planning Documents (SPD)

3.1 The Local Plan is supported by a number of existing and proposed Supplementary Planning Documents and Supplementary Planning Guidance which set out the details for implementing local plan policies. All of these documents were subject to public consultation. These can be viewed at <https://www.swale.gov.uk/local-planning-guidance/> .

3.2 Currently adopted SPD for the Borough are:

- Developer Contributions SPD (Adopted November 2009)
- Swale Landscape Character and Biodiversity Appraisal SPD (2011)
- Stones Farm Development Brief SPD (May 2011)
- Queenborough and Rushenden Masterplan SPD (November 2010)
- Sittingbourne Town Centre and Milton Creek Masterplan SPD (September 2010).

3.3 Supplementary Planning Guidance (SPG) documents are:

- The Conversion of Buildings into Flats and Houses in Multiple Occupation
- Listed Buildings - A Guide for Owners and Occupiers
- The Conservation of Traditional Farm Buildings
- The Design of Shop fronts, Signs and Advertisements
- Designing an Extension - A Guide for Householders
- Planting on New Developments - A Guide for Developers
- The Erection of Stables and Keeping of Horses
- Conservation Areas
- Lynsted Parish Design Statement
- Abbott Laboratories Ltd - Development Brief

3.4 Additionally part of the Kent Downs Area of Outstanding Natural Beauty falls within Swale and has a management plan which has been adopted by all of the local authorities who have part of this AONB within their area. This is a material consideration for planning applications and can be viewed at

- 3.5 The management plan is due to be reviewed in 2020.

4. Other Relevant Documents

Statement of Community Involvement

- 4.1 The Swale Statement of Community Involvement (February 2018) will need to be updated in light of the new LDS. This sets out the Council's approach to public and key stakeholder participation in all planning matters, including the preparation of the local plan, supplementary planning documents and arrangements for consultations on planning applications.

Sustainability Appraisal

- 4.2 The council will meet the requirements of sustainability appraisal throughout the local plan preparation process, which will involve carrying out iterative appraisals of the sustainability of the options, proposals and draft policies in the local plan and prepare reports on the findings. These will be carried out at the key stages of plan preparation and will inform progress on the Plan. The sustainability appraisals carried out at the key stages of plan preparation will also accompany consultation drafts of the plan for public comment.

Authority Monitoring Report

- 4.3 The Council publishes monitoring information on its website on an annual basis relating to the previous monitoring year (which runs 1 April – 31 March). This will provide updates on the status of the LDS timetable; progress on the Local Plan Review; reports on public consultations; duty to cooperate consultations; neighbourhood planning and borough wide statistics on planning topics such as housing, employment, environment and transport.

Policies Map

- 4.4 The Council is required to produce a Policies Map which shows the location of development proposals in all current, adopted development plan documents on an ordnance survey base map. For Swale, this is the Proposals Map which accompanies the Bearing Fruits Local Plan (2017) (the area annotated as Policy NP1 denotes the area covered by the Faversham Creek Neighbourhood Plan).

5. Emerging Development Plans for Swale

Swale Borough Local Plan Review 2022 – 2038

- 5.1 The Local Plan review will set the vision and framework for development needs for the whole of Swale Borough area from 2022- 2038. This will include addressing revisions to the National Planning Policy Framework and associated Practice Guidance (2018); addressing housing need; the local economy; environmental considerations; community infrastructure needs; plus transport and other physical infrastructure needs. The plan will include strategic policies to address these matters and put forward a development strategy for the Borough. It will also include site specific allocations to meet identified need and retain; update or include new detailed topic development management policies to guide determination of planning applications.
- 5.2 Work began on the Local Plan Review as a result of Council Minute 44 (July 2017), with early scoping and evidence gathering, within the context of major review of national planning policy and Government policy to significantly boost housing delivery. The key stages of the process are set out at Appendix 1. The complete timetable for the production and public examination of the Local Plan Review is set out at Appendix 2.
- 5.3 Although the Council is keeping up Duty to Cooperate consultation with neighbouring planning authorities and on the London Plan, to identify potential cross boundary issues (which may in due course require Statements of Common Ground to comply with the NPPF 2018), no scope or intention for joint plan making has been identified at this point in time.

Community Infrastructure Levy (CIL)

- 5.4 CIL is a mechanism introduced under the Planning Act 2008 with the intention of providing a consistent approach to determining financial contributions from new development towards local infrastructure provision. Further revisions to national policy and regulation on CIL in 2018 and the approach to viability assessments affecting plan making, mean that at this early stage in the Local Plan Review process, it is unclear whether implementing a CIL charge would be of benefit to Swale. This issue will need to be reviewed (and, if appropriate, included in a future review of this LDS) when more progress has been made on identifying reasonable alternative development strategies for testing and consultation.

