



Dacorum Borough Council

Local Planning Framework

DACORUM SITE ALLOCATIONS DPD EXAMINATION IN PUBLIC

Statement by Dacorum Borough Council

Matter 9: Policy LA3: West Hemel Hempstead

September 2016

Purpose of this statement

The purpose of this statement is to summarise the Council's position regarding the following matters, issues and questions raised by the Inspector in advance of their discussion at the public hearing sessions.

To avoid repetition this statement includes cross references to appropriate technical work and includes relevant extracts as appendices.

Matters raised by Inspector and the Council's response

1. Is the policy wording in relation to the submission of an outline planning application sufficiently flexible?

- 1.1 The wording relating to the submission of an outline planning application was added as a response to concerns raised at the Pre-Submission stage about whether the plan contained sufficiently robust mechanisms to ensure the comprehensive delivery of the LA3 site. The site is split into two principal land ownerships, and it has always been a key objective of the Council to ensure that it comes forward in a co-ordinated way, that delivers the residential and non-residential components of the scheme.
- 1.2 The Council's expectation is that the development will initially be progressed as an outline application covering the site as a whole, followed by a series of reserved matters (or full applications) for each phase (or series of phases).
- 1.3 Additional wording was therefore added to Policy LA3 as Focused Change MC25 and published for consultation. Vincent and Gorbng, acting on behalf of the two principal landowners / developers of LA3 submitted representations to MC25. This reiterated their support for a comprehensive approach to the development, and in particular the delivery of community infrastructure and other S106 obligations, but noted that this may not be a single outline planning application covering 'the site as a whole.' As part of their representations, Vincent and Gorbng tabled some alternative wording, which has been accepted by the Council. This revised text is set out in Table 4 of the Report of Representation Addendum (Examination Document SUB4) and proposed as a further Minor Change to the Site Allocations DPD (see the Appendix to Matter 2). The revised text reads as follows:

'The Council will require that when a planning application or planning applications are brought forward for the allocation they demonstrate compliance with this Master Plan and a comprehensive approach to the development of the allocation, including the nature and timing of delivery of community infrastructure and other planning obligations.'

- 1.4 Given the above, the Council is satisfied that the revised wording provides a flexible enough approach to dealing with the submission of any future planning application.

2. Should the policy reflect the developer of the site will only be required to carry out upgrading of the drainage infrastructure directly related to the site?

- 2.1 The Focused Changes introduced Minor Change MC26 to Policy LA3. This updated the previous policy wording to reflect recent changes to statutory responsibilities for drainage matters. The revised clauses now read as follows:
- *'Early liaison required with Thames Water to develop a Drainage Strategy to identify any infrastructure upgrades required in order to ensure that*

sufficient sewerage and sewerage treatment capacity is available to support the timely delivery of this site.'

- *'Early liaison required with the local planning authority to ensure appropriate sustainable drainage is designed into the development scheme at an early stage.'*

2.2 An objection was received to this revised wording by the agents representing the two principal landowners of LA3. This requested that the first bullet point be amended to make it clearer that upgrades to infrastructure should be directly related to and required by the development, and are not being secured through the wider infrastructure planning or CIL. The following alternative wording suggested for the first clause was as follows:

'Early liaison required with Thames Water to develop a Drainage Strategy to identify any infrastructure upgrades that are required as a result of the development, and not otherwise funded through CIL or other infrastructure investment plans of the Council or statutory undertakers, in order to ensure that sufficient sewerage and sewerage treatment capacity is available to support the timely delivery of this site.'

2.3 The Council has considered this alternative wording, and as set out in the Report of Representation – Addendum (Examination Document SUB4) concluded as follows:

'The wording included in Focused Change MC26 is consistent with that proposed for the other Local Allocations and their associated site masterplans. The additional text is not required as any contribution secured through S106 would need to meet the statutory tests set out in Regulation 122 of the CIL Regulations 2010 (as amended) in terms of it being proportionate and justifiable in terms of the nature and scale of development.'

