

Annex A: Rationale

Introduction

This annex highlights and explains some of the master plan's key recommendations.

Exploiting development and renewal opportunities

The Master Plan does not start from a 'blank canvas' in terms of development opportunities. Many buildings and sites are well established, function well and therefore major redevelopment across Maylands is neither appropriate nor possible at the moment. The diagram below uses a combination of judgements around building quality, an examination of the planning pipeline, and analysis of the property development market to identify where major change is possible within Maylands in order to achieve a step-change in quality and use. Key sites are described below:

- The cluster of sites to the north of Breakspear Way, including the area around the PeopleBuilding (sites 2 and 3), and the ex-Royal Mail building at the south western corner of Maylands Avenue (site 1), which are currently derelict or green field sites. These sites form an effective 'Gateway' to Maylands due to their position at the main entry into the area and the impact that their development, as a visible sign of change, would have on those approaching Maylands. They could be developed in the short term.
- The cluster of buildings and sites at the junction of Maylands Avenue and Wood Lane End (site 4) including the a disused car repair centre at the south western corner, and a group of poor quality buildings at the south eastern corner that could also be developed in the shorter term and would be of much more value if they played a more prominent role as part of a redeveloped 'centre' for Maylands.
- Sites around Buncefield that, as a result of the explosion, require redevelopment (sites 5 and 6). The form of redevelopment depends largely on the outcome of investigations into the cause of the incident, and the Land Use Planning Recommendations currently out to consultation.
- A group of buildings (sites 7 to 14) either of poorer quality or where leases are shorter, or where planning consents have been sought. These form an area in which change could occur in the longer term.
- Sites 15 and 16, known as Spencer's Park or Land at North Eastern Hemel Hempstead, which are currently agricultural. Site 16 is designated as residential in the Dacorum Borough Local Plan and available for this purpose in the shorter term. Although allocated for employment use, the future of Site 15 is uncertain, partly due to the promotion of the Gateway to Maylands and partly due to the uncertainty of future HSE development guidelines around Buncefield.

Employment growth, and specifically offices

Dacorum Borough Council, in association with Three Rivers and Watford Councils, commissioned a study examining the current and future supply, demand and quality of employment land in the three districts and the implications on policy. The South West Hertfordshire Employment Space Study (2005) states that under economic conditions then envisaged by the Regional Spatial Strategy (RSS), the office space requirement in Dacorum would be 86,775 sq m (i.e. in the Plan period up to 2021).

Current supply, forecasts from current planning commitments and predicted losses of office space gives a figure of 145,170 sq m for Dacorum. However, this figure includes a proposal for the development of Spencer's Park (also known as Land at North East Hemel Hempstead) as a science park, representing nearly half of this supply figure.

The study also produced a market derived demand figure, which forecast that in the Plan period there is a requirement of 130,000 sq m of office space within Dacorum – leaving a slight oversupply of approximately 16,000 sq m of office space across the Borough. However, excluding the Spencer's Park commitment, deemed to be largely undeliverable in the form envisaged, there would be an undersupply of approximately 50,000 sq m of office space.



The indicative floorspace figure contained within the Gateway sites is 98,000 sq m (net), which clearly addresses this shortfall and also leaves a surplus of nearly 50,000 sq m.

