



East Lindsey

DISTRICT COUNCIL

REPORT TO:	Planning Policy Committee
DATE:	14 th December 2023
SUBJECT:	Authority Monitoring Report 2022-2023
KEY DECISION:	N/A
PORTFOLIO HOLDER:	<i>Councillor Tom Ashton</i>
REPORT AUTHOR:	Simon Milson
WARD(S) AFFECTED:	All (District Wide)
EXEMPT REPORT?	No

SUMMARY

The Compulsory Purchase Act 2004 requires Local Authorities to publish an Authority Monitoring Report (AMR) on an annual basis. The Local Planning Regulations 2012 sets out various items of information that should be included in an AMR.

The AMR the subject of this paper covers the period March 2022-February 2023. It contains an update of the position of the Council in relation to various national indicators, including employment, wages and house prices. It also includes a suite of monitoring indicators designed to show how the Local Plan policies are performing.

The AMR is in final draft form and subject to only design and formatting changes.

RECOMMENDATIONS

That Policy Committee Members note the contents of the AMR.

REASONS FOR RECOMMENDATIONS

The AMR is an annual report that details facts about the District. It is presented to Committee for information and discussion on the content.

OTHER OPTIONS CONSIDERED

Do nothing: there is a statutory requirement for the Council to produce an AMR. Failure to do so could result in legal challenge against the Council.

1.0 Report

- 1.1 This report relates to the annual Authority Monitoring Report for 1st March 2022 to 28th February 2023. A copy of the current draft AMR is attached to this report at Appendix A.
- 1.2 The previous reporting period (2021/22) began as the Country was leaving the 3rd and final lockdown. That lockdown ended in March 2021 with the following months classed as 'leaving lockdown'. The preceding AMR period (2020/21) was during the height of the Covid 19 Pandemic, with the first 3 national lockdowns starting from March 2020 with the third in January 2021.
- 1.3 This current AMR before Members (2022/23) is the second one post Covid. This AMR should continue to highlight what impacts there have been in terms of things such as: housing delivery, the economy, and the overall standard of living – for example housing affordability, wages and employment statistics.
- 1.4 The AMR is split into 12 key sections. Sections 1.0 – 5.0 cover the statutory requirements, including Neighbourhood Planning, Duty to Cooperate and Oversight and Scrutiny. Sections 6.0 - 8.0 give an overview of the key figures relating to housing, tourism, the economy and the coast. It includes regional and national data for comparison. The final sections 9-11 contain the monitoring indicators for significant impacts and the Local Plan Policies, with the final section 12 containing an updated Sustainability Appraisal.
- 1.5 Data comes from various sources, including internal monitoring and external websources. The AMR is reliant on the timing and availability of external datasources. Where these are used, the relevant date/period is stated. The report makes it clear where data is unavailable or not refreshed and provides the latest available (usually the figures from the previous year).
- 1.6 The requirement to produce an Authority Monitoring Report (AMR) is set out in the Planning and Compulsory Purchase Act 2004 with further requirements on content set out

in the Town and Country Planning (Local Planning) (England) Regulations 2012. The report is produced on an annual basis and is published on the Council's website.

Field survey work was delayed in 2020/21 due to Covid, however there have now been 2 monitoring periods to report on and all other external data sources are now available.

2.0 Background

2.1 Regulation 34 of the Town and Country (Local Planning) (England) Regulations 2012 is more specific and requires that the following, (summarised) elements are included:-

- the title of the local plans or supplementary planning documents specified in the local planning authority's local development scheme; to include the timetable for the Plan's preparation as set out in the local planning authority's local development scheme.
- The stage the document has reached in its preparation; and if relevant the reasons for any delay.
- Details of any local plan or supplementary planning document specified in the local development scheme that has been adopted or approved within the period of the report.
- Where any policies specified in the Plan are not being implemented the local planning authority's monitoring report must identify that policy; and include a statement setting out the reasons why; and the steps (if any) being taken to rectify the situation.
- Record the net number of additional dwellings and additional affordable dwellings specified in a local plan policy (an annual number, or a number relating to any other period in any part of the area) both for the reporting year and historically since the Plans implementation.
- The local planning authority's monitoring report must contain details of any neighbourhood development order or a neighbourhood development plan.
- Where the Council is proposing to seek contributions under the Community Infrastructure Levy Regulations the information specified in regulation 62(4) of those Regulations should be included.
- The report must give details of how it has co-operated with another local planning authority, county council, or a prescribed body, during the period covered by the report.
- Make any up-to-date information, collected for monitoring purposes, available as soon as possible after the information becomes available.