2.4 Furthermore, the Council considers that the existing references to '*delivery of this site*' in the first clause of MC26 makes the spatial extent of the requirements clear.

2.5 However, if the Inspector considers that this wording needs clarification then the words '*.....infrastructure upgrades that are required as a result of the development, in order to ensure that sufficient.....*' could be added to the text.

2.6 If the wording of Policy LA3 is changed, it would also be logical to add these words to the identical clauses of Policies LA1, LA2, LA4, LA5 and LA6, although no similar objections have been raised relating to these site requirements.

3. Has full consideration been given to the increase in traffic associated with the development and the pressure on existing schools and healthcare facilities?

3.1 Full consideration has and continues to be given to the impact of the LA3 proposal on local infrastructure in the area.

- 3.2 Traffic generation and the capacity of local schools and GP surgeries have been important and ongoing consideration for site LA3, since the site was first considered for inclusion in the Core Strategy (Examination Document CS4). Indeed, one of the reasons that the site being the size that it is, rather than just the northern or southern element being identified, was that the larger site provides the necessary quantum of development to allow the on-site provision of new social infrastructure, rather than relying on trying to expand existing facilities which are known to already be operating at or above their ideal capacity (see consideration of different site sizes within Examination Document HG5).
- 3.3 It is to help ensure the comprehensive delivery of the scheme, and provision of essential social and transport infrastructure to serve the site, that the text of Focused Change MC25¹ (now proposed to be amended through a further Minor Change) was added to LA3 (see response to Question 1 above).
- 3.4 As part of preparing its plan for the scale and location of new development in the Borough, the Council has prepared an Infrastructure Delivery Plan (InDP) (Examination Document ID1). The InDP provides information on a range of infrastructure issues including school capacities, highway issues and GP services. It looks at current capacities, what will be required to meet the demand generated by new residents and how any shortfalls in provision can be addressed. Whilst prepared by the Borough Council, the InDP is prepared in consultation with, and using information and advice provided by, a wide range of infrastructure providers. Information regarding doctors' surgeries was provided by the Clinical Commissioning Group (CCG).
- 3.5 The InDP is updated regularly (usually on an annual basis). The current (2015) update has been timed to take account of concerns regarding infrastructure issues raised through the Site Allocations Pre-Submission consultation and provide an opportunity to discuss these further with providers.
- 3.6 Hertfordshire County Council (HCC) is satisfied that the need for additional primary school places has been addressed through future provision of a new primary school within the LA3 allocation. Delivery of a new two form entry primary school is a clear requirement of Policy LA3, and discussions regarding this provision have already begun between the County Council and site developers. Existing secondary schools can accommodate potential pupil growth, although there will be the need for on-going liaison with HCC over planning for future secondary school places in the town.
- 3.7 Decisions on the level of provision of local hospital services are the responsibility of the NHS/Hospital Trust (as directed by the CCG) and the Council is continuing to liaise regarding future provision with regards to the existing hospital site (Proposal MU/2). Policy LA3 (and associated draft master plan) highlights the importance of supporting improved GP services either financially or within the new neighbourhood. Decisions have not been made over exactly how future surgery needs will be accommodated; hence the need for Policy LA3 to be

¹ Note: All changes, whether considered minor or significant were consulted on as part of the Focused Changes process.

worded flexibly. The preference of Parkwood Drive Surgery is to expand their existing facility, which is located about 1km to the east of the LA3 site. Other alternatives being considered are the provision of a replacement surgery or a satellite surgery within the new LA3 development, the former being preferred by the Borough Council. Discussions are on-going with the surgery and CCG regarding which is the best option to deliver.

