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DEVELOPMENT CONTROL AGENDA

**THURSDAY 17 DECEMBER 2015 AT 7.00 PM
COUNCIL CHAMBER**

The Councillors listed below are requested to attend the above meeting, on the day and at the time and place stated, to consider the business set out in this agenda.

Membership

Councillor D Collins (Chairman)	Councillor Riddick
Councillor Guest (Vice-Chairman)	Councillor Ritchie
Councillor Birnie	Councillor R Sutton
Councillor Clark	Councillor Whitman
Councillor Conway	Councillor C Wyatt-Lowe
Councillor Maddern	Councillor Fisher
Councillor Matthews	Councillor Tindall

For further information, please contact Katie Mogan or Member Support

AGENDA

10. APPENDICES TO ITEM 5.01 LUCAS AEROSPACE LTD (Pages 2 - 182)

Land at Maylands Avenue, Hemel Hempstead

Retail Review

On behalf of **Dacorum Borough Council**



Project Ref: 33945| Rev: C | Date: September 2015



Document Control Sheet


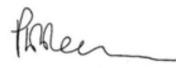

Project Name: Land at Maylands Avenue, Hemel Hempstead

Project Ref: 33954

Report Title: Retail Review

Doc Ref:

Date: September 2015

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For and on behalf of Peter Brett Associates LLP				

Revision	Date	Description	Prepared	Reviewed	Approved
A	20.8.15	Draft for client review	CH	PK	PK
B	26.8.15	Final for sign off	CH	PK	CQ
C	11.9.15	Final Report	PK	PK	CQ

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Contents

1	Introduction	1
1.1	Terms of reference	1
1.2	Application site and scheme.....	1
1.3	Initial comments on the application	2
2	Planning policy context.....	3
2.1	National Planning Policy Framework.....	3
2.2	The Development Plan	3
2.3	Material considerations	4
3	Planning history	5
4	Sequential approach	6
4.1	Status of the application site	6
4.2	Implications of the planning history	7
4.3	Guidance and recent case law	7
4.4	Parameters of search	8
4.5	Sequential site assessments.....	8
4.6	Conclusions on the sequential approach	11
5	Impact.....	12
5.1	Guidance	12
5.2	Methodology	12
5.3	Quantitative convenience impact	13
5.4	Quantitative comparison impact.....	14
5.5	Impact of the proposed A3 floorspace	15
5.6	Impact on town centre vitality and viability	15
5.7	Impact on planned investment	18
5.8	Cumulative impact.....	19
5.9	Conclusions on impact	20
6	Conclusion.....	21
6.1	Compliance with the sequential approach	21
6.2	Impact of the proposed development on existing centres.....	21
6.3	Recommendations.....	21
6.4	Potential conditions	21

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1 Introduction

1.1 Terms of reference

- 1.1.1 Peter Brett Associates LLP (PBA) have been instructed by Dacorum Borough Council (DBC) to undertake an independent review and critique of the submitted retail evidence that has accompanied a planning application for the proposed A1, A3 and B1 mixed-use development on land at land at Maylands Avenue, Hemel Hempstead.
- 1.1.2 This report focuses on the compliance of the retail element of the planning application with relevant national and local policy, and in particular the 'sequential' and 'impact' tests set out in the National Planning Policy Framework (NPPF).
- 1.1.3 The agreed scope for undertaking this assessment relates to the A1 and A3 floorspace proposed within the application scheme and includes the following:
- Review of relevant background material and establishing the development plan position;
 - Review of the compliance of the application with the sequential test;
 - Review of the compliance of the application with retail impact tests, establishing whether a 'significant adverse impact' is likely to arise on investment within the town centre, or the vitality and viability of the centre as a whole; and
 - Make recommendations to the Council as to whether the supporting material has proved a sufficiently robust retail planning case to enable to granting of planning permission.
- 1.1.4 Based on this scope, our report is set out as follows:
- The remainder of this section sets out our understanding of the application scheme.
 - Section 2 considers the national and local planning policy position, having regard to adopted and emerging development plan guidance.
 - Section 3 reviews the planning history of the application site.
 - Section 4 considers the compliance of the application with the sequential test.
 - Section 5 considers the compliance of the application with the impact test.
 - Section 6 sets out our conclusions and recommendations to the Council.

