



Homes &  
Communities  
Agency

# 2011 to 2015

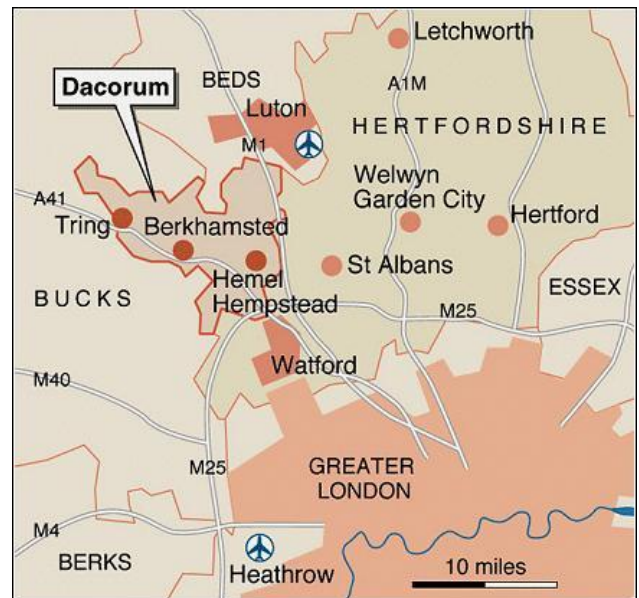
## Local Investment Plan



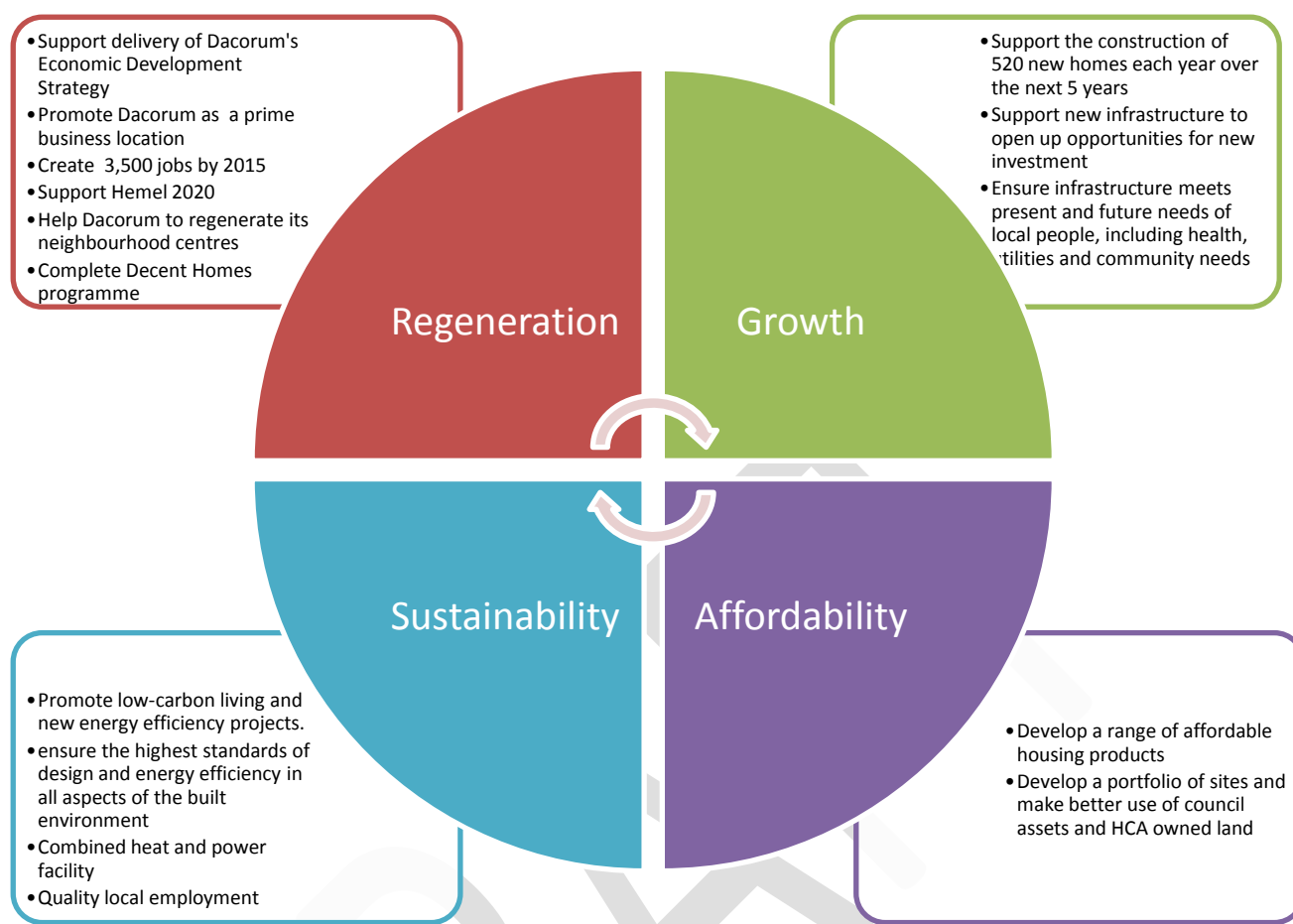
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### 1. Our Location



## **2. Summary of our Local Investment Plan**



## **3. The Opportunity**

This is Dacorum's first Local Investment Plan. It sets out a strategic vision of how, over the next 5 – 10 years, Dacorum intends to develop a powerful partnership with the HCA, and other key partners, in responding to the opportunities and challenges in housing growth, economic development and regeneration based on a single investment delivery plan. It will focus on making the best use of land/property assets and financial resources of all the stakeholders. This is the first iteration of this document that will evolve to reflect progress and changes to the economic climate. We will be inviting comments and further strengthening relationships with Hertfordshire County Council, Health, Police, and others as key stakeholders in how they contribute to the partnership.

This Plan is all about agreeing an approach to investing in Dacorum's places and people that will enable growth and prosperity. The Plan is set out to deliver our core housing and regeneration objectives.

We will bring together evidence to justify our key priorities and chosen outcomes, making the case for investment in growth, new housing, skills development and regeneration.

## **Active Citizens and strong communities**

The Council is committed to a place based approach to delivery which brings together not only new housing and housing improvement but also infrastructure, employment, and training in sustainable towns and neighbourhoods. Key elements of our Local Investment Plan will be to unleash the creativity and enthusiasm of local communities to drive and inform neighbourhood renewal and regeneration. We need to enable people, businesses and communities to develop sustainable approaches that ensure neighbourhoods prosper. The LIP will identify and support a programme of placed based investment at a local level.

## **Relationship with the Homes and Communities Agency**

Dacorum Borough Council is committed to delivering sustainable growth alongside regeneration of its New Town infrastructure, business area and Town Centre. We are determined to achieve this in partnership with the HCA (and others) and will use all of our assets (land, investment, intelligence, advocacy, partnership building and powers) in flexible ways to deliver the vision and targets we have set out.

This Local Investment Plan sets out our vision, an analysis of our strengths and opportunities and the key packages of investment that are essential to deliver growth:

- Spatial Package 1 – Hemel Hempstead Town Centre and Two Waters
- Spatial Package 2 – Maylands
- Spatial Package 3 – Neighbourhood Centre Renewal
- Thematic Package 1 – Housing Delivery
- Thematic Package 2 – Transport
- Thematic Package 3 – Sustainability
- Thematic Package 4 – Skills and Economy

Our proposal to the HCA is that we work jointly in using our assets to further our shared objectives and to add value to each other's activities. We propose that we agree joint use of a range of our assets (land, investment, powers) to achieve shared objectives around new housing provision and regeneration of the Town Centre and Neighbourhood Centres. For our part we will work with the HCA in bringing forward council owned land alongside HCA land and recycle receipts into this regeneration. We would like to explore new forms of partnership, to include equity share in development, to maximise the community gain in the use of public assets and to work with the private sector to introduce additional leverage and skills.

Initially we suggest that we focus on Spencer's Park and Maylands Gateway, together with some of our own sites, in a combined development programme that includes four of our Neighbourhood Centres that require additional funding to kick start regeneration and the Town Centre. The Council wants to increase its housing delivery over the next five years to over 520 per year (from an average delivery of c.350 year) and proposes to incorporate this into the LIP.

We propose that some of the additional funding comes from using the capital receipts generated from land sales as 'seed' funding that can be allocated to the overall programme to enable a rolling programme of projects to be brought forward and delivered. This is described in more detail in the table below.



### **An investment partnership with the HCA**

Dacorum Borough Council proposes a formal partnership with the HCA within which both parties will commit to use their assets within the borough to deliver new homes and a range of regeneration improvements. The nature of this partnership would be agreed and may take the shape of a Local Delivery Vehicle (LDV) such as a Local Asset Backed Vehicle (LABV) or a more traditional form of joint venture - whatever is most likely to deliver and meet both organisations' objectives.

It is proposed that we begin the partnership by quickly moving to develop Spencer's Park and work with the HCA to ensure that it can act as an exemplar (for example achieving Code for Sustainable Homes Level 5). Elements of the receipt would be re-invested in Master planning the second phase and further 500 homes at Spencer's Park (c.£0.5M), investment in affordable housing on the West Herts College site facilitating a £20M redevelopment and much needed training resource (£1M) and funding work on the LDV if agreed. This work could start in 2011.

The Council would commit to bring into play around £5M regeneration and housing capital, a specific provision in 2011/12 of £1.6M for expediting affordable housing on smaller sites, and a range of assets including land at Maylands Gateway (facilitating a joint project with HCA land), various town centre sites, its Neighbourhood Centres and a range of underused garage sites. We would wish to work in partnership in taking forward a number of HCA sites, including town centre sites near the hospital, Bunkers Park, Leverstock Green FC, Hemel Hempstead FC and, dependent on planning status, Marchmont Farm. We also feel that there is a key role for us both to play in a number of key regeneration sites such as Heart of Maylands and Station Gateway. We would look to the HCA to recycle some of the receipts (and helpful treatment of covenants and claw back) to facilitate the acceleration of schemes, creating a rolling fund to deliver an ongoing programme.

The Council has established a clear regeneration plan for Hemel Hempstead and would aim to deliver over 520 homes per year for the next five years, alongside employment growth, a new environmental facility for district heating, and Town Centre improvement and the proposed partnership would ensure speedier and more effective delivery. Delivery will begin in 2011/12 and we aim to agree a sustainable rolling programme with the HCA to ensure we achieve our joint objectives.