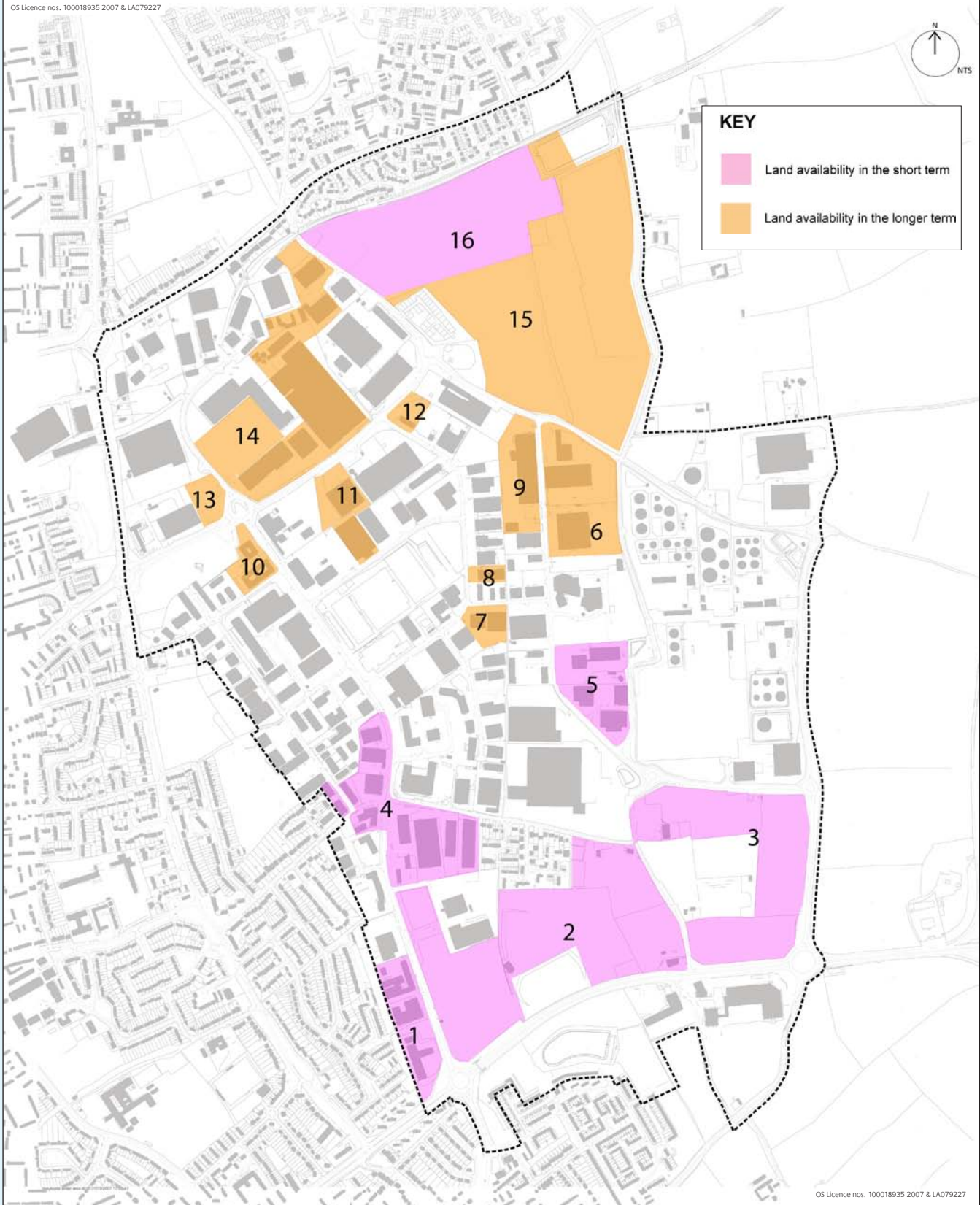
This surplus is based upon a scenario produced from RSS figures that proposed a housing allocation for Dacorum of 6,300 dwellings. The Government's Proposed Changes to the East of England Plan suggests that this housing allocation would rise to 12,000 – the majority of which would be built in Hemel Hempstead. Despite this increase in housing numbers, the jobs growth figure set out in the Proposed Changes only increased slightly to 68,000 for Hertfordshire as a whole. It should be noted that this figure includes jobs in all sectors of the economy, not just those in business and industrial categories.

This significant uplift in housing numbers may lead to the requirement of additional employment land within Dacorum. Estimating the floorspace requirements resulting from potential new housing in Hemel Hempstead is beyond the scope of this study. This will be established through additional technical studies as part of background work to the Local Development Framework. The relationship between new housing, new jobs and the employment land requirements that are a result of these two factors is a complex one, affected by the dwelling mix of new housing, household size, demographic mix, socio-economic profiles of the new populations, travel to work and commuting



KEY

-  Land availability in the short term
-  Land availability in the longer term



Potential Development Opportunities

patterns and levels of containment in relation to employment. Housing growth will also be phased, so any demand for new employment land would also need to be brought forward in stages.