- 3.8 With regard to the increase in traffic that will be associated with the development, the Council acknowledges the need to have an up to date understanding of the implications of new development on the strategic and local road network and the importance of ongoing liaison with the main transport agencies.
- 3.9 The local highway authority (Hertfordshire County Council) has been consulted on the Local Allocations throughout preparation of the Core Strategy and Site Allocations DPDs and support the content of these documents. No concerns regarding the ability of the overall road network to cope with the scale of new development proposed at LA3 (and more cumulatively within Hemel Hempstead) have been raised by either the local highway authority or Highways England, although it is acknowledged by the Council that some local highway improvements and mitigation measures will be required relating to specific site proposals, including LA3. As stated in Policy LA3, key off-site transport works associated with the development of this site are set out in the Schedule of Transport Proposals and Sites (specifically Proposal T/12), with further detail contained within the draft master plan. Long Chaulden and The Avenue are clearly specified in the policy as the primary vehicular access points.
- 3.10 As stated in response to Matter 2 Question 17, the Council is not proposing growth in the Site Allocations document significantly above the level set out in the Core Strategy. The evidence base reflects this position. Improvements have already been identified in order to accommodate the growth and this continues to be monitored through the InDP.
- 3.11 For Hemel Hempstead the consideration of highway issues has reflected outputs from the Hemel Hempstead Transport Model (Paramics model). This model is managed by specialist transport consultants on behalf of Hertfordshire County Council.
- 3.12 A number of model runs have been undertaken throughout the preparation of the Core Strategy and Site Allocations DPDs to ensure that the most up-to-date information regarding the scale and location of new development within the town is reflected, including that at LA3. These are as follows:
1. 2008 base model (May 2009).
 2. 'Do minimum' models for 2021 and 2031- accompanied by a Future Years Issues Report (May 2009).
 3. LDF Option Test Western Hemel (August 2010).
 4. Combined Local Plan Test (July 2012).
 5. Morrisons Development Test (Summer 2013).

- 3.13 In addition to the above, a further model run was carried out in Spring 2015 to ensure that there had been no material change in circumstances since 2013 and help inform decisions regarding any changes that may need to be made to the Site Allocations DPD (and associated Local Allocation master plans) to take account of concerns raised through representations. The Highway Authority have advised that the 2015 model outputs indicate that there has been no material change in highway conditions since the Site Allocation Pre-Submission document was prepared and that there are no issues highlighted that cannot be ameliorated through appropriate mitigation.
- 3.14 In addition to transport modelling, a traffic study has been prepared for Local Allocations LA3. This study takes account of the Hemel Hempstead Transport Model and its contents have been agreed with the Highway Authority. Technical work and liaison on transport matters is on-going, and the developers of LA3 are aware that additional transport assessment will be required to support the future planning application process. For information, the developers have already been liaising with the Council and local Highway Authority regarding information requirements in order to update the transport assessment.
- 3.15 The Council recognises the continuing need for on-going technical work and liaison with respective infrastructure providers. These matters are sufficiently covered in the Policy LA3 and the need for contributions towards, and timely provision of, infrastructure improvements acknowledged. These will be secured through the application of Policy LA3, together with Core Strategy Policy CS35: Infrastructure and Developer Contributions.
- 3.16 The LA3 site is zero rated for CIL and contributions will be secured through Section 106. This reflects advice received from the County Council that s106 is the preferable mechanism for collecting developer contributions where a school is to be delivered on-site.
- 3.17 A further Minor Change is required to update the wording in Policy LA3 of the submitted Site Allocations DPD to reflect the fact that CIL has been adopted and the charging schedule is no longer draft (see the Appendix to Matter 2).