## **4. Dacorum in Context**

The Borough of Dacorum in West Hertfordshire covers an area of 210 square kilometres. It borders with St Albans City and District to the east, Bedfordshire to the north, Buckinghamshire to the west and extends from the outskirts of Watford in the south along the valleys of the Gade and Bulbourne rivers northwards to the Chiltern Hills and beyond into the Aylesbury Vale.

The three main towns are Hemel Hempstead, Berkhamsted and Tring with a total population in Dacorum of 137,807 (Census 2001), a 4.2% increase from 1991. The majority of residents live in the principal town of Hemel Hempstead. This is a Mark 1 New Town and will continue to be the focus for development and change within the borough.

Excellent road and rail communications make Dacorum a prime business location. Hemel Hempstead, Berkhamsted and Tring are situated on the West Coast mainline rail route which links Dacorum in approximately 30 minutes to London (Euston) in the south and Milton Keynes, Birmingham and beyond to the north. The M1 and M25 motorways skirt the eastern and southern edges respectively.

From nearby St Albans, access to St. Pancras station and on to Eurostar/the Channel Tunnel is quick and efficient. All four London airports are in close proximity, with Luton and Heathrow being only 20 minutes drive from Hemel Hempstead. This close proximity to the London airports ensures that the area has a role as a major international gateway to Europe and the rest of the world. Many foreign owned businesses have located in the area to provide them with a platform to reach European or other markets. Dacorum has seen enormous changes during the last 50 years, firstly with the development of Hemel Hempstead New Town in the 1950s and 1960s and, more recently, with traditional industries such as paper making (John Dickinson) giving way to modern technological businesses.

Retailing has changed in line with customer and trader needs in the main town centres but also with the development of edge of town shopping. Hemel Hempstead town centre was modernised through pedestrianisation in the early 1990s and was expanded with the high quality Riverside scheme, which opened in 2006.

The area is a mix of urban and rural environments and while each of the towns and villages and the surrounding countryside has its own character and local economics, the geography and location of Hemel Hempstead in particular has attracted major firms such as Kodak, Northgate and DSGI .

### **Dacorum's economy**

Dacorum has a successful economy, which employs around 60,600 people (2008) across a range of sectors and size of businesses. Around a quarter of jobs are in knowledge based industries such as high-tech manufacturing, financial and business services (FBS), computing and research and development (R&D), and communications industries. Storage and distribution, retail, health, education and the service sectors also employ significant numbers of people. The rural economy and tourism are relatively small, but locally important, sectors.

The Maylands Business Park in Hemel Hempstead is of significance to the borough and wider sub-region and is a focus for regeneration. The Buncefield oil terminal, on the eastern edge of the Maylands area, is of national significance for the storage and distribution of fuel – in particular

aviation fuel. The site is subject to reconstruction and regeneration following a major fire in December 2005. This has been managed carefully by DBC to ensure the very highest safety standards are to be put in place.

Hertfordshire has the highest average income in the East of England. At £30,097, Dacorum's average annual income is slightly lower than that of Hertfordshire and the adjoining authorities of St. Albans and Three Rivers. However, it is significantly higher than that of nearby Luton, and slightly higher than for the adjoining authority of Central Bedfordshire.

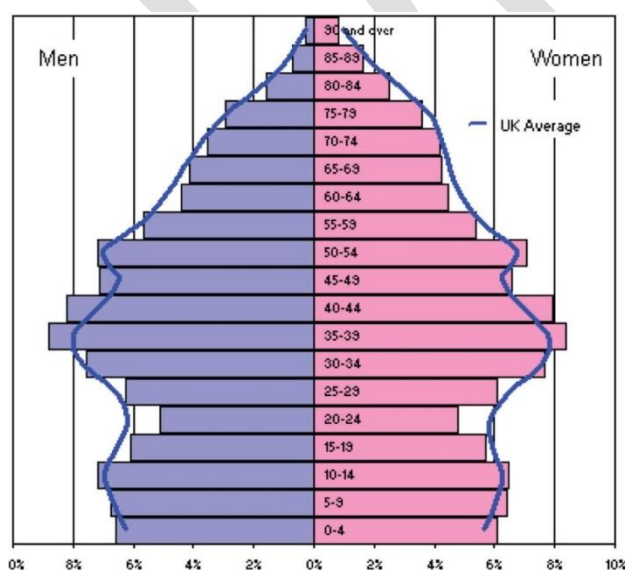
Unemployment levels are low compared to the national average, but slightly higher than the average for Hertfordshire. However, these levels vary within the Borough, with Hemel Hempstead's unemployment rate almost twice that of Berkhamsted and Tring.

Adult education qualification levels in Dacorum are above average for Hertfordshire and England, with only 5.4% of the adult working population having no recognised qualifications. Nevertheless, there are still local skills shortages, particularly in terms of basic numeracy skills and specialist skills within certain employment sectors.

Due to good transport links, many residents work outside the borough. However, the proportion of residents working elsewhere is currently the lowest in the county, making Dacorum more 'self-contained' than the rest of Hertfordshire. Within the sub-region the borough's principal competitors for office-based jobs are Milton Keynes, Watford and St Albans, with Luton and Hatfield also seeking to attract local employers. Historically the M4 corridor has been more successful at attracting new employers than south-west Hertfordshire. A significant number of residents regularly commute into London.

Hemel Hempstead is the principal retail destination within the borough. The larger towns of Milton Keynes and Watford are Hemel Hempstead's main competitors. Dacorum's market towns and small villages play an important retail role, especially in terms of convenience goods and provide a greater range of specialist, independent shops.

## Dacorum's Community



The age structure of Dacorum's population is very close to that for the country as a whole (see Figure 1). Around a quarter of the population is under 20 and a fifth are over 60. Future projections indicate that the number of people over the age of 60 will increase substantially by 2031 (see Figure 2). This raises challenges for the borough in terms of providing the right mix of accommodation and ensuring easy access to essential services and facilities.

**Figure 1: Population Pyramid**

Figure 2 compares the percentage change in the Local Authority's population estimates (solid line) and projections (dashed line) with the equivalent change at regional and national level over time. Positive values represent positive growth and negative values represent reductions. It should be noted that estimates have been published more recently than the projections which may cause discontinuity between the two. This is important because population growth has a strong influence on household growth.

LA projections indicate that the population in Dacorum increased by more than 1.8% in the period 2006 to 2009. The growth projections in Dacorum contrast with reductions in the population in England and in the East of England in 2008 to 2009.

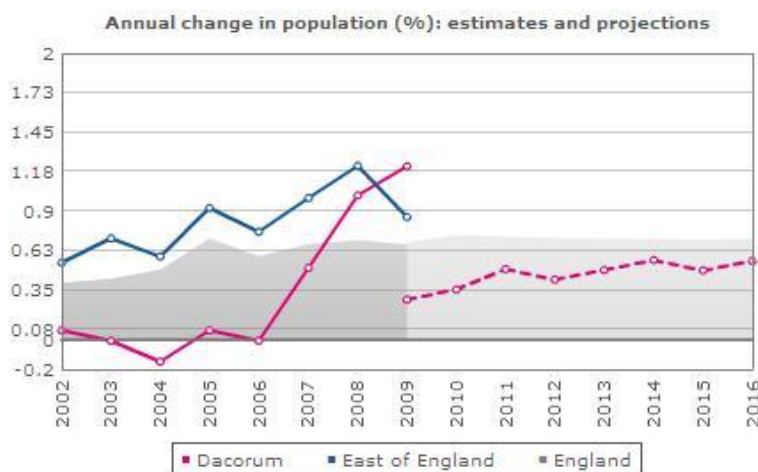
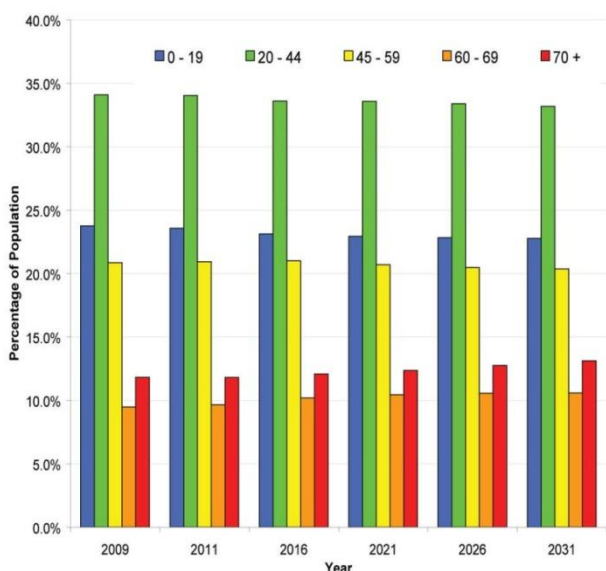


Figure 2

Figure 3: Population Structure Projections



Dacorum is less ethnically diverse than the average for England, with just over 8% of the population classifying themselves as 'non-white.' The Asian population is the largest non-white group. There is a varied ethnic mix across the borough, with Hemel Hempstead having the highest non-white population.

The 2007 Index of Multiple Deprivation ranks the area as only the 287th most deprived district out of 354 authorities. Although overall deprivation levels are generally low, there are pockets of deprivation. The least deprived wards tend to be located in the eastern half of

the borough (see Figure 4). The most deprived wards in the borough are all located at Hemel Hempstead, underlining the need for social and economic regeneration initiatives to be focused upon the town.





## DACORUM 2031: A VISION

Dacorum's Sustainable Community Strategy has been fulfilled. The community recognises Dacorum as a happy, healthy, prosperous and safe place in which to live and work and to visit.

The natural beauty of the Chiltern Hills and the varied character of the countryside is admired and cherished. The countryside is actively managed and supports a healthy local economy and diversity of wildlife. Water quality in the rivers is good. Towns and villages have sufficient water supply. Carbon emissions have been reduced and renewable energy production is sensitive to its surroundings. New woodlands have been planted for the future and the borough looks much greener. Effective use has been made of developed land in the towns and villages, protecting the countryside.

Hemel Hempstead has been transformed through regeneration of the town centre and Maylands Business Park. The town is fulfilling its potential as a sub-regional business centre, important for green enterprise, and is meeting the locally generated demand for new homes.