3.0 Summary of key points within the AMR

3.1 Housing (section 6 of the AMR)

In the District there were 526 homes built in the 2022/23 period, against the 558 required. This is a decrease from the previous period of 580. However as explained in the previous

report a year ago, it is likely that developers struggled to finish off properties during the restrictions and lockdowns, due to resourcing issues across the industry, including building inspectors. Therefore the 580 recorded as completed in 2021/22 may be artificially inflated by completions from the previous year. It is also possible that Covid-19 has increased the demand for more rural properties. This reduction back down towards pre-covid levels suggests that the house building market has not seen significant influence at this stage. Interest rates through the end of the period had started to rise and in March 2023 were at 4.5%, on the rise towards the high of 5.25% in August 2023. Whether this rise in rates and consequent impact on mortgage affordability affects the demand for new properties, will need to be monitored.

- 3.2 In total, 1127 homes were given permission in 2022/23, which is an increase from the 682 from the previous year. Of the 1127, 6.6% (75 homes) were granted on brownfield land. This is up slightly on last year's figure of 4% and is reflective of the low levels of brownfield land availability in East Lindsey.

Of the 1127 homes, 37% (416 plots) were granted permission on windfall sites. This is a drop from the 66% in 2021/22. The overall number of approvals is significantly higher and back to pre-covid levels. The new figures includes the 600 house allocation in Spilsby that has reduced the windfall %. In the medium and small villages, 27 homes were given permission, which is 2.4%, and is consistent with the 1.6% in 2020/21 and 2.77% in 2021/22.

- 3.3 In terms of affordable housing, there were 158? affordable units completed in the period. This is against a target of 188. This figure has been produced under the new monitoring and is considered to be robust. It shows a return to the levels pre-covid and inaccuracies, albeit still below the target.
- 3.4 The District continues to maintain a 5 year supply of housing and it currently stands at 5.57 years. This is down slightly from the 2021/22 figure of 5.8 but still provides a comfortable buffer. In the past few years the figure has remained fairly static between 5.5 and 6 years supply.
- 3.5 The National Housing Delivery Test was introduced in February 2019. The nationally identified need for East Lindsey in the current 3 year period is 1078, with actual delivery being 1467. This means the Council is currently at **136%** delivery (last year 130%). A result above 95% is a pass and above 100% shows that required delivery is being met and exceeded with additional homes being provided. This measurable is averaged over a 3 year period therefore it helps to smooth out some of the dips due to Covid 19.
- 3.6 In terms of house prices, the national affordability ratio has maintained its level of 7.5 from the previous period. Whilst this is still in the same affordability band as nearly all other Lincolnshire District, it is right at the top and almost in the next worse band above. The band above is shared with much of the midlands, south west and areas north of London

3.7 Income and Employment (section 7 of the AMR)

- 3.8 Site survey work recommenced (April-May 2022), with the latest surveys being carried out in Q1 2023,
- 3.9 Local incomes remain lower than the East Midlands and national average, with East Lindsey at £536.1 per week, which is actually a jump up from the 491 per week the previous year. This £536.1 for East Lindsey is compared with £553.7 and £642.0 for East Midlands and Great Britain respectively. It can be seen that the EL figure continues to track lower than both the regional national figures, albeit with a relatively consistent gap.

The total number of economically active has jumped up this period to 67,700 and has now exceeded the 2017/18 figure of 61,000 for the first time. This equates to 78.4% of the District being economically active in 2022/23, compared to 59.5% in the previous period. East Lindsey is now slightly above the East Midlands total of 78% but still lags behind the UK total of 78.6%.

- 3.10 The levels of unemployed have been steadily decreasing from a peak of 2,600 in 2018/19, to 2,300 in 2019/20, with a further small decrease in 2021/22 to 2,200. This period the figure has risen slightly back to 2,300 or 3.4%. This % is down from the 4.8% of the previous period (2021/22) as the overall total active has risen. It is also below the regional and national averages of 3.6% and 3.8% respectively.
- 3.11 There is very little fluctuation in the number of business premises in the last 3 years, with the total of 6465 for 2022/23 remaining virtually static against the 6,475 from 2021/22.).
- 3.12 Overall, the 6 town centres of the District are performing adequately when benchmarked against the national vacancy rate. The highest vacancy rate is Spilsby with 15.2% with the others all under the national average of 13.8%. The lowest is Louth with 6.6%. These figures have increased since the previous year and may be a sign of businesses struggling post-covid and in the face of rising inflation costs. However as stated apart from 1 they are all below the national average.
- 3.13 In terms of employment land (allocated employment sites), overall on the larger estates the % of vacancies is relatively steady, with Louth having 9.8% vacant in 2022/23 compared with the same 9.8% in 2021/22 and 10% in 2020/21. Skegness is also consistent at 11.3% this period compared with 11.9% in 2021/22 and down from 19% in 2020/21. These larger sites provide a more robust benchmark. The smaller estates can show larger % changes as these % are influenced significantly by just one or two units changing status.