4. Should the site come forward prior to 2021 if it is available?

- 4.1 The Council considers that the Plan housing programme does represent a significant body of housing which is likely to further improve in the future (see para. 4.5 below). The Council will continue to take steps through its planning powers and landownership, and through close working with the development industry and other bodies to ensure delivery and to boost the overall supply of housing land.
- 4.2 This issue of when the Local Allocations should be released for development was considered in some detail through the Core Strategy Examination. This took account of the context provided by the NPPF (Examination Document REG10), including its objective of boosting significantly the supply of new housing. The Core Strategy Inspector clearly supported the Council's general approach to

phasing in finding the Core Strategy (Examination Document CS4) sound, subject to a number of Main Modifications (paras. 16-18 of the Inspector's Report: (Examination Document CS6)). With explicit regard to the phasing, delivery and management of development he concluded that:

"The Council's approach has been satisfactorily justified in the context within which the plan has been prepared." (paragraph 16)

- 4.3 The Core Strategy (paragraph 8.17) (Examination Document CS4) advises that: *"Local Allocations will be held back to encourage urban sites to come forward earlier, to retain countryside for longer and to ensure an appropriate contributions to land supply in the later part of the plan period."*

This same principle is reflected in the submitted Site Allocations document (paragraph 6.26) (Examination Document SUB1) and in the Providing Homes and Community Services Background Issues Paper (paragraphs 2.73-2.80) (Examination Document SA4) in discussing the phasing of allocations.

- 4.4 The Council has demonstrated that it can be flexible over the phasing of Local Allocations when circumstances justify, and will continue to be so (see paragraph 4.6 below). Following further consideration of local housing needs and the role the Local Allocation LA5: Icknield Way, west of Tring will play in delivering other essential local infrastructure, the site has been brought forward into Part 1 of the Schedule of Housing Proposals and Sites. Whilst no specific delivery date has been set, this will follow the formal release of the site from the Green Belt i.e. after adoption of the Site Allocations DPD. The reasons for this earlier release of LA5 are set out in the Meeting Homes and Community Needs Background Issues Paper (November 2015) (Examination Document SA4).

- 4.5 The Council believes that there remain sound planning grounds for continuing to constrain the release of Local Allocations LA1-4 and LA6. These Local Allocations are included in Part 2 of the Schedule of Housing Proposals and Sites in the Site Allocations DPD (Examination Document SUB1) and are planned to bring forward completed homes from 2021 onwards. There have been no fundamental changes in circumstances since the adoption of the Core Strategy and in consulting on the Site Allocations DPD, to warrant bringing forward these allocations sooner:

- There is no overriding local justification to release them earlier;
- The Council wants to continue to give emphasis to the supply of brownfield sites and future opportunities as sought by national policy (paragraphs 17 and 111 of the NPPF (Examination Document REG10)).
- Local Allocations are still needed to boost supply in the medium to longer term, to ensure a steady delivery of housing.
- There is no pressing need to bring forward Local Allocations to boost immediate supply. As at 1st April 2015, there is a healthy pipeline of housing and the Council can meet and modestly exceed its 5 year housing supply (see Matter 4, Table 1 and the response to Question 6).

The position on supply is only likely to improve given progress being made with sites, increasing levels of completions and on-site activity, growing levels of commitments and the potential for allocations to deliver additional homes (see response to Matter 4, Question 10).

- 4.6 Policy CS3: Managing Selected Development Sites already provides sufficient flexibility for Local Allocations to be brought forward, if required. Furthermore, paragraph 6.28 of the Site Allocations DPD makes clear that:
“.....there will be a lead in period in order to allow practical delivery from 2021. In practice, this will mean that applications will be received and determined in advance of 2021 and that site construction and works may actually take place ahead of the specified release date to enable occupation of new homes by 2021.”

This approach remains appropriate and will ensure that the Council can continue to demonstrate a 5 year housing land supply as required by the NPPF. It is also consistent with the wording of paragraph 8.17 of the Core Strategy.

- 4.7 The Council recognises that the recently completed SHMA and subsequent ONS population and DCLG household projections continue to point to growing housing demand. It does not accept, however, that they justify fundamental changes to the current approach to the Green Belt and allocation of sites in the Site Allocations DPD. This is a separate matter better addressed comprehensively outside of the Site Allocations DPD in taking forward work on the new Local Plan (incorporating the early partial review of the Core Strategy) (see response to Matter 2, Question 3).