The market towns of Berkhamsted and Tring and the large villages provide all the necessary services for their communities and surroundings.

The economy is buoyant and all parts of the borough have local employment opportunities, which are both varied and accessible.

Communities are inclusive and healthy. Minority groups are an accepted part of culture and diversity. New homes are affordable and cater for the needs of the population. Open space, facilities and services are accessible. New schools have opened and Hemel Hempstead has a new local hospital. Access to the Watford Health Campus is improved. Public transport is more widely used.

Differences in the character of each place are recognised and valued. Developments have added to character through their design, and sustainable construction is the norm. Special features, such as the Grand Union Canal, remain an active part of the heritage of the borough. The wider historic environment is valued and protected.

This vision has been developed by the Dacorum Partnership (Local Strategic Partnership) and incorporated into *Towards 2021 – a Sustainable Community Strategy* for the Borough. The LIP will work alongside this document and aim to deliver those targets contained within the Sustainable Community Strategy, particularly under the theme of Meeting Housing Needs and additionally contributing to many other themes contained in the plan, under the following headings:

- Reducing crime and creating a safer Dacorum
- Improving social care and health
- Delivering lifelong learning
- Meeting housing needs
- Encouraging community involvement
- Creating a cleaner and healthier environment
- Encouraging business and local employment
- Meeting the needs of older people
- Promoting culture, arts, leisure and tourism
- Meeting the needs of children and young people

***More information on the Sustainable Community Strategy can be found at:***

[www.dacorumpartnership.org.uk](http://www.dacorumpartnership.org.uk)

## **THE HEMEL HEMPSTEAD 2020 VISION**

Hemel Hempstead is a Mark 1 New Town developed in the immediate post war period. The town is now 50 years old and is, arguably, one of the more successful of the original new UK towns. However, it is now at a time of life where a regeneration vision is needed to build upon its successes and strengths in order to create new opportunities and to craft the right legacy for future generations.

Dacorum Borough Council launched the Hemel 2020 Vision in February 2006. It has been endorsed by the Dacorum Local Strategic Partnership, which has adopted “Rejuvenating Dacorum” as a cross-cutting theme in its Community Plan 2006, which is supported by local businesses, residents and community groups.

The former English Partnerships (EP) and the East of England Development Agency (EEDA) also gave active support towards achieving the vision. Hemel Hempstead is characterised by a series of residential areas with neighbourhood centres at their core, plus the provision of a series of parks and open spaces and several significant business areas, the Maylands Business Park being by far the most significant. In common with all of the early new towns there is an increasingly urgent need for regeneration and improvement; much of the ageing infrastructure needs upgrading and some areas of the town have become “tired”. Hemel 2020 addresses these issues and establishes the overarching agenda for the town’s rejuvenation.

Hemel 2020 aims to capture the wealth of opportunities offered in the town. The ambition sets out to enhance the quality of life, provide more homes, create and attract new businesses and employment opportunities and enhance the environment. The ambition is intended to raise the profile of Hemel Hempstead as an exciting town to live, work and play in and to visit and underline the reality that it is an attractive place for investment.

### **The 2020 Vision is built upon the following themes and aspirations:**

- Enhancing lives through regeneration projects to promote social inclusion, equality and diversity and improve community safety: these initiatives support and enhance the many projects aiming to improve both the built form and green spaces of Hemel Hempstead.
- To provide a high standard of development, particularly housing and affordable housing, which meets both development and community needs in an environmentally sustainable way, supported by an appropriate infrastructure.
- To provide an exciting, thriving, safe and clean town centre environment that provides the right visitor experience for both residents and visitors so that Hemel Hempstead becomes a regional destination in its own right.
- To improve the natural and historic environment, including provision of open spaces and recreational areas that are attractive, well used and valued.
- To rejuvenate the Maylands Business Park to achieve a vibrant, dynamic and premier business led community and first choice inward investment location which can support and develop a strong skill base.

## Growth

Dacorum has a strong economic base but as market activity begins to increase it will be particularly important to maintain a strong, diverse, economy and provide opportunities for growth and inward investment.

Housing is an important source of economic growth and a prerequisite to attracting and retaining the local workforce. Current market conditions have had a significant impact on housing construction, with output falling by around a third from its pre-recession peak. However, this now means that the sector has the potential to grow, especially with the current range of 'ready to go' sites. We see housing playing a major role in leading the local economy back towards growth and improving the competitiveness of Dacorum. We see new house building and associated regeneration supporting the local labour market and enabling training opportunities to assist people in developing new skills.

The scale of growth at Hemel Hempstead is a major challenge. The London Arc study suggested a potential job growth of around 18,000 jobs (2006 – 2031) and more recent estimates are of a similar order. The scale and nature of this growth, supporting the knowledge economy, require long term planning, promotion and commitment. The key location for these new jobs and the driver of prosperity is the Maylands Gateway. Success will support the wider economy and local businesses, and contribute to the regeneration of the rest of Heart of Maylands and the town centre.

Dacorum aims to offer a uniquely attractive package for investment in delivering sustainable communities, including:

- Developing robust evidence of housing need, through updating the Strategic Housing Market Assessment, which will be reflected in the Local Development Framework, so that both need and demand for housing remain strong.
- An economy that is resilient in the face of difficult macro-economic circumstances, with high levels of employment and good future growth potential.
- A political consensus and a shared vision to deliver high-quality growth, with clarity about where growth and infrastructure will come forward.
- A suite of major housing development sites that represent excellent prospects for delivering a return on investment.
- Developing partnership mechanisms, co-ordinated through the Dacorum Local Strategic Partnership.
- Ongoing regeneration to enhance the physical appearance of public realm.
- A track-record of innovation and flexibility, and the vision to embrace radical new solutions to delivering new homes and communities.

New growth in Dacorum will take the form of major new developments as well as smaller infill housing sites. Regeneration of neighbourhood centres will be an integral part of developing sustainable communities.

These major new developments will deliver many hundreds of homes, with additional units coming forward in smaller infill sites where there is capacity around the borough. Rural housing is also vital to sustainable development across Dacorum and, though smaller in scale, has a significant effect on local housing markets and economies.

New housing will support the economy: a range of house types will provide for the workers and managers/directors and for existing residents including first time buyers. The challenge of accommodating new housing growth is fourfold:

- retaining attractive open spaces and the quality of the countryside around the town.
- designing at higher densities while maintaining the overall character of existing neighbourhoods.
- providing new facilities and infrastructure for the equivalent of new neighbourhoods within the town and
- providing for movement demands.

### **Products to aid delivery and growth**

- Rented homes of different tenures, including social, intermediate and full market rent, together with homes for larger families and households;
- Shared Ownership, shared equity, rent to purchase and other products which can enable staircasing up and down to different levels;
- Market ownership homes including starter homes, and those for particular parts of the market such as black and minority ethnic (BME) communities, older people or disabled people;
- Housing for vulnerable people;
- Gypsies and Travellers sites, both new provision and the refurbishment of existing ones;
- Land including brownfield use, stabilisation where this is necessary, and remediation to make it ready for further uses;
- Infrastructure provision by different bodies;
- Commercial provision, industrial provision and workspaces, live/work units and 'hubs' to support them as a means of helping local economic development;
- Retail, leisure, sports, worship and cultural amenities, both new in different parts of the place, such as suburbs, or as part of town centre renewal; and
- Shared public space creation and improvements to help contribute to increased property values, social cohesion and overall development and maintenance of places where people want to live and where they can enjoy themselves and interact.

## **6. Strengths / opportunities and Implications**

<b>Strengths / Opportunities</b>	<b>Implications</b>
Excellent location	There is a need to ensure improvements to infrastructure maintain Dacorum as an excellent location.
There are low levels of unemployment but does the skill base match	There is a need to work with the employers to meet current and future skill needs, in particular knowledge



<b>Strengths / Opportunities</b>	<b>Implications</b>
employers requirements?	based, low carbon and advanced manufacturing sector.
Generally a good skill level	There is a need to retain people with high level skills through provision of appropriate housing and jobs growth
Excellent and diverse range of businesses	The diversity of businesses is unique to Hertfordshire and the opportunity this represents needs to be promoted.
A good range of available sites offering development opportunity	Resources need to be invested in bringing forward these sites to start development.
Identified Growth Point	Has the potential to give more certainty to developers in difficult times.
Established Vision through Hemel 2020	Vision shared by the whole community.
Ageing New Town in need of regeneration	Infrastructure renewal needs to be factored in to regeneration.
High house prices	More housing is needed in the Dacorum in locations that are appropriate in relation to the main employment sites and that can offer a greater range of prices.
Improvements needed to improve transport and highway infrastructure	Addressing transport constraints must remain a priority
Competition from neighbouring areas offering greater opportunities for economic growth	Need to develop Hemel Hempstead's unique selling point as an area offering excellent investment opportunities.
The image of Hemel Hempstead potential limits enterprise and innovation.	Improving the image is essential in being able to attract and maintain businesses.
Current economic climate	The Council needs to plan how best it should use its resources to kick start new development.
Balanced and sustainable growth	A need to balance growth with both infrastructure provision and protection of our environment.
Strengthening the role of Maylands Business Area	The role of Maylands is one of the cornerstones to the Regeneration Strategy.
A resilient natural environment	Low carbon solution, including renewable energy provision, building design, and, particularly, transport need to be "designed in". New communities must be resilient to climate change impacts such as extreme weather.
Regenerating Hemel Hempstead Town	A vibrant town centre is of paramount importance to a

Strengths / Opportunities	Implications
Centre	successful economy and community.
Access to affordable housing	We must capture the opportunity to develop a broader range of affordable housing products that enable locally employed people to live in the borough.

## **7. Housing context**

Decent homes are fundamental to people's wellbeing and quality of life, and the foundation for achieving balanced and sustainable communities. Sufficient homes should be available for all sectors in the community, including the travelling community. Their design should help support the move towards a low carbon future and adaptation to climate change. Homes should be served by appropriate facilities and services.

There are 59,688 dwellings, of which around 18% (10,630) are owned by the Council and a further 4% (2,500) are owned by housing associations.

The existing stock of housing is generally of good quality and there are very low levels of vacancy. Owner-occupied housing predominates, though there is also a large proportion of Council owned housing in comparison to other districts in the county. This reflects Hemel Hempstead's New Town legacy. The borough has a mix of house types that includes a large proportion of terraced housing, modest levels of detached properties, and lower proportions of flats and semi-detached properties relative to adjoining districts.