The Employment Space Study also investigated the relative merits of Spencer's Park and the Gateway area for the suitability of science park-type employment land. It was concluded that current environmental quality, nearby uses and unattractive entry into the area makes it unsuitable for such development. Development such as the type proposed requires high quality accommodation, within a well managed campus type area, linked to a higher education facility. This is the kind of product and place that is being proposed for the Maylands Gateway.

Our research indicates that the demand in the industrial market, particularly from distribution and warehouse operators is strong, which has given rise to robust values and supported a good speculative development market in Maylands over recent years (79% of industrial space developed over the last 5 years was speculative). The key drivers in the industrial market, particularly for distribution uses, are the accessibility of the estate, close to London and directly off junction 8 of the M1, and the availability of land for large-scale distribution development.

On the other hand there is a lack of demand and corresponding low values in the office market, despite there being a large number of office occupiers present in Maylands (including landmark HQ offices and a range of accommodation to meet all budgets, specifications and floorspace requirements). These are not all a direct result of property market influences, and could in part be addressed by strategic interventions – such as those which underpin the Gateway concept, creating Character Areas and improving the movement network.

Our research suggests the Gateway sites would not only address many of the deficiencies in the office market of Maylands much more effectively than development at Spencer's Park would, but also that, mostly due to its location, the Gateway would prove to be a successful location in its own right than would be the case for land at Spencer's Park. This is explored further under the next heading.

The Local Futures Group produced an audit of the economic, social and environmental conditions of the Borough in December 2006. The report contains a number of headlines and conclusions that help justify various elements of this master plan:

- Dacorum has experienced a slight decline in job numbers since 1999, against a backdrop of ongoing growth nationally
- Dacorum has a relatively high proportion of knowledge workers, ranking 157th nationally out of 408 districts
- Dacorum is a reasonably well connected district
- Dacorum is a net-exporter of labour, but is more

'self-contained' in labour terms than the rest of the County, and has lower journey to work times.

The Dacorum economy is a real strength. It is large and productive and has a healthy knowledge sector, driven by a highly skilled local workforce. However in terms of economic change, growth has been poor: there has been a lack of growth in the knowledge sector, which has experienced some decline in job numbers in recent years. The report recommends a number of key policy themes in relation to economic growth, including strengthening the supporting economic institutional framework, such as economic partnerships and service agencies.

A strong economy; the availability of a skilled workforce; an established, if dormant knowledge economy; intrinsic connectivity plus a need to promote growth in the economy to buck recent trends are all part of the rationale behind the proposals in the Master Plan, and specifically support the justification for the development of the Maylands Gateway.

A new business park at Maylands Gateway

An easily deliverable option for utilising the available land in the Gateway, given current market conditions, would be to designate this area for warehouse development, which would be likely to be taken up quickly by logistics operators. However, there are several factors which would recommend an alternative, higher-end office-centred solution to the development of Maylands Gateway:

- Hemel Hempstead has a history of providing a range of employment and was very successful in its early history in attracting a large number of blue-chip occupiers and HQ office operations, many of which it retains today. Conditions for a modern office environment on Maylands at present, whilst existing in isolated pockets in certain locations (most notably The Campus, PeopleBuilding and prior to Buncefield, on Boundary Way), do not exist in sufficient quantity in a single location to reflect the high quality of occupiers present, or to create an image of an premier office location that would sell the location further afield.
- The employment area of Maylands is of such a size that there should be ample space to accommodate both industrial and office operators successfully. The distinct requirements to support each of these markets should be in place, and potential conflicts between them managed, e.g. HGV movements vs. commuter traffic.
- The size of the Gateway sites would comfortably accommodate the average UK technology park, or a number of landmark HQ offices, or a range of flexible large floorplate accommodation which could respond to market demand. The opportunity to create an entirely new product of this scale does not exist elsewhere in Maylands without extensive redevelopment, relocations and complications of land assembly, nor would it be appropriate to do

this when such office products require the high visibility that the Gateway sites present in order to be successful.

