

Cabinet

14 December 2022

County Durham Plan Annual Monitoring Report (AMR) 2021/22

Ordinary Decision



Report of Corporate Management Team

Amy Harhoff, Corporate Director of Regeneration, Economy and Growth

Councillor Elizabeth Scott, Cabinet Portfolio Holder for Economy and Partnerships

Electoral division(s) affected:

Countywide

Purpose of the Report

1. The purpose of this report is to seek Cabinet approval for the content of the Annual Monitoring Report (AMR) of the County Durham Plan (CDP) and to agree to its publication. The Council adopted its new local plan, the County Durham Plan on 21 October 2020. This is the second AMR, but the first that covers a full year, of the adopted CDP and covers the period from 1 April 2021 to 31 March 2022.

Executive summary

2. All local authorities are required to produce a monitoring report of its local plan by the Town and Country Planning (Local Planning) (England) Regulations 2012. The AMR monitors the effectiveness of planning policies contained within the County Durham Plan (CDP). The CDP has 61 policies, all of which have monitoring indicators associated with them.
3. The AMR includes analysis of all policy indicators and assesses whether policies have met any targets that have been set. As of March 2022, the CDP has been adopted for 17 months, therefore in some instances there is limited analysis that can be undertaken at this stage, however some comparison can be made with the data collected last year. This and future Annual Monitoring Reports (AMR) will assist in determining whether any intervention or early review of the CDP is required.

4. Key information within the AMR includes analysis of the levels of employment land approved and completed. It also details housing approvals and housing completions.
5. The CDP allocates 300ha of general employment land as well as specific use and safeguarded site allocations. In the last year approximately 29 hectares of employment land has been approved for employment uses, over half of this is at NETPark Phase 3a. A further 5.51ha of employment land has also now been completed mainly smaller units at Aycliffe, Belmont, St Helen Auckland, Willington, Consett and South Hetton.
6. The AMR confirms that the Council has passed the Housing Delivery Test (HDT) with 1,671 net housing completions in the year compared to an annual target of 1,308 and that the Council can demonstrate a 5-year supply of housing of 5.47 years, in line with the requirements of the National Planning Policy Framework (NPPF). This means the County Durham Plan is working well and its policies can continue to be used to determine planning applications.
7. Meeting the need for affordable housing is a key objective of the County Durham Plan. During the reporting year 536 affordable houses were completed. Of these, 411 were for Affordable Rent, 75 were Rent to Buy, 13 were Help to Buy, 6 were Affordable Home Ownership and there were 31 where tenure was not specified.
8. The AMR reports on the performance of the county's town centres in terms of vacancy rates and occupancy and finds that the average vacancy rate has decreased from 16.4% to 16.1% which, however, is still 2% higher than the national average. Performance varies across our towns however, from 32.8% for Peterlee to 10.6% for Barnard Castle.
9. The Council's response to climate change features prominently within the CDP and there are several policies which seek to support the transition to a low carbon economy. The AMR provides data on the levels of renewable energy generation in the county, this data shows growth in renewable energy generation from 505,899MWh in 2018 to 545,522MWh this year.

Recommendations

- 10 Cabinet is recommended to:
 - (a) agree the content of the County Durham Plan Annual Monitoring Report (attached at Appendix 2) and agree its publication on the Council's website.

Background

11. The Council adopted its new local plan, the County Durham Plan (CDP) on 21 October 2020. This followed an Examination in Public in late 2019 and early 2020. The adopted plan sets out 61 policies, each of which have monitoring indicators and, where relevant, targets.
12. The AMR includes analysis of all of the policy indicators and assesses whether policies have met the targets that have been set. The Plan is still relatively recent and therefore in some instances there is limited analysis that can be undertaken at this stage, however, this year's AMR allows some reflection 17 months on from its adoption. Future AMRs will establish patterns in the monitoring data and importantly, will assist in determining whether any intervention or early review of the CDP is required.
13. The AMR is structured in line with the CDP and by policy. Some of the indicators monitor development generally, such as the number of homes delivered, whereas others are specific to policies in the adopted CDP.
14. Prior to the adoption of the CDP, the Council made use of 'saved policies' from the former district local plans, however these policies were not associated with a consolidated county wide monitoring framework. Therefore, previous AMRs have reported on a number of hybrid indicators linked to topics, such as housing, employment land, town centres and the environment. This AMR for 2021/22 is the first to report against the specific indicators within the adopted CDP over a full 12-month period.