The delivery of new homes is influenced by market conditions. The current uncertainty within the economy has led to a sharp decline in the activity of the local housing market and the ability to attract private investment poses a real challenge. However, the need for effective housing policy interventions is now critical in order to help attract investment to develop new mechanisms to deliver a range of housing products.

Historically, housing growth has not kept pace with the economic success of Dacorum. The Strategic Housing Market Assessment (SHMA) demonstrates the shortage of housing and affordable housing across Dacorum. The economic downturn has not reduced affordability pressures for residents and in-comers. The SHMA brings together data on a variety of housing issues for Dacorum, helping the area understand its housing markets and needs, which underpins a spectrum of policy responses.

House prices are high due to the Borough's proximity to London and its attractive local environment. House prices are high relative to incomes, which means that many local people find it difficult to get access to suitable accommodation. Most new completions are for open market housing, and levels of housing need within the borough continue to exceed the supply of affordable housing, particularly for first-time buyers. The economic downturn has not significantly affected market affordability.

The need for housing is in part reflected by the high number of residents on the Council's Housing Register and lengthy waiting times for accommodation.

The supply of affordable housing has been growing over the last few years, but the amount and proportion in relation to the total housing supply have remained low. The existing supply of affordable homes has also been affected by the Right to Buy, leading to a continuing reduction in stock available to those in housing need, although take up has declined in recent years.

The borough's population is changing, with growing numbers of elderly residents forecast as a result of increased life expectancy. Household size is projected to continue to fall (from 2.36 in 2006 to 2.15 in 2031), particularly as a consequence of an increase in one person households.

The potential supply of housing has been assessed through the South West Hertfordshire Strategic Housing Land Availability Assessment (SHLAA) and subsequent updates. The Council has reviewed the SHLAA in consultation with the development sector, firstly through the Housing Land Availability Paper (April 2009), and then through annual monitoring of sites. It shows there is significant housing potential in the borough. Urban capacity (that is sites within the existing settlement boundaries) is important to supply, but its potential contribution reduces significantly later in the plan period. Most of the potential supply then would be from greenfield sites.

Demand and need for housing has been assessed through the London Commuter Belt (West) Strategic Housing Market Assessment (SHMA) 2010 (covering six Hertfordshire authorities, including Dacorum). The SHMA provides information on the type and tenure of housing required to meet need and market demand across different housing markets. The housing market areas are defined, with Dacorum chiefly affected by the Hemel Hempstead sub market that partly overlaps into the adjoining districts of St Albans and Watford. The northern fringes of the borough fall into the St Albans and Luton sub markets, whereas the southern tip falls within the Watford sub market.

### **Home ownership**

Without a substantial deposit, home ownership is out of the reach of a large number of residents. Lending for mortgages is still limited with lenders adopting a more prudent approach to mortgage lending.

Average house prices in Dacorum are high – currently £327,200 compared to the national average of £166,798.

The house price to earnings ratio is 8.5:1, compared to a regional average of 7.4:1. Lenders require an earnings to house price ratio of 3.5:1 for a couple and 2.9:1 for a single person, with a minimum deposit of between 20 – 30%.

### **Private rented market**

There is an active private rented market, however, higher house prices have fuelled higher private rents. The measures announced in the Government's welfare reform to limit Local Housing Allowances will impact on people's ability to access and sustain private rented accommodation, placing greater pressure on social housing.

### **Affordable housing**

The Strategic Housing Market Assessment estimated that there will be a significant requirement for social rented housing in Dacorum between 2007 and 2021 (3,100 homes) to achieve a balanced housing supply by 2021. This represents nearly 40% of the housing requirement of 7,800 that the

SHMA estimated for all homes over the same period. No specific requirement was identified for intermediate housing. The full affordable housing requirement over the plan period (2006-2031) would be around 5,300 homes. While this level of provision is unlikely to be deliverable, the aim should still be to maximise the provision of affordable housing in the borough. A target of 35% is realistic and achievable, when compared with past achievement, economic conditions and costs associated with new building.

In some areas it will be reasonable to exceed the normal level for affordable housing. Land values vary and so does viability. The opportunity to provide affordable housing is lower outside Hemel Hempstead, because there are fewer sites available. The most should be made of these sites. Supplementary work may justify higher levels of affordable housing, and this would be specified, normally in the Site Allocations Development Plan Document.

There may also be genuine circumstances where a lower level of affordable housing is appropriate, e.g. because of viability, site characteristics and abnormal costs. This would need to be justified in each case. The viability of a scheme will be tested on the basis of an open book financial appraisal, considering the residual value of the land and the profitability of the scheme.

Affordable housing should be provided on the application site. However where this is not feasible, off-site provision or a financial contribution will be accepted instead.

Intermediate housing is considered to be part of a balanced mix of affordable housing over the plan period and will be sought throughout the borough where it is justified by local circumstances.

The new 'Affordable Rent' model provides opportunities and challenges in meeting housing need. However, this is an opportunity to make available a broader range of affordable housing products to consumers who at present do not have sufficient need to access traditional social rented properties. We wish to encourage RSLs to come forward with proposals and to establish a pilot project in order to assess the success of such a scheme.

Homes will be provided in the villages to enable people who are in housing need to stay locally and maintain their local connections with family and work. This in turn helps to support the viability of rural services and amenities. Development opportunities will largely be on sites within and adjacent to the selected small villages identified in the settlement hierarchy. Villages are normally able to absorb modest, well-planned schemes without significant harm to their character or the setting of the countryside. The opportunities presented in the Localism Bill will further support neighbourhoods in developing their own plans to address local needs.

### **Housing Growth Trajectory**

The Strategic Planning and Regeneration team has been looking at the Borough's future housing programme as part of assessing the housing options for the Core Strategy and through its regular monitoring function. The team has considered the contribution made from a range of future housing sources as at 1<sup>st</sup> April 2010 including:

- Defined sites (e.g. those with planning permission, unimplemented housing allocations, or sites identified through the Strategic Housing Land Availability Assessment);
- Broad locations where housing may come forward (e.g. Heart of Maylands, Hemel Hempstead town centre, and Hemel Hempstead hospital etc.); and
- Assumed sites (e.g. the contribution from small windfall sites).

Our estimate of supply over the 6 year period is:

Core Strategy Option	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	Total
1	717	666	678	559	488	399	3,507
2	717	666	755	637	550	461	3,786

As at 1<sup>st</sup> April 2010, 2166 (net) new homes could be delivered from committed sites (e.g. with planning approval and subject to the completion of a legal agreement). This represents nearly 70% of the housing Members want brought forward under the New Homes Bonus scheme. Such housing sites cover a number of key schemes over the next few years:

- Kodak/Image site (359 remaining);
- Moreton and Rosetta House (142);
- Manor estate (325);
- Lord Alexander House (54);
- Convent of St Mary's (56);
- Former Sappi site (450); and
- Spencer's Park Phases 1 and 2 (700+).

The difference between the two sets of projected figures is based on the assumed start of contributions from Green Belt sites (referred to as 'Local Allocations' within the Draft Core Strategy) under option 2 in the period 2013/14 onwards. In both cases it is clear that theoretically there is more than a sufficient supply of sites to fulfil the Council's aspirations without fundamentally interfering with the projected housing programme.

However, this position can only be achieved if all known and assumed sites are brought forward and in a timely manner, and would continue to be dependent on a strong local housing market being in place. The projected development excludes any contribution from the Hemel Station Gateway as work on the feasibility of bringing housing (and other development) forward on this site is still at an early stage.

There is also an important role for the Council in helping to bring forward housing sites in terms of:

- land it owns (e.g. garage sites);
- its strategic policy and development management roles;
- its housing function; and
- through the use of funding to support development e.g. Growth Area Funding.

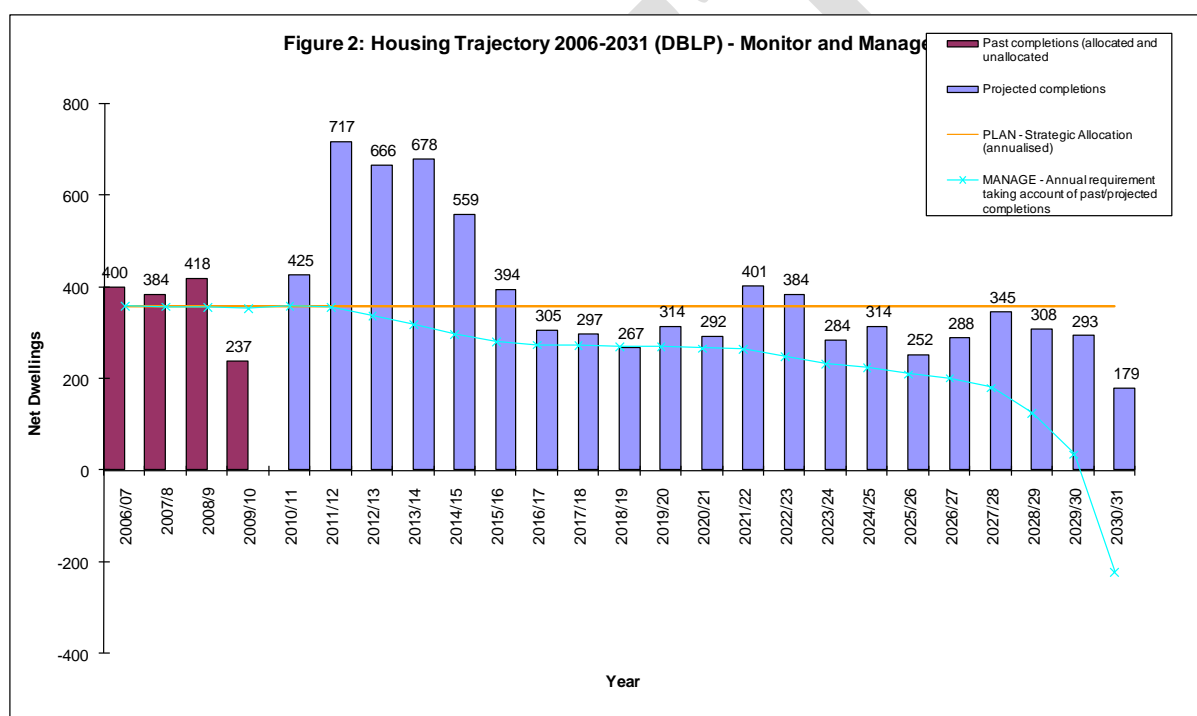
Whilst the above information indicates that sufficient sites are available to support an average annual build rate of 520 dwellings for the next 6 years, continuing this rate post 2017 is likely to prove more difficult to achieve (see Figure 2 - Core Strategy housing trajectory).