3.14 Tourism and the Coast (section 8 of the AMR)

- 3.15 With regard to housing in the Coastal Zone, 105 homes were completed in 2022/23 (75 in 2021/22), which is above the 49 homes required each year to satisfy the identified need. This is an increase on the previous year and the oversupply of commitments remains strong. There is still an oversupply of 38% meaning there are now 38% more permissions in place than the requirement.

- 3.16 Looking at those employed in the coast, in 2021/22 there were 5,000 FTE jobs up from 3,974 the previous year (25.8% increase).
- 3.17 Caravan development plays a significant role in the tourism offering on the coast. In 2022/23 there were an additional 766 caravans (or lodges/pods falling under the definition) approved. This is an increase on the previous year's figure of 660 caravans.
- 3.18 The Council also commissions a STEAM report for the whole District. Which contains various statistics about tourism activity across the whole of East Lindsey.
- 3.19 It is clear across all monitoring indicators in the STEAM report that the sector was decimated during Covid-19 but bounced back strongly in 2021 and has continued to do so in this latest period. In terms of Direct Expenditure from tourism, this has risen 63.1% from £633.58m (2021) to £824.20m (2022). This figure now exceeds pre-covid levels. Looking at employment numbers, Direct Full Time Equivalent (FTE) in 2022 was 7,016, up 24.7% from 2021. This again exceeds pre-covid levels.

3.20 Section 106

- 3.21 In 2022/23 the Council negotiated 19 new Section 106 agreements totalling just over £1.2million. In the same period the Council paid out £55,254 of Section 106 monies to various external sources, such as NHS, Education and other infrastructure improvements.

4.0 CONCLUSION

- 4.1 This is the second period following Covid lock-down and housing permissions have jumped back up towards previous levels. Completions have dropped back slightly after the post-covid spike and again are at previous levels. This translates to the coast too where completions are again in excess of predicted need. There is also still a strong pipeline of commitments. The Council maintains a 5 year housing supply and the housing delivery test result has improved year on year since 2019.
- 4.2 Town centre vacancy rates have increased slightly in most cases, but all apart from 1 remain below the national average. The employment land contained within the District's main business/industrial estates has also remained relatively static in terms of vacancies, with no significant increases above normal levels on the larger sites.
- 4.3 The tourism sector clearly saw a significant negative impact during the 2020 summer season. However, the STEAM report shows that the significant rises last period have continued across the entire range of indicators in 2022, indicating a strong bounce back post-covid.
- 4.4 It is important to note that the impacts of Covid-19 will continue to be felt for years to come. Continued monitoring of all indicators will begin to show where trends continue or change, and whether they shift back towards pre-covid levels.

EXPECTED BENEFITS TO THE PARTNERSHIP

The Local Plan assists the Partnership in all of its priorities.

IMPLICATIONS

SOUTH AND EAST LINCOLNSHIRE COUNCIL'S PARTNERSHIP

No direct implications. The Monitoring informs the Local Plan review.

CORPORATE PRIORITIES

The Local Plan assists the Partnership in all of its priorities.

STAFFING

none

CONSTITUTIONAL AND LEGAL IMPLICATIONS

Planning and Compulsory Purchase Act 2004

Town and Country Planning (Local Planning) (England) Regulations 2012.

DATA PROTECTION

none

FINANCIAL

none

RISK MANAGEMENT

Any risks have been highlighted and addressed in the above report. No outstanding unmanaged risks remain.

STAKEHOLDER / CONSULTATION / TIMESCALES

None prior to Committee

REPUTATION

none

CONTRACTS

none

CRIME AND DISORDER

none

EQUALITY AND DIVERSITY/ HUMAN RIGHTS/ SAFEGUARDING

none

HEALTH AND WELL BEING

none

CLIMATE CHANGE AND ENVIRONMENTAL IMPLICATIONS

None

ACRONYMS

none

APPENDICES

(If none then insert the word 'None' and delete the below text/boxes).

Appendices are listed below and attached to the back of the report: -

<i>APPENDIX A</i>	<i>Final Draft Authority Monitoring Report 2022/23</i>

BACKGROUND PAPERS

(If none then insert the wording 'No background papers as defined in Section 100D of the Local Government Act 1972 were used in the production of this report.' Also delete the below text/boxes.)

Background papers used in the production of this report are listed below: -

Document title	Where the document can be viewed
<i>No background papers as defined in Section 100D of the Local Government Act 1972 were used in the production of this report.</i>	

CHRONOLOGICAL HISTORY OF THIS REPORT	
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<i>None</i>	
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Name of body	Date

REPORT APPROVAL	
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Signed off by:	Mike Gildersleeves (ELDC)
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Approved for publication:	Tom Ashton (ELDC)
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