- The balance of floorspace across the estate favours industrial accommodation. 74% of commercial floorspace is industrial compared to 24% office. The Gateway location allows scope to develop the office market and move to equalise the current balance, without compromising industrial stock and attributes which make the Maylands location successful for this use.
- Recent property investment in the locality has come from the industrial sector and consequently there is a good range of modern premises available. This has not been matched with provision of similar quality new-build office accommodation. Absence of this kind of stock makes Hemel Hempstead appear less competitive. The location of the Gateway sites at the main motorway access to Hemel Hempstead offers an opportunity to remedy this inequality by putting cutting edge development on show as its face.
- Feedback from agents and occupiers within the local market indicates that office development is most viable at the southern end of Maylands Avenue where there is already a more distinct, higher quality environment and corporate identity, and a critical mass of office occupiers already present.
- A higher education presence is a pre-requisite of a technology-focused business park (or, more specifically, a science park). Initial discussions with the University of Hertfordshire indicate in-principle interest in performing such a role. Discussions with a selection of Maylands' larger technology companies also reveals enthusiasm for the concept.

A new Heart for Maylands

The shops, services and facilities currently in Maylands are below the quantity and quality required for both the current community and potential investors. It is an important priority to create a new destination for employers and employees that includes a better quality, more varied range of shops, places to eat and places to meet, possibly with appropriate community facilities. Local companies have raised specific concerns over problems with accessing current services due to parking.

Any thriving community should have a 'heart' where people can meet, eat, drink or shop. Opportunities to do these things should be provided through parks, squares and spaces. Activity is created by buildings, their occupants and being at the centre of movement networks. Maylands lacks such a place, at least at the scale and nature of which it deserves. Creating this kind of place is the rationale behind the 'Heart of Maylands'.

The location for the 'Heart of Maylands' on the junction of Wood Lane End and Maylands Avenue provides a good level of accessibility by road, will be served by the planned Strategic Bus Link and is within the 'Face of Maylands' character area which has the highest levels of

job density across Maylands. Importantly, it contains a number of sites which are ripe for redevelopment they are vacant, nearing the end of their leases, or current occupiers are seeking redevelopment.

Current facilities such as the shops on Maylands Avenue or the banks on Wood Lane End lack appropriate parking, are housed in poor quality buildings or are not of the quality that is needed to encourage investment into the area. The proposals for the 'Heart' aim to address these issues.

Dividing Maylands into Character Areas

The diversity of businesses that Maylands accommodates is one of its strengths, but it also contributes to one of its principal weaknesses – one of confused identity, lack of 'legibility' (making way-finding around the area difficult) and an incoherent mix of uses, some of which are conflicting. Consultation with property agents has found that the lack of a single identifiable office park, as opposed to individual offices or small clusters of offices that sit within a traditional industrial estate, makes it more difficult to attract service sector business to Maylands. To deal with this problem, the Master Plan takes the lead from existing planning policy – the Dacorum Borough Local Plan designates Maylands Avenue as a core office location – and divides Maylands into distinct Character Areas. These are intended to provide a differentiation in terms of the kind of business that should be encouraged to locate in various areas. Under the overarching Maylands brand, each Character Area is given its own identity, providing a consistent feel and quality as to how it should look and work.

The Character Areas encourage clustering of businesses, allowing the interaction of like-minded firms. They avoid 'bad neighbour' issues and conflicting traffic movements, by encouraging heavy traffic, such as HGVs, away from higher quality and more people-friendly streets and environments. They provide ready catchments to nearby facilities by co-locating densely populated uses, such as offices. The approach should give confidence to potential investors in the kind of place they are moving to, whether they are looking to develop offices, commercial premises or logistics.