It would require more direct intervention by the Council and could only be achieved through a combination of bringing forward Local Allocations within the Draft Core Strategy and increasing development densities. Another option would be to consider further releases of employment land for housing. This would have implications for the homes / jobs balance within the Borough and could result in significantly increased levels of out-commuting and hence congestion.

When considering the implications of continuing to deliver 520 dwellings per year it is helpful to think of this in terms of land-take. If we assume that a new residential neighbourhood at Hemel Hempstead equates to about 1,000 homes, then this higher annual build rate would generate the equivalent of a new neighbourhood every two years.

Delivering this higher rate each year for the remainder of the Plan period (2011-2031) would equate to a total of 10,400 new homes. When combined with the homes already built, this would take us closer to the 12,400 natural growth figure. Such decisions are yet however to be taken by DBC in terms of its preferred approach to development in the LDF Core Strategy.



## Housing Mix

New homes should ideally match the needs of the community in terms of size, type and affordability. They should also be adaptable and accessible to all occupiers. Planning for a mix of housing types is therefore very important.

The Strategic Housing Market Assessment recognises a need for supported housing, including housing for vulnerable groups and the elderly across the London Commuter Belt (West) study area. Hertfordshire County Council also stresses the accommodation needs of people in younger age groups, particularly for supported housing (e.g. special needs housing, short term hostels, and individual flats) and for independent living. Specific requirements have been identified by Adult Care Services for Extra Care (flexicare) Housing places, people with learning disabilities and mental health issues, and residential care (mainly private beds).

The projection of household types to 2021 in the SHMA indicates that there is a requirement for a mix of properties by size and tenure. This varies between tenures with more 3-bed properties being required in market housing, and more 1-bed homes being needed for social renting.

### **Moving with Dacorum**

Moving with Dacorum manages the housing register and enables people to bid for social housing vacancies. All properties are advertised on the council's website so that people who are registered can consider and bid for them. The system is being upgraded and will include a new Enhanced Housing Options system that will enable more people to seek for themselves housing solutions.

### **Decent Homes**

The Council own some 10,600 homes – 25% of which are homes for older people, and of the total 80% is located in Hemel Hempstead. Whilst the stock now meets the Decent Homes standard the challenge is sustaining investment to maintain standards. The Council has now determined that it will retain its housing stock and pursue the self financing option and put in place a robust business plan that not only meets the Decent Homes Standard but exceeds it.

### **Housing Related Support**

The Council has reviewed its sheltered housing and is involved in ongoing work to develop proposals for the development of housing with care and other supported housing options for older people. The Sheltered Housing Review has identified that there are at least 6 sheltered housing schemes which contain bed-sits (including at least two with shared facilities) which are difficult to let. Most of these schemes will need to be redeveloped. Overall there is reasonable demand for most sheltered housing flats, although demand remains high for bungalows. It is also clear that a large number of people accessing sheltered housing are in low housing need. It is intended that new development of older persons' housing should be capable of meeting a wide range of care needs and should be multi-tenure, encompassing fully accessible flats for the more frail built to a high specification in accordance with the higher expectations of older people today and in the future.

### **Homelessness – single people**

Some of the most vulnerable people are those single people with a range of needs who are unable to access accommodation and find themselves moving from one floor to another. Whilst Dacorum Emergency Night shelter (DENS) provides 10 bedspaces for people who find themselves sleeping rough, this provision fails to meet the standards set by the Government's Places of Change programme. In 2009/10 DENS turned away some 244 people as they were fully occupied. The opportunity exists to develop a 21<sup>st</sup> century facility to enable people to engage with a range of services that can support them in contributing to their community and being able to sustain independent living. We will be looking towards the next round of Place of Change funding to support this ambition.

### **Gypsy and Travellers**

The need for more residential pitches is shown in the Gypsy and Traveller Accommodation Assessment for South and West Herts (2005), and more pitches are recommended in the longer

term to address natural growth. New pitches will provide a more settled base for Gypsies and Travellers, giving them better access to health and education services, and employment.

A small number of transit pitches should be provided across Hertfordshire, and local authorities, including Dacorum Council, will work together to determine their distribution.

The Council intends that the needs of Gypsies and Travellers should be progressively met and that all sites should be located, designed and managed on the basis of fairness, integration and sustainability, i.e. to achieve:

- (a) fairness to both the Gypsy and Traveller community and the settled community;
- (b) acceptance by the two communities of each other, social coherence and a wider, shared, sense of place and community; and
- (c) proximity to services, social inclusion, protection of heritage and important environmental features and conservation of natural resources.

The Council will collaborate with other agencies, such as the County Council, Police and community support groups, and site owners/managers to assist the assimilation of residents on new sites with settled communities nearby.

### **Empty Properties**

A strong local housing market, despite the current slow down in property transactions, has meant that the number of empty properties remains low as a percentage of the overall stock. We will continue to monitor the level of empty properties in order to determine if any intervention is required.

## **8. Economy, skills, infrastructure and the environment**

The Council, along with six other Hertfordshire authorities, commissioned a study of jobs growth and employment land in 2008/09. For Dacorum it forecast a net growth of 18,148, which is an increase of approximately 26% on 2006 levels. Many of these jobs will be office-based, although other sectors predicted to experience significant increases are construction, hotels and catering, business services, health and education.

In June 2009 approximately 17% of Dacorum's population were economically inactive (jobless but not wanting or unable to look for a job) compared to 18% in the East of England and approximately 22% in England at the same time.

The relatively high net growth forecast is reflective of Hemel Hempstead's status as the 'Key centre for development and change' within the borough, the town's evolving role as a strategic employment location within Hertfordshire and beyond, and the Council's regeneration agenda for the town. Hemel Hempstead is a logical location for employment growth within the wider area, due to the availability of land, its proximity to the M1 and ability to provide jobs that are accessible to residents in other districts within south west Hertfordshire.

Substantial employment growth will be planned through:

- capitalising on strategic links to the wider sub-region and beyond;

- regenerating the Maylands Business Park;
- reconstructing and rationalising the Buncefield oil storage depot; and
- creating a more attractive and vital town centre, that makes best use of further regeneration and redevelopment opportunities.

## **A Low Carbon Economy**

Both the Hertfordshire and Dacorum Economic Development Strategies recognise the need to develop a low carbon economy. A county-wide study has helped increase understanding about what a low carbon economy means, what its implications are for the borough and how it can be delivered. This complements the 'UK Low Carbon Industrial Strategy' published by Government in July 2009. A low carbon economy is described as one in which economic performance improves whilst the use of carbon and greenhouse gases falls. It is also an economy where technology, especially in the field of telecommunications, plays an increasingly important role in the sharing and transfer of knowledge and information.

Hertfordshire's Economic Development Strategy aims to develop the potential for a specific low carbon technology cluster in the county across the 'energy and environmental goods and services' (EEGS). Businesses that are actively engaged in the design, manufacture, distribution, installation and maintenance of low carbon goods and services will be encouraged to locate within the borough. Technology will be a key part of the low carbon economy and it will be important for Dacorum's economy to take advantage of the latest low carbon technologies.

The Maylands Masterplan developed the concept of 'greening Maylands.' This comprises developing more and better quality green spaces, encouraging the adoption of green business practices and sustainable development, and the development of a Green Energy Centre that includes a Combined Heat and Power facility. The creation of a Green Energy Centre links with the identification of the Maylands Business Park as an area with sufficient heat demand to enable the introduction of district heating. Its creation will also support the wider renewable energy sector, together with environmental goods and services supply chains. Work is also moving forward with the provision of Renewable Energy for business using photovoltaic (PV) panels on some of the substantial roof areas within the business park. In addition feasibility work is underway to evaluate the potential of the installation of PV panels on our housing stock, with benefits to tenants (through cheap green energy) and the Council (by share of feed in tariff income).

## **Green Infrastructure**

It is understood that networked green spaces are necessary for the proper functioning of urban areas. The Council is developing a green infrastructure strategy and policies for GI provision will be embedded in the forthcoming Local Development Framework and its accompanying Supplementary Planning Document on Sustainable Design. Our master planning approach will seek to embed GI principles in any new developments or regeneration schemes.

## **Sustainable Transport**

The Government has committed itself through the 'Delivering a Sustainable Transport System' (DaSTS) programme to ensuring that future Local Transport Plans contribute positively to climate change, improve quality of life and promote a healthy natural environment. This means that a mix of attractive alternatives to the car are provided and it may mean a reduced emphasis on capital intensive new infrastructure and greater emphasis on transport management, changing behaviour and 'modal switch'.

### **High Quality Design**

We need good quality development and housing that would perform well against Commission for Architecture and the Built Environment Building for Life criteria. Schemes should be well laid out in coherent street patterns and feature good quality street scenes. There is a need for quality affordable dwellings and also for larger, low density executive-style housing to link to quality employment opportunities. Good design embraces the issues of energy efficiency, sustainable transport and green infrastructure – all of which will be encapsulated in the forthcoming Supplementary Planning Document on Design and Sustainability.

The Council will continue to observe the HCA Quality Standards but will aim to develop its own local standards that reflect the local environment and support delivery of its aspirations.

### **Rural Sustainability**

The Council will work to develop a pipeline of affordable rural homes that can contribute to social and economic sustainability.

### **Regeneration**

Dacorum Borough Council has an ambitious agenda to deliver sustainable communities and improvements to the physical appearance of the town. It has been working to prepare for regeneration, delivery of Hemel 2020 and economic prosperity since the launch of the Hemel 2020 Vision in February 2006. Dacorum has engaged with the business community for over ten years, thanks to long term commitment to Economic Development, and built a sound base of credibility within the business community.

In the last two years this work has become much more focused and resourced as a result of additionally becoming a Growth Point and subsequent access to Growth Area Funding. This enabled work to be pulled together in a Programme of Development which better integrated the agendas into one area of work – including regeneration, growth and economic development under the umbrella of Hemel 2020.

Thorough preparation, analysis of need, feasibility work and consultation in advance of the economic upturn has been carried out to position the authority well for bringing delivery.