5. Is a reference needed in the policy to ecology and the link to Shrub Hill Common Local Nature Reserve?

- 5.1 The Council agrees that the link to Shrub Hill Common Local Nature Reserve and the need to consider wider ecological assets are important considerations for site LA3.
- 5.2 Policy LA3 therefore already includes a clear requirement for the scheme to deliver an *‘extension of Shrubhill Common Nature Reserve and the creation of wider green infrastructure links.’*
- 5.3 As a result of representations received to the Focused Changes consultation, Focused Change MC24 is proposed to be amended to include explicit reference to ecological assets. This revised text is set out in Table 4 of the Report of Representation Addendum (Examination Document SUB4) and included as a Minor Change to the Site Allocations DPD (see the Appendix to Matter 2). The revised text is as follows:

‘Design, layout and landscaping to mitigate the impacts on the archaeological, heritage and ecological assets within the site and safeguard those adjoining the development.’

- 5.4 The Council considers that these two references – together with the more detailed requirements set out in the draft site master plan (Examination Document LA25), will ensure adequate consideration is given to both issues as part of the planning application process. It will also work closely with the County Council's Ecological Advisor in taking forward ecological matters.
- 5.4 Both requirements are also supported and informed by a Habitats Survey (Examination Document LA36) and Ecological Survey (Examination Document LA38) that have already been carried out for the site.
- 5.5 The Council's Ecological Adviser (from Hertfordshire Ecology, part of Hertfordshire County Council) has confirmed that they support this wording change, as the text now provides sufficient opportunity for the appropriate management of the ecological assets within the site to be achieved under the control of the planning process.

6. Is the site viable with the provision of a traveller site?

- 6.1 The NPPF (paragraph 174) states that the cumulative impact of local planning authority standards and policies *'should not put implementation of the plan at serious risk, and should facilitate development throughout the economic cycle'*. The Council recognises the importance of viability in terms of assessing the impact of a range of requirements and contributions in bringing forward schemes. It is satisfied that it has given full consideration of these matters and that all allocations, including LA3, are viable.
- 6.2 The Council initially tested the viability of the Local Allocations and other strategic sites in 2013 (Examination Document ID4). At the request of the Inspector (Procedural Correspondence PC3c) the Council has undertaken further work on the three larger Local Allocations (LA1, LA3 and LA5) to explicitly test the impact of the proposed traveller sites, as well as other policy requirements, on their viability (Examination Document HG19). Both studies were undertaken by BNP Paribas Real Estate.
- 6.3 The results of these viability studies demonstrate that all strategic sites and more specifically that Local Allocation LA3, can viably deliver the proposed development in line with wider policy requirements.
- 6.4 The appraisals in Examination Document HG19 indicate that the inclusion of a limited number of Gypsy and Travellers' pitches on the Local Allocations do not significantly impact on the viability of the sites so as to make them undeliverable. The delivery of such uses on the site equates to no more than 1.5% of the schemes' overall development costs. This level of costs is unlikely to be a determining factor in whether a developer brings forward this site or not. Furthermore, the consultants highlighted that their appraisal adopts a cautious approach by not allowing for any income from the Gypsy and Travellers pitches, however it is likely that they will generate revenue which would improve the viability of the schemes (depending on management arrangements).