Update on the implementation of the Plan and additional Development Plan Documents (DPD) and Supplementary Planning Documents (SPDs)

15. At the end of this monitoring period the Plan has been adopted 17 months and in terms of this report its now 2 years adopted. The Plan provides up to date policies to determine planning applications. In addition, the site allocations are now starting to be developed out. Further to this it is important that policies are being used to uphold planning decisions made by the Council if the applicant subsequently appeals that decision. Over this monitoring period, just under 90% of appeals were dismissed by the Planning Inspectorate following refusal by the Council showing that policies are found to be robust and are being applied correctly.
16. As well as having an adopted plan, the Council consulted on a Minerals and Waste Policies and Allocations Development Plan Document (M&WDPD) in September/October 2021. This DPD will supplement the

Minerals and Waste policies with the CDP and on adoption will have its own monitoring framework that will be reported within the AMR. A further stage of consultation on a Publication Draft is programmed for November 2022. Once this consultation is completed the DPD, subject to Full Council approval, will be submitted to the Planning Inspectorate for an Examination in Public by an independent inspector. Following adoption, it will form part of the statutory development plan for County Durham and will replace the remaining saved policies of the County Durham Minerals Local Plan (December 2000) and the County Durham Waste Local Plan (April 2005).

17. As well as the M&WDPD, a number of SPDs are in production. Consultation took place in June 2022 on the Development Viability, Affordable Housing and Financial Contributions SPD. A further round of consultation is due to take place in January/February 2023 with the view to adopting this document in April 2023. In addition to this four other SPDs are to be consulted on for the first time in January/February 2023. These are a Housing Needs SPD, a Design Code SPD, a Trees Woodland and Hedges SPD and a Solar Power SPD. A further SPD on Ecology is to be prepared later in 2023.
18. These documents will supplement the policies within the Plan as the Council continues to monitor the performance of the Plan's policies. The Council also monitors evolving national policy, notably the Levelling Up and Regeneration Bill which was introduced into Parliament in May. As the Bill progresses, we will look to respond to any consultations that come forward on specific provisions within it. Once enacted this Bill may have implications for a future review of the Plan however, there is currently no indication that an early review of the Plan is required.

Overview of Findings

19. Given the recent adoption of the CDP, in some instance there is limited analysis and assessment that can be made at this stage. There are however indicators within the CDP that have been carried forward from previous AMRs that pre-date the adoption of the CDP, which allows comparison. This report provides an overview of the findings of the AMR by themes of the CDP.

Delivering a wide choice of high quality homes

20. The CDP sets out policies and allocations to deliver the homes that are needed. Policy 1 (Quantity of Development) sets out that the housing need for County Durham is 1,308 dwellings per annum which, when applied over the Plan period equates to 24,852 dwellings. Over the period 1 April 2021 to 31 March 2022, there have been 1,671 net housing completions. This is much higher than the target in Policy 1 of

1,308 net completions and is significantly higher than last year's figure (1,328), and the highest since the start of the Plan period. The Covid 19 pandemic impacted on completions in quarter 1 of last year, which in part explains the significant increase from last year, as it was expected that developers would be compensating for that this year. We have also seen several sites started and completed within this year. Given the above, the target has therefore been comfortably met.

21. The Housing Delivery Test (HDT) provides the Government's official measure of housing delivery performance at local authority level. It measures net additional dwellings in a local authority area against the homes required, using national statistics and local authority data. The CDP aligns one of its indicators to the test which is the percentage of the number of net homes delivered against the number of homes required over a rolling three-year period. The AMR finds that County Durham has passed the HDT for 2022 with a result of 145% and is therefore above the required 'pass mark' of 95% where no action needs to be taken. This is higher than last year (133%), due to a higher number of completions over the 3-year period.
22. National planning policy require Local Planning Authorities (LPAs) to maintain a five-year supply of deliverable sites (against housing requirements) to ensure choice and consumption in the market for land. Based on this, as at 1 April 2022 the Council can demonstrate a supply of housing of 5.47 years against its Local Housing Need. This is slightly lower than last year's housing land supply figure, due to a number of factors. This year has seen significantly higher completions than last, moving housing units out of the supply as they have now been delivered. This excludes the sites which fall within the catchment of the Teesmouth and Cleveland Special Protection Area (SPA)/Ramsar and have been affected by requirements of nutrient neutrality. Where a site does not have full planning permission or conditions relating to drainage/water still need to be discharged, they have been pushed beyond the 5-year supply.
23. Meeting the need for affordable housing is a key objective of the County Durham Plan. During the reporting year 536 affordable houses were completed. Of these 411 were for Affordable Rent, 75 were Rent to Buy, 13 were Help to Buy, 6 were Affordable Home Ownership and there were 31 where tenure was not specified.