For Hemel Hempstead, priorities articulated in the Hemel 2020 vision are:

- Town Centre regeneration, rejuvenation and improvement, and further south into the Two Waters area and the Station Gateway.
- Development of Maylands.
- Improving the Hemel Neighbourhoods.
- The Green Space Strategy and urban park.



- Growth of the town and shaping new communities through new housing and mixed used development.
- Improvements to the Gateways to the town

## **9. Delivering the Plan**

This is the first iteration of a long term plan that will take 10 to 20 years to deliver. We have identified investment opportunities and other resources available for 2011/12 and beyond, maximising the HCA's and Dacorum's assets to best effect to facilitate and bring forward projects.

The resources needed to deliver this Local Investment Plan are wide ranging and are likely to include:

- Private and third sector investment;
- Local Authority investment;
- Central Government and Government Agency investment.

These will be developed in more detail as we progress towards a Local Investment Agreement between the Council and HCA.

### **Investment Packages**

The LIP seeks to establish a range of Investment Packages that are defined either spatially or thematically and draw together linked projects to enable employment, housing growth and regeneration consistently with the overall vision.

#### **Spatial:**

- Hemel Hempstead Town Centre and Two Waters
- Maylands
- Neighbourhood Centres

#### **Thematic:**

- Housing Delivery
- Transport
- Sustainability
- Skills

An integrated development programme is being developed for each of these identifying the links between them.

### **Working with the HCA**

The LIP is to be used as the vehicle that establishes a strong relationship with the HCA. In particular how each partner utilises their assets and resources to support delivery of the vision and associated programmes. In particular to:

- Promote healthy and sustainable communities and a high quality of life for Dacorum.
- Mitigate and adapt to the impacts of climate change.
- Promote social inclusion and diversity and reduce inequalities.
- Enable convenient access between jobs, homes and facilities, minimise the impact of traffic and reduce the overall need to travel by car.

- Promote Hemel Hempstead as the focus of the borough for homes, jobs and strategic services, reinforcing the role of the neighbourhoods in the town.
- Conserve and enhance the function and character of the market towns, villages and countryside.
- Ensure the effective use of existing land and previously developed sites.
- Create safe and attractive environments through high quality design.

### **Making the most of the resources available**

The table below sets out the potential sources of funding available to support our priorities:

Private Sector Investment	<p>Utilising cross subsidy to allow the development of market housing in high value areas to support other community/housing needs.</p> <p>Developing a robust structure for securing s106 planning agreements for affordable housing in private sector developments</p> <p>Encouraging private sector investment into the Town Centre and Maylands by providing clarity through the LDF and masterplanning, creation of strategic partnerships and leveraging investment by tactical use of the Council's own resources.</p> <p>Developing a partnership to invest in PV installation on housing, commencing with the Council's own stock.</p>
Local Authority Capital Investment	<p>Managing our own assets to deliver regeneration objectives.</p> <p>Seeking to cross subsidise land disposals in a way that ensures a range of developments proceed.</p> <p>Committing resources from the capital programme, especially housing and regeneration.</p> <p>Delivering a programme of capital investment through the Housing Revenue Account.</p>
RSL Investment	<p>Ensuring that RSLs make best use of their borrowing ability and investment from their own resources in pursuing unsubsidised affordable housing and facilitating improvements to neighbourhoods within which they work.</p>
Utility Companies	<p>Identification of critical infrastructure blockages to growth and integration into companies' forward programmes and the Dacorum Infrastructure Delivery Plan</p> <p>Working with utility companies to deliver new sources of energy, energy efficiency and carbon savings.</p>
Primary Care Trust	<p>Working in partnership to provide new health facilities.</p>
Further and Higher Education Institutes	<p>Working in partnership to re-develop facilities that maximise both economic and community benefits for the borough.</p>
Transport	<p>Improving accessibility and connectivity across Hemel Hempstead and the borough involving Network Rail and rail franchises, bus operators, Herts CC and DfT.</p> <p>Active involvement in the Herts LEP and South East Midlands LEP.</p>
Homes and Communities Agency	<p>Maximising all available resources to support development opportunities.</p>
Central Government	<p>Maximising the use of grants made available, for example: Disabled Facilities Grants; Places of Change – Hostel improvement.</p>

Revenue Funding	Continuing to make the case and deliver value for money in particular with regards to: Hertfordshire County Council Supporting People funding; DCLG Homelessness Grant funding.
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#### Current identified resources:

Growth Area Fund	£5m
Local Authority Capital allocation	
Small housing site delivery	£1.5m
Planning & Regeneration	£0.25m
S106 contributions	£1m+
DBC land including	Maylands Gateway Town centre sites Paradise Neighbourhood centres Garage sites
Homes & Communities Agency assets	Spencer's Park Hospital / Paradise sites (in conjunction with hospital redevelopment proposals) Hemel Hempstead Football Club Leverstock Green Football Club Bunkers Park (Green Belt) Marchmont Farm (Green Belt)

Our approach is to make the best use of the joint resources of the public and private sector to ensure delivery of projects and good value for money.

#### Using the Council's Assets and Powers

The Council will not just use cash as its investment but land assets, knowledge, skills, services, powers and capacity.

We will ensure that the Council's assets are used in a way that opportunities to support delivery of the associated projects are fully realised. The Council will also consider disposing of land at below market value to support affordable housing and regeneration. Alternatively the capital receipts secured from open market disposal may be used to deliver housing and other related projects in the Borough.

Using the Council's powers is another way of delivering projects including:

- The Well Being Power (introduced in the Local Government Act 2000) increases our capacity to act on behalf of communities in order to promote economic, social and environmental well being.
- Compulsory Purchase powers to facilitate land assembly.
- Powers under the Housing Act 1985 to assess and plan for housing needs across all tenures.
- Setting out policies in the Local Development Framework which facilitate new housing supply and economic development.
- Regulatory Reform (Housing Assistance) Order 2002 to provide support to home owners in improving their homes.
- Promoting equality of access to housing across the borough.

Furthermore the Council has a facilitation role that aims to encourage organisations to work together to deliver mutual benefits such as the co-location of services, giving easier access for customers and more efficient use of public buildings.

### **Knowledge, skills, services and capacity**

The Council is putting in place a strong evidence base but has identified the need that more work is required to support the planning processes and identification of need. The Council will set out a programme of work to bring together the necessary evidence base.

### **New Homes Bonus**

The Council will embrace the concept of the New Homes Bonus and welcomes the opportunity of securing additional resources from growth and sustainable housing development. The additional resources will be invested back into local communities to support growth and prosperity. A detailed analysis of the opportunities and impacts on the new Homes Bonus will be completed to ensure there is a transparent approach to this additional resource.

### **Implementation and Delivery**

The LIP sets out below a range of mechanisms for supporting delivery to stimulate new housing and economic activity and to fund infrastructure costs. We need to take innovative action that enables action.

Dacorum has been successful in securing awards of Growth Area Fund (GAF). For 2008/09 some £6.5 million of capital was made available. As the funding award is programme- rather than project-based, these monies can be used with great flexibility across the growth agenda.

### **Rolling fund**

Dacorum wishes to consider the opportunity of a “rolling fund” to invest as a loan to developers, easing the burden of Section 106 contributions in the early stages of development. Cambridge has successfully used this to support developers’ cash flow in order to stimulate and enable development of key sites.

Funds are used with the expectation of a return, rather than simply as grant, with the form of loan or investment tailored to suit the needs of the relevant developers.

### **Total Capital**

Dacorum and its partners are committed to delivering high quality, sustainable growth which will improve the quality of life for new and existing residents. The delivery of this growth will require significant capital investment in a worsening public sector funding climate. This facilitates the requirement to get more from the public sector assets. In return, asset values would be expected to increase as the county grows.

Each of the public sector partner organisations in the Borough owns assets of some kind, including the central government estate. By mapping and analysing the usage of all the assets owned by each partner we can potentially yield significant savings by combining, sharing and leasing or selling

disposable assets where possible. In addition, improvements to services would be possible through selective co-location of partners and reconfiguration of property assets.

A Total Capital project will lead to better asset information for decision-making and would seek to deliver a joint asset management strategy for Dacorum. This would focus on rationalisation of the existing operational estate and maximising the investment potential from pooling public sector-owned land and buildings.

The intention will be to align all partners' resources and activities towards comprehensive and holistic activity towards creating, shaping and managing communities within the Borough of Dacorum.

To take this forward, partners will build on the outputs of the national Total Place pilots and in doing so develop bespoke and innovative solutions for the local area.

As part of this approach, consideration needs to be given to the economic and delivery geography of the arrangements. Currently, the Hemel 2020 vision relates just to Hemel Hempstead. The Local Investment Plan will extend to the whole of Dacorum, albeit with a focus on Hemel Hempstead as a Key Centre for Development and Change. Further arrangements need to consider whether the Total Place approach takes the operational framework beyond the Borough boundaries. This might include adjacent authorities, a linking between other growth points, or even a grouping of new towns.

Consideration will be given to a three-intervention model put forward to DBC by consultants Third Life Economics with the outcome of *successful places*. The intervention streams are:

- Total Place/Total Capital – agreement over deployment of total public and third sector spend in the area;
- Place-shaping – strategies over physical design and layout and use of public assets, gap-funding and resources to lever in quality private sector investment; and
- One-place – strategies looking at the quality of services being delivered and customer engagement in the delivery of these services.

### **Creation of a Local Delivery Vehicle**

The Total Place and Successful Places model leads to the need for an effective delivery organisation to take the initiative forward. Options for the form of delivery beyond the in-house and partnering arrangements set out in Stages 1-3 above are broad, but come down to some form of Local Delivery Vehicle.

It is not the purpose of the Local Investment Plan to define which form of LDV is appropriate. The Council has already taken advice from external consultants to set out the options. These are listed here:

- Economic Development Company (EDC)
- Urban Regeneration Company (URC)
- Joint working arrangements
- Local Asset-Backed Vehicle (LABV)

The potential advantage of a LABV could include a three-way partnership between Dacorum Borough Council, the Homes and Communities Agency and a private developer.

The main advantage of a LABV is a long-term shared vision, which enables revenue funding to come forward from the assets held by the public sector partners. A fifty/fifty shared profit from schemes can also be reinvested into the public sector aspirations over many years. There are models of LABVs which are showing substantial success and which can be mirrored, however it should be noted that the set up of such a scheme can take a year or more. It is important therefore to begin to explore such an option well before the current revenue streams cease.