- 6.5 Where appropriate, the Council takes a flexible approach to applying its policy requirements, will ensure an appropriate balance between delivering the required growth to meet the needs of the local population, affordable housing, sustainability objectives, necessary infrastructure and the need for landowners and developers to achieve competitive returns, as required by the NPPF. This will ensure that sites can come forward and deliver the maximum reasonable quantum of affordable housing. In particular the consultants identified that given the surpluses generated by the sites, were they to come forward with Starter Homes they could also deliver a larger quantum of traditional affordable housing (i.e. affordable rent and shared ownership) over and above the potential 20% Starter Homes requirement.
- 6.6 Maintaining this flexible approach will ensure the 'scale of obligations and policy burdens' (paragraph 174 of the NPPF) are appropriate in all instances to ensure that sites are able to be developed viably and thus facilitate the growth envisaged by the Council's plans over the economic cycle, without jeopardising the delivery of the aspirations of the adopted Core Strategy and submitted Site Allocations DPD.
- 6.7 In general terms, all three of the larger LA sites, including LA3, have proven to be more viable in 2016 than shown in the 2013 study. This is illustrated in the graphs in Appendix 1.
- 6.8 The issue of viability was raised by the Inspector as part of early pre hearing questions (Procedural Correspondence PC3). The Council has responded to this matter under Procedural Correspondence PC3a. This matter is discussed in detail under Matter 6, Question 2. Key points stemming from the response include:
- The plan is underpinned by appropriate and proportionate viability work and a full understanding of scheme viability;
 - Given the inter-relationship with the Core Strategy, viability testing has been part of an existing and ongoing process;
 - Detailed viability testing has been carried out on key components that are integral to delivering the approach set out in the Core Strategy as part of the CIL process (e.g. CIL Strategic Sites Testing (Examination Document ID4)) and other technical studies (e.g. Three Dragons affordable housing viability study (Examination Document HG17));
 - The cost of on-site infrastructure has been reflected in the viability assessments of larger site allocations (notably highway and utilities infrastructure) and for the purposes of CIL viability testing;
 - The Council's Affordable Housing SPD (September 2013) (Examination Document HG2) has helped provided a degree of flexibility over viability;
 - Housing sites have been subject to high level viability testing through the Council's 2008 (Examination Document HG13) and/or 2016 Strategic Housing Land Availability Assessments;
 - Most of the housing allocations have the support of landowners (or have developer options) and progress is being made through the planning

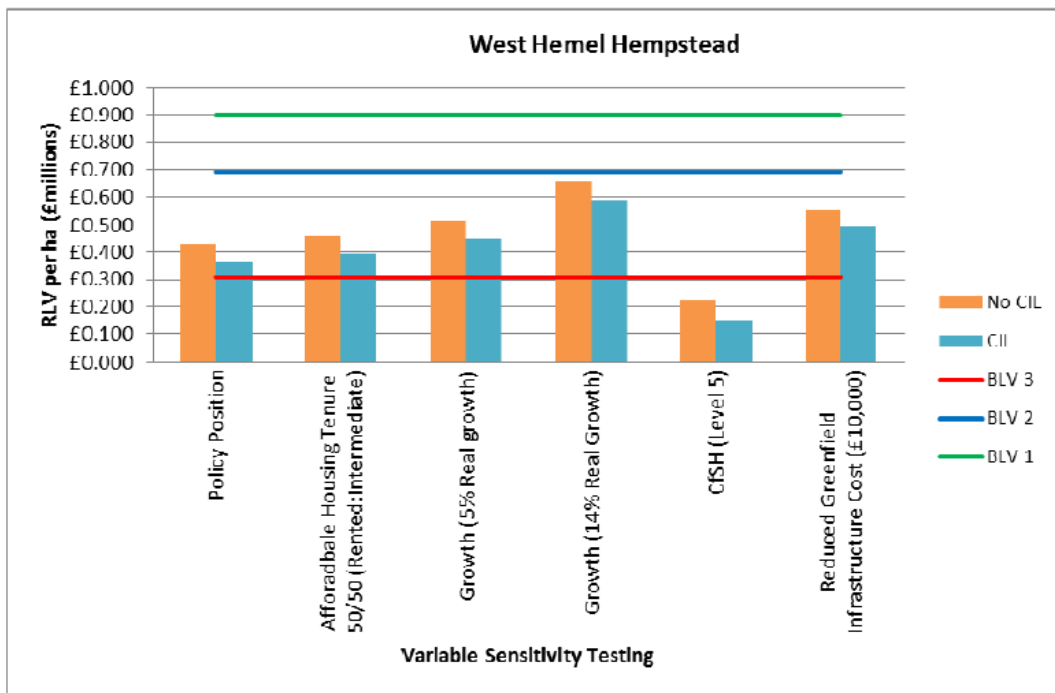
application stage; (see Table 1 in Appendix 1 under Matter 6, Question 2);
and

- Sites have been, or will be, subject to further testing at the planning application stage.