Building a strong and competitive economy

24. Policies within the Plan set out employment land allocations to ensure that there is a portfolio of available employment sites across the county which are attractive to new employers, allow the expansion of existing businesses and respond to the changing needs of businesses. The

CDP allocates 300ha of general employment land as well as specific use and safeguarded site allocations. The Plan sets the indicators for monitoring the development of these allocations.

25. The AMR therefore reports on the levels of approved and developed employment land over the full monitoring period, both of which have been monitored in similar form prior to adoption of the Plan. It reports that 29.92ha of land has been approved for employment space. Over half of this can be attributed to the approval at NETPark for Phase 3a, which proposes the development of 15.6ha for Research and Development floorspace. Other approvals of note include an application at Belmont Industrial Estate of 5.2ha proposing B2 and B8 floorspace. The remaining approvals are all small-scale schemes.
26. Further to approvals, the AMR reports that 5.51ha of employment land has been completed. This is a fall on previous years and reflects that there have not been the large-scale units completed as there had been the previous year, (the last AMR reported on the completion of significant development at Integra61 and Jade). This year's figure reflects the completion of a number of smaller proposals across various locations in the county, including Aycliffe, Belmont, St Helen Auckland, Willington, Consett and South Hetton. The majority of completions were either general industry or storage and distribution floorspace. The impacts of the Covid-19 pandemic may have impacted on employment land completions, however it is anticipated that the figure will be significantly higher next year as a number of larger sites, such as Aykley Heads which are currently under construction, and also the rise in the levels of approvals over this monitoring period.

Ensuring the vitality of town centres

27. Recent years have been particularly difficult for town centres, the impacts of Covid-19 in 2020 and resulting lockdowns alongside changing consumer behaviour and the rise of e-commerce, mobile technology and internet shopping have provided challenging trading conditions. Retailing and the county's town centres are still however key drivers of the economy and are valuable assets for local communities. Setting out a strategic framework for the county's retail centres is an important factor in improving the overall performance of County Durham's economy and supporting communities. The CDP sets out a retail hierarchy of centres across the County setting a policy framework to protect these centres from development that would impact on them.
28. In order to understand how the centres within the retail hierarchy are performing, monitoring processes have been in place for a number of years which are now embedded in the CDP in terms of the new policy

monitoring indicators. These measure how the town centres are performing in terms of vacancy rates. Town centre surveys have been conducted annually across the county's larger centres since 2013, this year's surveys took place in June/July. The survey results are reported within the AMR which identifies that vacancy rates are higher than the average national high street vacancy rates (14.1%) in some of our centres across the County. Peterlee (32.8%), Bishop Auckland (26.3%) and Newton Aycliffe (20.4%) continue to have the highest percentage of vacant units, although in the case of Bishop Auckland and Newton Aycliffe the vacancy rate has declined since last year. Notably, Newton Aycliffe has had the biggest decrease in vacancy of all centres surveyed, with 6 less units vacant.

29. There has also been an increase in the number of centres, up from 5 to 7, which have vacancy rates below the national average. These are Barnard Castle (10.6%), Chester-le-Street (13.1%), Consett (12.1%), Crook (12.1%), Ferryhill (13.3%) and Seaham, which has the lowest vacancy rate within the whole of the County at just 6%, significantly below the national average. Overall, the average vacancy rate stands at 16.1%, which is also a fall on last year's figure of 16.64% but is 2% above the national average.

Meeting the challenge of climate change, flooding and coastal change

30. Addressing climate change is of importance for sustainable development and is a key priority of the Plan and to the Council. Policies within the Plan encourage renewable energy development where it is appropriately located, and give significant weight to the social, environmental, and economic benefits of renewable development.
31. The AMR monitors the energy generated from renewable sources. The data on capacity of renewables sites is supplied by the government one year in arrears, so the most recent data published is for 2021. This data shows growth in renewable energy generation from 2018-2021, from 505,899MWh in 2018 to 545,522MWh this year.