## **10. Priorities and key packages**

Estimates of costs are set out here but these are indicative only and subject to detailed review and analysis as projects and packages are worked up in detail and specific agreements drawn up and entered into.

<b>Summary</b>	
Total number of schemes	32
Total public funding required	£16,400,000
Number of new homes	3,622
Number of affordable homes	1,433

**A detailed analysis is set out in the final section.**

### **Key Packages - detail**

<b>Spatial Package:</b>	<b>Town Centre and Two Waters Regeneration</b>
<b>Description:</b>	Improving the economy, urban form and design of the town centre.
<b>Objectives:</b>	<ul style="list-style-type: none"> <li>• Improvements to public realm</li> <li>• Improvements to transport interchange</li> <li>• Site assembly and development delivery around key sites</li> <li>• Two Waters environmental improvements</li> <li>• Hemel Hempstead interchange improvements</li> </ul>
<b>Outcomes:</b>	To support the regeneration of Hemel Hempstead town centre, helping to deliver a vision for the town centre to be a memorable place which people will want to live and work in and to visit and enjoy.
<b>Outputs:</b>	Reduction in vacant retail and office space, delivery of 350 new town centre homes, new bus station alignment.
<b>Estimated funding requirements:</b>	Work in progress
<b>Links:</b>	<a href="http://www.dacorum.gov.uk/business">www.dacorum.gov.uk/business</a>

<b>Spatial Package:</b>	<b>Maylands Gateway</b>
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<b>Description:</b>	<p>The Master Plan's vision is to 'Create an environment where a range of businesses can grow and prosper through the development of Maylands as a sustainable, well connected Green Business Park offering a high standard of accommodation within a pleasant high quality environment, served by a range of conveniently located shops and amenities'.</p> <p>The development of the Master Plan was led by Maylands Partnership and the strategy seeks to unlock the potential of the Maylands Business Park, transforming it into the premier business location in London's Greater Southeast by developing 35 hectares of open space, providing nearly 180,000 square metres of office space; implementing a sustainable transport and movement strategy and a green policy including the development of an Energy Centre.</p>
<b>Objectives:</b>	<ul style="list-style-type: none"> <li>• Encourage sustainable forms of development and construction through renewable energy production and sustainable business practices.</li> <li>• Provide an accessible place to work, through introducing high quality public transport, encouraging sustainable forms of travel via a variety of modes, and promoting ease of movement and reducing congestion in and around Maylands.</li> <li>• Create the conditions needed to encourage the development of high quality accommodation for technology related and other businesses, through adopting a proactive planning and development context.</li> <li>• Protect and enhance current occupiers by improving the current environment and introducing mechanisms to ensure higher quality development in the future. Improve and diversify the range of facilities available to businesses, such as shops, cafes and meeting, conference and other support services.</li> <li>• Improve the quality of the environment throughout the Business Area through the creation of open spaces, landscaping and improvements to the public realm.</li> <li>• Ensure work places are safe and secure without compromising the appearance and quality of the area.</li> <li>• Promote a distinct identity for different parts of Maylands, each one being attractive to a particular range of business types, enabling links to develop between them.</li> </ul>
<b>Outcomes:</b>	<ul style="list-style-type: none"> <li>• Not just more of the same</li> <li>• Exploiting development and renewal opportunities</li> <li>• Employment growth, and particularly offices</li> <li>• A new business park at Maylands Gateway</li> <li>• A new Heart for Maylands</li> <li>• Dividing Maylands into Character Areas</li> <li>• Going green, including an Energy Centre with Combined Heat and Power plant.</li> <li>• A landscape-led design strategy</li> <li>• A sustainable transport and movement strategy</li> </ul>

<b>Outputs:</b>	New and additional employment premises and average jobs growth of c.1000 per year.
<b>Estimated funding requirements:</b>	<p>The total construction-related cost for implementing the recommendations and proposals within this masterplan is estimated, at current cost (2<sup>nd</sup> Quarter 2007) to be c. £44,840,000. Much of this will arise through private sector investment.</p> <p>This total comprises:</p> <p>Maylands-wide Master Plan supporting works, of c. £14,686,000. Key elements are significant upgrades and streetscaping to Breakspear Way and junctions, new roads and footpaths within the employment area, public transport infrastructure throughout the area, a park &amp; ride scheme and facilities, new signage, and improvements to existing green areas/ woodlands.</p> <p>Smaller scale improvements for individual Character Area of c.£21,877,000 for the creation of service infrastructure and landscaping for the Gateway, and c. £8,278,000, for creation of public spaces, landscaping, amenity, road improvements and linkage proposals for the Face, Heart, Service Centre and Engine Room).</p> <p>In addition to this, there are revenue-based costs associated with management and the running of the new public transport bus link. The annual gross cost of 5 premium quality buses are likely to be in the order of £600k or £3m based on a 5 year subsidy. If on average, revenue generates 50% of the cost, then bus service support over 5 years would be in the order of £1.5m.</p>
<b>Link:</b>	<p>Maylands Master Plan: The Gateway to a Greener Future.</p> <p><a href="http://www.maylands.org">www.maylands.org</a></p>

<b>Spatial Package:</b>	<b>Neighbourhood Centre Renewal</b>
<b>Description:</b>	<p>Around the town centre Hemel Hempstead comprises a number of neighbourhoods, each with distinct characteristics and travel requirements. Some are relatively small (Chaulden) and others are larger, offering more comprehensive facilities, but all were part of the original 'new town' design. The regeneration requirements, both in appearance and functionality and the potential for new homes will vary considerably. Our priorities include:</p> <p>Adeyfield – located on a hill to the east of the old town, this was the first of the new town districts to be started.</p> <p>Bennettsgate, Bennetts End – located on the rising ground to the south</p>

	<p>east and another original district of the new town.</p> <p>Chaulden – a 1950s neighbourhood on the western side of the town.</p> <p>Rossgate, Gadebridge – a later 1950s/60s development located northwest of the old town. The area dominated by an expansive public park, with leisure facilities.</p> <p>Henry Wells Square, Grovehill – a large 1970s neighbourhood centre towards the northern edge of Hemel Hempstead which contains a community centre and local playing fields. It was the last neighbourhood to be developed through the original new town Development Corporation</p> <p>Bellgate, Highfield – a district of the original new town located north east of the Old Town.</p> <p>High Street Green – a residential area bordering Maylands, separated by a playing field and Mayland Woods.</p> <p>Leverstock Green – a village which existed before the new town and which has now been subsumed into it, although retaining its original village centre.</p> <p>The Denes, Nash Mills – the southernmost ward of Hemel, which is dominated by green space, especially to the east and south. There is residential development in the central and western parts and an industrial estate in the west.</p> <p>Stoneycroft – Warners End – a 1950s residential neighbourhood in the west comprising high quality housing.</p>
<b>Objectives:</b>	To facilitate and support the improvement and regeneration of neighbourhood centres, creating vibrant hubs for both local people and the local economy.
<b>Outcomes:</b>	Redesigned spaces that offer an improved environment providing new facilities, enterprise and homes.
<b>Outputs:</b>	Depending on the potential at each centre but to include: additional new homes; rationalised and viable shopping offer; modernised community facilities
<b>Estimated funding requirements:</b>	£4,500,000
<b>Link:</b>	<a href="http://www.hertsdirect.org/infobase/docs/pdfstore/hemelutp.pdf">http://www.hertsdirect.org/infobase/docs/pdfstore/hemelutp.pdf</a>

<b>Thematic Package:</b>	<b>Housing Delivery</b>
<b>Description:</b>	Facilitating the provision of new housing, including affordable housing.
<b>Objectives:</b>	<p>Meet the challenge of housing growth to create mixed, balanced and sustainable communities across the borough while respecting our environmental assets and existing communities;</p> <p>Plan for and respond to the sub-region's changing demography, particularly the needs of a growing number of older people;</p> <p>Invest in rural homes to support vibrant, sustainable communities;</p> <p>Respond to the diverse and changing needs of our communities including migrant workers, gypsies and travellers, and hard-to-reach groups;</p> <p>Tackle both housing and support issues for people who are most vulnerable;</p> <p>Make best use of existing homes and extend housing options by improving housing conditions, reducing risk, updating sheltered housing and bringing empty homes back into use – focusing on those who are vulnerable and living in private housing;</p> <p>Prevent and tackle homelessness, help reduce deprivation and improve health and social exclusion.</p>
<b>Outcomes:</b>	<p>Meets housing needs.</p> <p>Increases housing choice and delivers mixed, balanced and sustainable communities.</p>
<b>Outputs:</b>	3622 new homes of which 1433 new affordable homes (by 2018)
<b>Estimated funding requirements:</b>	
<b>Link:</b>	Dacorum Housing Strategy London Arc survey Strategic Housing Market Assessment

<b>Thematic Package:</b>	<b>Transport</b>
<b>Description:</b>	Mobility and transport is an integral part of society and a key issue for Hemel Hempstead. Increasing car ownership and usage

	<p>in line with national trends result in a high dependency on the private car to satisfy movement needs.</p> <p>The resulting increase in traffic volumes and road congestion contribute to and create a poorer quality environment. The car is a convenient and versatile means of transport for many but at increasing social, environmental and economic cost.</p> <p>While car dependency, the resulting highway infrastructure and the lack of alternative modes play an important part in the transport issues for Hemel Hempstead, there are a number of other challenges within the transport context faced by the town which are described in this chapter. An important one to consider is the impact of potential future development in Hemel Hempstead, as this could have a significant effect on the transport network.</p> <p>The purpose of the Urban Transport Plan (UTP) for Hemel (prepared by HCC) is to identify short, medium and long-term strategies to shape travel patterns and provide a transport framework for negotiations associated with development control.</p>
<b>Objectives:</b>	<ul style="list-style-type: none"> <li>• Locate developments to reduce travel needs/ distances and encourage public transport, walking and cycling use;</li> <li>• Provide opportunities to reduce car use through sustainable transport choices;</li> <li>• Promote modal shift and active travel;</li> <li>• Improve road safety, especially for non-car modes;</li> <li>• Support 'smarter choices' travel demand management measures;</li> <li>• Promote efficient freight distribution;</li> <li>• Reduce negative impact of transport on the environment; and</li> <li>• Improve traffic management.</li> </ul>
<b>Outcomes:</b>	One key outcome is to reduce the reliance on car travel into Maylands, alongside a more general improvement to both public transport, cycling and walking and overall accessibility.
<b>Outputs:</b>	
<b>Estimated funding requirements:</b>	
<b>Links:</b>	<a href="http://www.hertsdirect.org/infobase/docs/pdfstore/hemelutp.pdf">www.hertsdirect.org/infobase/docs/pdfstore/hemelutp.pdf</a>