Neighbourhood Plans

- 5.5 The Boughton and Dunkirk Neighbourhood Pan area was designated in February 2014 and is still under preparation.
- 5.6 The Hernehill Neighbourhood Pan area was designated in 2017 and is still under preparation.
- 5.7 A Minster Neighbourhood Plan (Sheppey) area was also designated in February 2014 but has not been progressed.
- 5.8 Although neighbourhood plans, once adopted, form part of the development plan, they are not programmed by the local planning authority and are therefore not included within this LDS timetable. They must be in general conformity with the strategic policies of the adopted local plan and have regards to any emerging local plans. More details for Swale neighbourhood plans can be found at:

xxxxxxxxxxxxxxxx

6. Supplementary Planning Documents

- 6.1 The council is currently producing a Swale Vehicle Parking Standards SPD pursuant to adopted Bearing Fruits Local Plan policy.
- 6.2 It is also the Council's intention to prepare the following documents to support the Local Plan Review:
- Sittingbourne Town Centre SPD
 - Sustainable Design SPD
 - Housing SPD
- 6.3 As SPDs are not development plan documents (that is allocating land or making new policy), they are not required to be part of the official LDS programme. For information however, Appendix 3 gives an indicative programme for the production of this SPDs.

7. Resources and Project Management

- 7.1 Swale Borough Council has strong corporate commitment to the preparation and adoption of a Local Plan review. The Swale Local Plan Review will be produced by the Council's Planning Service, and led by the Local Plan Team. The importance of the work is recognised and supported across the authority with input and expertise from other teams across the Council; and the use of

outside consultants (where appropriate); plus engagement with stakeholders; organisations and the public to help inform and develop the plan.

- 7.2 The Council has established management and reporting structures to support delivery of the local plan. This is primarily the Local Pan Panel cross party Members group which makes recommendations to Cabinet for decision. In addition briefings for senior managers and Members on key pieces of research or new national policy are used.

Appendix 1: Swale Local Plan Review Key Stages

Event	Date
Local Plan Review Commenced (Council Minute 44)	July 2017
Scoping Issues Public Engagement (Regulation 18) Evidence gathering and engagement and comment sought on emerging issues, options and challenges.	27 April – 8 June 2018
Local Plan Panel / Full Council cycle agree Publication Version of Local Plan for consultation	Nov 2020
Publication of Preferred Local Plan for public Consultation (Reg 19)	Jan-March 2021
Submission of Plan for Examination (with results of the public consultation) (Reg 22)	Aug 2021
Examination in Public of the Local Plan 1	Feb 2022
Inspector's Interim Findings – at this stage the Examination in public is still open and the Inspector is leading the process	April 2022
Main Modifications which arise from the Inspector's Interim Findings. These are agreed by the Council and subject to public consultation before further discussion at Examination in Public.	Early Summer 2022
Examination in Public 2	Late Autumn 2022
Inspectors Final Report This is binding on the local planning authority and, subject to the Inspector's findings, will enable the local authority to adopt the Local Plan review subject to any of the Main Modifications which the Inspector deems necessary to ensure the Plan is sound.	Early 2023
Adoption of the Local Plan Review by Swale Borough Council	Spring 2023

Appendix 2: Swale Local Plan Review Local Development Scheme 2020 - 2023

Documents	2018				2019				2020				2021				2022				2023																			
	A	M	J	J	A	S	O	N	D	J	F	M	A	M	J	J	A	S	O	N	D	J	F	M	A	M	J	J	A	S	O	N	D	J	F	M	A	M		
Swale Borough Local Plan Review																																								
Commenced July 2017 (Council Minute 44)																																								
Looking Ahead – Questions/Discussion Paper on Issues & Options Public Engagement 27 April – 8 June 2018 (Reg 18)	C	C	C																																					
Local Plan evidence gathering – Preparation of Reg 19 document																																								
Publication Preferred Option Local Plan Consultation Autumn 2020 (Reg 19)																																								
Submission of Plan for Examination Spring 2021 (Reg 22)																																								
Examination in Public 1 Nov 2021																																								
Main Modifications Consultation April 2022																																								
Examination in Public 2 Autumn 2022																																								
Inspectors Final Report Jan 2023																																								
Adoption Spring 2023																																								

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	Initial Consultation and Evidence gathering
	Publication of DPD Consultation = P (Regulation 19)
	Submission to Secretary of State= S Examination in Public = E Main Modifications Consultation= M Inspectors Final Report =R (Regulations 22 -25)
	Adoption = A

Appendix 3: Indicative Supplementary Planning Document Timetables

Swale Vehicle Parking Standards Supplementary Planning Document

Event	Date
Initial evidence gathering and Member workshops	Autumn 2018
Drafting	Spring 2019
Consultation on Draft SPD	November 2019
Finalise Changes and Adopt SPD	May 2020

Swale Sustainable Design Supplementary Planning Document

Event	Date
Initial evidence gathering	Beginning of 2020
Member workshops	Early Summer 2020
Drafting	Summer 2020
Consultation on Draft SPD	January 2021
Finalise Changes and Adopt SPD	Spring 2023

Swale Housing Supplementary Planning Document

Event	Date
Initial evidence gathering and Member workshops (subject to appointment of suitable consultants)	Beginning of 2020
Member workshops	Early Summer 2020
Drafting	Summer 2020
Consultation on Draft SPD	January 2021
Finalise Changes and Adopt SPD	Spring 2023

Sittingbourne Town Centre SPD

Event	Date
Initial evidence gathering)	Beginning of 2020
Member workshops	Early Summer 2020
Drafting	Summer 2020
Consultation on Draft SPD	January 2021
Finalise Changes and Adopt SPD	Spring 2023

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