Conserving and enhancing the natural and historic environment

32. County Durham has a wealth of attractive natural and historic assets which present unique opportunities for residents, businesses and visitors. There is a need therefore to successfully balance the protection and enhancement of these assets with the requirement for new development to meet our need for new homes and jobs. New development in and around our historic towns and villages must complement their built heritage and natural landscapes.

33. The Council has developed a coastal avoidance and mitigation strategy to implement a programme of monitoring and mitigation measures to address potential adverse effects on County Durham's Coast European Protected Sites, which can be caused from increased visitor pressures resulting from new planned residential and tourist development.
34. Detailed developer guidance is provided to explain the responsibility of the Council and developers in respect of Habitat Regulations Assessment (HRA), including the stages in the process and what assessments and mitigation are required. This has ensured that no application has been approved which contravenes the requirements of Habitat Regulations since the adoption of the Plan.
35. There has been a reduction in the number of buildings on the 'At Risk Register' (compiled by Historic England) from 57 to 53 heritage assets from the previous monitoring period. The At Risk Register breaks down as follows: buildings and structures (25); places of worship (4); archaeology (17); parks and gardens (1) and Conservation Areas (6). The assets that were removed from the register include:
 - Church of St Andrew, Dalton-le-Dale and Church of St Helen, Church Kelloe - both removed as a result of extensive work funded by NHLF;
 - Bowburn Conservation Area removed as threat from adjacent development now clearly understood and Neighbourhood Plan adopted offering strong protection to CA and NDHA;
 - Shildon Conservation Area removed as result of significant investment in fabric of key assets, preparation and Historic Area Assessment and strategy for improvement through Levelling Up Funding;
 - Trimdon Village Conservation Area removed as a result of improvement in the condition of built fabric and environment and dismissal of appeal for housing which would have harmed setting.

Next Steps

36. If agreed, the AMR will be published on the Council's website for information. The AMR sits alongside the County Durham Plan and is an evidence base to support decision taking within County Durham and in particular, whether the Plan is out of date and needs to be reviewed. The conclusion this year is that there is currently no indication that an early review of the Plan is required.
37. The Spatial Policy Team will continue to monitor the policies within the CDP, and work will commence on developing the 2022/23 AMR for

publication later next year. It is anticipated that at this point, with policies having been in place for over 2 years the Council will be able to undertake further analysis on the impact of the policies.

Author

James Cook

Tel: 03000 261910

Appendix 1: Implications

Legal Implications

None.

Finance

None.

Consultation

The CDP was subject to extensive consultation, the AMR does not require any consultation.

Equality and Diversity / Public Sector Equality Duty

The Council acknowledges that, in exercising its functions, it has a legal duty under the Equality Act 2010 to have due regard to the need to eliminate discrimination, advance equality of opportunity and foster good relations. This duty applies to all people defined as having protected characteristics under that legislation.

An Equalities Impact Assessment was undertaken for the County Durham Plan. This Equalities Impact Assessment confirmed that the Plan would have a potential positive impact across all of the protected characteristics, in particular for age (younger and older people), disability and sex (both male and female).

The AMR monitors the policies in the County Durham Plan.

Climate Change

The CDP contributes towards Durham County Council's response to the climate emergency. A key objective in the Plan focuses on our adaptation to climate change. This is through promoting appropriate sustainable urban drainage systems (SUDs) in new developments, promoting sustainable land management and conservation including protecting habitats such as woodland and peatland, ensuring that new development is located away from areas of flood risk, with an integrated approach to water management across all areas and encouraging appropriate building and infrastructure design and through the restoration of minerals and waste sites.

Further to this it seeks to support the transition to a low carbon economy by encouraging and enabling the use of low and zero carbon technologies, supporting the development of appropriate renewable energy sources and sustainable and active transport.

The AMR reports on policies that seek to reduce the impact on climate change.

Human Rights

None.

Crime and Disorder

None.

Staffing

None.

Accommodation

None.

Risk

None.

Procurement

None.

**Appendix 2: County Durham plan Annual Monitoring Report
2020/21**

See document attached separately.