<b>Thematic Package:</b>	<b>Sustainability</b>
<b>Description:</b>	To resolve local environmental issues and enhance the natural beauty and built environment of Dacorum and to ensure that development and economic growth incorporate low carbon and renewable energy usage.
<b>Objectives:</b>	<ul style="list-style-type: none"> <li>• To promote healthy and sustainable communities and a high quality of life.</li> <li>• To mitigate and adapt to the impacts of climate change.</li> <li>• To promote social inclusion and diversity and reduce inequalities.</li> <li>• To enable convenient access between jobs, homes and facilities, minimise the impact of traffic and reduce the overall need to travel by car.</li> <li>• To promote Hemel Hempstead as the focus of the borough for homes, jobs and strategic services, reinforcing the role of the neighbourhoods in the town.</li> <li>• To conserve and enhance the function and character of the market towns, villages and countryside.</li> <li>• To ensure the effective use of existing land and previously developed sites.</li> <li>• To create safe and attractive environments through high quality design and achievement of high suitability standards.</li> </ul>
<b>Outcomes:</b>	
<b>Outputs:</b>	<ul style="list-style-type: none"> <li>• Development of Combined Heat and Power facility</li> <li>• Reduction in CO2 emissions</li> <li>• Improved thermal efficiency of buildings</li> <li>• Improved quality of life and well being</li> <li>• Adoption of PV and other renewable energy</li> <li>• Reducing fuel poverty</li> </ul>
<b>Estimated funding requirements:</b>	
<b>Links:</b>	

<b>Thematic Package:</b>	<b>Skills and Economy</b>
<b>Description:</b>	To create a learning community that enables those who live and work in Dacorum to maximise their potential and improve their quality of life.
<b>Objectives:</b>	<ul style="list-style-type: none"> <li>• To promote a vibrant and prosperous economy;</li> <li>• To strengthen confidence in Hemel Hempstead's role as</li> </ul>



	<p>a thriving sub-regional business centre and shopping hub;</p> <ul style="list-style-type: none"> <li>• To develop the Maylands Business Park as a leader of “green enterprise” and focus of the low carbon economy;</li> <li>• To support incubator start-ups for small businesses;</li> <li>• To maintain commercial enterprise and employment opportunities in the market towns and large villages; and</li> <li>• To support rural enterprise.</li> </ul>
<b>Outcomes:</b>	<p>Up to 18,000 additional jobs will be created in the borough between 2006 and 2031 through sustainable economic development.</p> <p>Development that supports the knowledge-based economy, the transition to a low carbon economy, the rural economy and sustainable tourism, will be particularly encouraged.</p> <p>Most employment generating development will be located in town and local centres and General Employment Areas in accordance with Policies CS1 and CS4. Hemel Hempstead will be the main focus for new economic development uses, which will be used to support the regeneration of the Maylands Business Park and Hemel Hempstead town centre. Employment levels elsewhere within the borough will be maintained to ensure a spread of job opportunities.</p> <p>Initiatives that help the local workforce adjust to change and develop their skills will be supported.</p>
<b>Outputs:</b>	
<b>Estimated funding requirements:</b>	
<b>Links:</b>	Dacorum Economic Development Strategy

## **11. Governance and Monitoring**

We recognise that we cannot tackle the problems facing our communities in isolation. We are committed to taking a joint approach with partner organisations in the public, private, voluntary and community sectors to tackling issues around economic performance, regeneration and inequalities.

It has been essential to raise awareness both internally and externally of the future plans and begin to work across the Council and with the Dacorum Partnership (LSP) to ensure that all are seeing the same vision and are part of the plans as they begin to move forward to delivery phase.

The structure diagram below shows how this governance takes place:



Officers are now moving forward to plan ahead and to demonstrate real commitment to the delivery of the wide variety of projects in a coordinated and integrated fashion across the thematic and spatial work streams.

The work of the delivery of the vision will be led by the Corporate Regeneration Group as shown above and report through the Council's Cabinet into the Dacorum Partnership and Council. This will ensure that the aspirations for both the Council and the Sustainable Community Strategy will be aligned. It is envisaged that this Board be the key delivery point of **the Local Investment Plan** as it brings together all key partners and aligns resources and strategies (Including staff and finance), converting this into delivery.

Underpinning the vision is the new **Local Development Framework** for Dacorum. We are fortunate to have an up to date Local Plan (adopted in 2004). This is being replaced by the LDF, on which good progress has been made with consultation on our emerging Core Strategy during summer 2009. Dacorum has responded positively to the challenge of growth whilst being rightly concerned at the impact of major residential development in the Green Belt.

### **Delivery Capacity**

Development of sustainable communities and place shaping can only be achieved through effective partnership working and with the Council's input underpinned through corporate activity.

The lead is taken from the Local Strategic Partnership, but resources to deliver are based within the Planning and Regeneration service of the Council. The Council's Corporate Regeneration Group will be the primary delivery team and will manage the arrangements for monitoring progress.

### **Monitoring**

The performance management framework that will be applied to this LIP and the Local Investment Agreement will initially be focused on the delivery of housing and regeneration outputs and outcomes. A more comprehensive framework is likely to be required as we develop the Local Investment Plan into a broader place based approach.

### **HCA indicators**

Indicators that are likely to be included to monitor delivery include:

1. Completions of all new homes including affordable homes.
2. Progress on achieving and maintaining the Decent Homes Standard for social rented homes.
3. Homes meeting prescribed design and environmental standards.
4. The amount of land used for development.
5. Levels of private sector investment
6. Employment and training opportunities as a result of investment.

## **12. Detailed Project analysis**

Please note all costings are indicative only

<b>Project</b>	<b>Theme</b>	<b>Total Homes to be delivered</b>	<b>Of which Affordable Homes</b>	<b>Funding required</b>	<b>Funding allocated</b>	<b>Timescale</b>	<b>What action is needed to expedite?</b>
Regeneration of the Town Centre Including: College Site Paradise Market Square	Spatial	350	120	1,000,000 (HCA) for College site (130 homes)		2011/14	HCA /DBC Partnership Opportunity
Regeneration of Maylands Business area	Spatial	100	35		£3,000,000 of which £1,000,000 GAF allocated	2011/14	HCA/DBC Partnership Opportunity
Heart of Maylands	Spatial	270	90	£1,000,000 (HCA)		2012/15	HCA/DBC Partnership Opportunity
Maylands Gateway	Spatial	100?	30?	£500,000		2012/15	HCA/DBC Partnership Opportunity
Combined Heat and Power Plant (adjacent to Spencer's Park and Maylands Gateway)	Thematic	0	0	tbc	Free land	2012/14	HCA/DBC Partnership Opportunity
Regeneration of Neighbourhood centres including: Grove Hill The Queens Square, Adeyfield Bennettsgate, Bennetts End Rossgate, Gadebridge Henry Wells Square, Grovehill Bellgate, Highfield	Spatial	450	250	£2,500,000 (HCA)		2011/16	HCA/DBC Partnership Opportunity

Project	Theme	Total Homes to be delivered	Of which Affordable Homes	Funding required	Funding allocated	Timescale	What action is needed to expedite?
The Denes, Nash Mills Stoneycroft, Warners End Leverstock Green							
The Station Gateway	Spatial	120	42	£300,000 (DBC)		2012/15	HCA/DBC Partnership Opportunity
Spencer's Park Phase 1	Thematic	350	115			2011/15	HCA/DBC Partnership Opportunity
Spencer's Park Phase 2	Thematic	500+	160+	Free land		2014/18	HCA/DBC Partnership Opportunity
Former Sappi site	Thematic	450	47		0	2010/13	On site
Manor Estate, Apsley	Thematic	335	114	3,000,000		2012/15	HCA/DBC Partnership Opportunity
Westwick Farm	Thematic	50	25	1,000,000		2012/14	HCA/DBC Partnership Opportunity
Manor Farm, Markyate	Thematic	40	20	800,000		2011/12	HCA/DBC Partnership Opportunity
Various Garage sites	Thematic	50	50	2,500,000		2011/14	HCA/DBC Partnership Opportunity
Green Lane	Thematic	88	35	0	0	2012/14	HCA/DBC Partnership Opportunity
Brook St, Tring	Thematic	38	7	400,000		2012/14	HCA/DBC Partnership Opportunity
High St, and Water Lane Berkhamstead	Thematic	54	16	550,000	0	2013/15	HCA/DBC Partnership Opportunity
Ebberns Road, Apsley	Thematic	31	31		1,100,000 HCA	2011/12	On site
Kings Close, Chipperfield	Thematic	6	6		390,000 HCA 60,000 DBC	2011/12	On site

Project	Theme	Total Homes to be delivered	Of which Affordable Homes	Funding required	Funding allocated	Timescale	What action is needed to expedite?
69 Long John, HH	Thematic	6	6		393,000 HCA	2011/12	On site
175/189 London Road, Apsley	Thematic	33	33	650,000	0	2011/12	Progress negotiations
St Peters Church, HH	Thematic	11	11	350,000	0	2011/12	Progress negotiations
Ninian Rd, HH	Thematic	11	11		742,000	2011/12	Due on site
248 Windmill Road, HH	Thematic	8	8	300,000		2011/12	Progress negotiations
68 Windmill Road, HH	Thematic	12	12		525,000	2011/12	Due on site
Alexandra Road	Thematic	5	5	250,000		2012/13	Progress negotiations
Stag lane, Berkhamstead	Thematic	14	14		0	2011/12	Progress negotiations
Farm Place, Berkhamstead	Thematic	35	35	300,000	Free land	2011/12	Progress negotiations
Western Road, Tring	Thematic	5	5		0	2011/12	Progress negotiations
Lord Alexandra House	Thematic	67	67		3,960,000	2011/12	Progress negotiations
Hunters Oak, HH	Thematic	33	33	1,000,000		2013/14	Progress negotiations
<b>Totals</b>		<b>3622</b>	<b>1433</b>	<b>16,400,000</b>	<b>10,170,000</b>		