Extracts from 2013 and 2016 BNP Paribas Real Estates Viability Studies

(a) 2013 Viability Result:

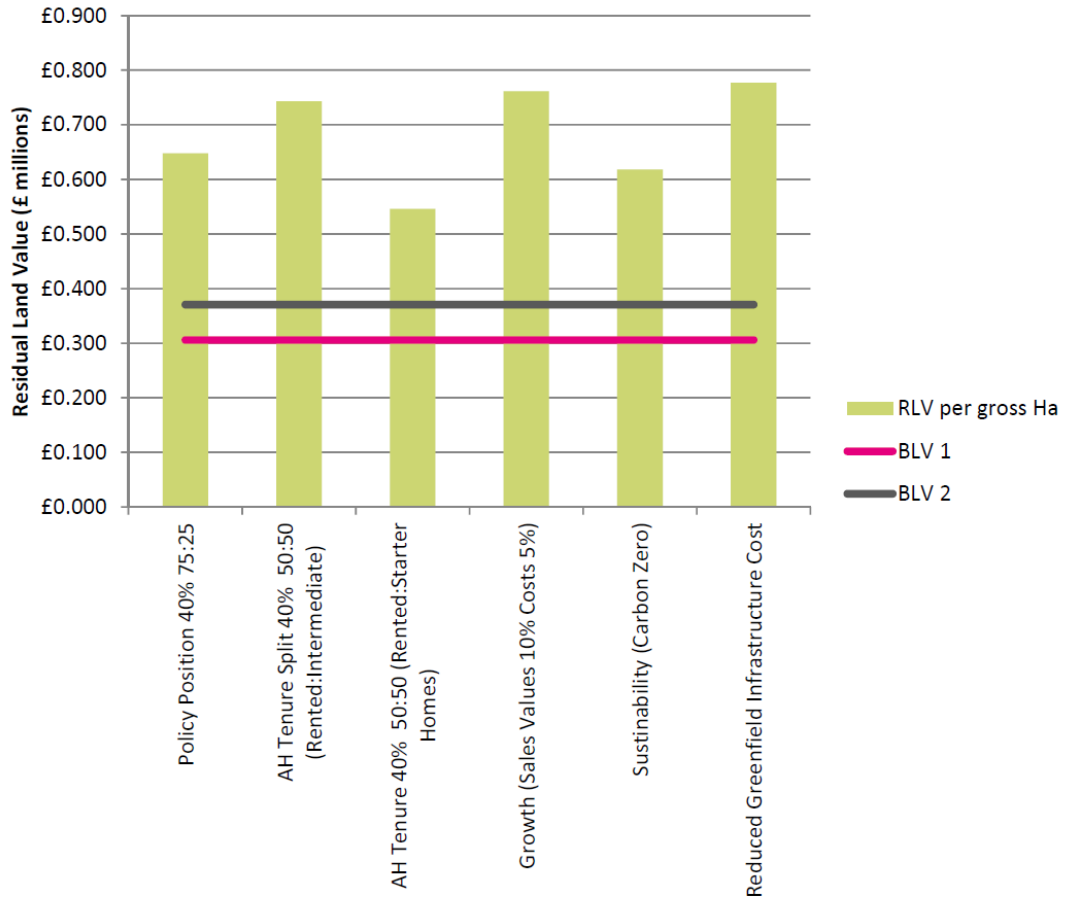
Figure 4.1.3: Residual land values per hectare compared to benchmark land values (West Hemel Hempstead – LA3)



Source: Examination Document ID4

(b) 2016 Viability Result:

Figure 4.2.2: LA3 West Hemel Hempstead Residual land values per hectare compared to benchmark land values – Sensitivity testing scenarios



Source: Examination Document HG19