The definition of distinct Character Areas allows improved navigation through the Business Park by promoting distinct localities within it, and provides a clear strategic plan to guide development decisions for the next generation in Maylands' history.

The Master Plan offers guidance on the appearance, form, quality and type of development in each Character Area without being unduly prescriptive.

Going Green, including an Energy Centre

There is great enthusiasm amongst Maylands' companies and other stakeholders for the concept of a Green Business Park.

The key advantages of developing Maylands as a deeply green business park include:

- The modern image promoted to customers, investors and recruits
- Cost savings for businesses that are more energy efficient
- A more pleasant working environment
- Becoming less reliant on fossil fuels and less exposed to volatile energy prices
- Helping to combat pollution and global warming
- Staying ahead of quickly evolving policy requirements

The Energy Centre - a concept that is based upon on-site renewable energy generation – has the following specific additional advantages:

- Using centralised district systems means that planning requirements can be met more easily by developers, which with more stringent legislation in force should be an attraction of the business park
- This will increase the uptake of renewables through providing easy to access to infrastructure
- It will significantly lower investment costs and risks in using renewable energy sources
- A large, single energy scheme can leverage public sector support better than multiple smaller schemes
- Concerns of technology risk/maturity/deliverability are easier to address on a large scheme
- Large scale energy centre development offers an attractive investment
- A broader range of technology options and suppliers is possible with increased scale
- By using a centralised private network it is easier to manage grid connection, metering and monitoring and load profile therefore minimising the reliance on and relative inefficiencies of the national grid network
- Changes in Government support incentives such as Renewable Obligation Certificates banding and potentially a Renewable Heat Obligation may well make a scheme more financially attractive in the future

A landscape-led design strategy

The Commission for Architecture and the Built Environment (CABE) report, Better Places to Work (2005), highlights a number of typical shortcomings of workplace planning and design, including:

- Badly located sites, accessible only by car, which exclude those without access to a car
- Mono-use, leading to deserted places out of normal working hours and lack of natural surveillance, which

in turn encourages either anti-social behaviour or excessive security arrangements

- Lack of, or poorly designed and maintained, landscaping, leading to a low quality environment

Each of these points is pertinent to Maylands.

The CABE report goes on to state that “poorly located and designed places of work are not only bad for the wider environment, they are also bad for business. Evidence collated by CABE shows that poor workplaces [and workplace environments] are:

- Bad for business productivity and efficiency
- Bad for recruitment, retention and employee satisfaction
- Bad for the balance sheet – costing more over the lifetime of the building.”

The Maylands environment is relatively poor. There is very little green amenity space within the Business Area itself, which in terms of land use in almost entirely developed employment land, parking areas or road. Our conclusion, which is supported by the views of most businesses consulted, is that the design strategy for the business park should be as much, and probably more, about the spaces between the buildings as the buildings themselves.

Many of the business parks against which Maylands must be benchmarked have very high standards of landscape design. Locations such as Chiswick Park, Luton’s brand new Butterfield Technology Park and GreenPark in Reading understand the benefits of a green and pleasant environment, and Maylands must too.

Consequently, when master planning an area of this type and at this scale, an emphasis on strategic landscape design, rather than building design, is more appropriate.

The design of new buildings is however important and the master plan contains guidelines for buildings in the different Character Areas, although this does not go to the level of architectural style.

A sustainable transport and movement strategy

Our consultation and analysis identified congestion during peak hours as a problem for those travelling to Maylands by car. As well as being an annoyance and costing businesses, it is a disincentive for potential investors. Maylands Avenue and Breakspear Way are particular ‘hot spots’, but other entry points into Maylands such as Wood Lane End also suffer congestion problems. Levels of HGV and goods traffic add to this problem, as well as being problematic from an environmental point of view. Improvement and investment to the road network is an important part of the movement strategy, but, to make a real impact, viable alternatives to the car need to be provided in order to provide more sustainable forms of travel, and reduce the economic and environmental impacts of traffic congestion.