1.2 Application site and scheme

- 1.2.1 The proposed retail floorspace is intended to be provided in the form of a supermarket, extending 2,356 sqm (GIA)/1,767 sqm net sales, and 10,147 sqm (GIA)/7,495 sqm net sales of non-food (comparison) retail. In relation to the proposed convenience floorspace, there is some discrepancy between the main text of the Planning Statement (para. 3.5) and Appendix 7 (Table 6). It is assumed that Appendix 7 is the correct figure; thus the foodstore is assessed on the basis of a 75%/25% convenience/comparison split; permission is therefore sought on the basis of 1,414 sqm net convenience goods and 7,848 sqm net comparison goods floorspace.
- 1.2.2 No retail operators are named in the application. However, the 'prospective anchor tenant' for the 2,695 sqm (GIA) non-food unit is described as selling both bulky and non-bulky (clothing and footwear) goods. The other non-food floorspace is described as 'retail warehouse

premises'. It is stated that it is intended to 'complement rather than compete' with Hemel Hempstead town centre. Further submissions made on behalf of the applicant have provided greater clarity on the intended role of the comparison floorspace, setting out that clothing and fashion would be controlled to specific formats/ranges and that the 'core product ranges sold from the floorspace are anticipated to be furniture and furnishings'.

- 1.2.3 Additionally, as an outline application, no detail is provided on the intended unit sizes of the residual 4,800 sqm (GIA) of non-food floorspace, other than that they will be 'large format' (PS para. 3.8).
- 1.2.4 The submitted evidence is contained within a 'Planning Statement' (PS) prepared by Savills, dated March 2014; however, having reviewed the PS, it is assumed that the report was prepared in March 2015.

1.3 Initial comments on the application

- 1.3.1 PBA provided the Council with some initial comments on the PS which were shared with the applicant inviting a response before the comprehensive review was undertaken. These comments included:
- Sequential approach to site selection:
 - Status of the application site: PBA consider the site to be out of centre in retail planning terms, such that the parameters of the sequential search must be extended to edge-of-centre sites in order to satisfy the tests in policy.
 - Further information from the applicant to demonstrate that sufficient flexibility of format and scale has been adopted when assessing sequentially-preferable sites.
 - Impact methodology:
 - Adjustments to make allowance made for the growth in the proportion of expenditure taking place on the internet (special forms of the trading),
 - Justification of the design/impact year: in the absence of any additional evidence, a design year of 2018/19 is considered to be a more appropriate timescale within which to assess impact,
 - Justification of the projected level of inflow expenditure to the proposed development;
 - Provision of trade draw and diversion assumptions on a zone-by-zone basis;
 - Further trade draw and diversion sensitivities to take account of the potential range of comparison goods that could be sold from the proposed development under the terms of the application.
- 1.3.2 A response was received from the applicant in June 2015 (dated 11 June: 'the June submission') which dealt primarily with the sequential queries but also provided some initial points on the impact assessment. The June submission referred to forthcoming revised quantitative impact tables; the revised tables were subsequently received in July 2015 (dated 30 June 2015). The latter submission ('the July submission') supersedes the majority of the comparison goods impact assessment provided in the original PS (Appendix 8) and it is the latter submission that is therefore considered in this review.

2 Planning policy context

2.1 National Planning Policy Framework

- 2.1.1 The NPPF articulates a town-centre first approach to development. In decision-making terms these objectives are embodied at paragraphs 24 and 26 which relate to the sequential approach and impact respectively.
- 2.1.2 In respect of the sequential test, the NPPF sets out three important considerations which include:
- the sequential status of the application site;
 - the extent of connectivity with the town centre; and,
 - the extent to which flexibility on format and scale has been demonstrated.
- 2.1.3 The NPPF requires applications for retail development in excess of 2,500 sqm that are 'outside of town centres which are not in accordance with an up-to-date Local Plan' to include an assessment of:
- *'the impact of the proposal on existing, committed and planned public and private investment in a centre or centres in the catchment area of the proposal; and,*
 - *the impact of the proposal on town centre vitality and viability, including local consumer choice and trade in the town centre and wider area, up to five years from the time the application is made.'*
- 2.1.4 Finally, paragraph 27 of the NPPF makes it clear that an application can only be refused on retail grounds where it 'fails to satisfy the sequential test or is likely to have significant adverse impact'.

2.2 The Development Plan

- 2.2.1 For the purposes of this application, the adopted development plan comprises the Core Strategy (adopted 2013), saved policies from the Local Plan 1991-2011 (adopted 2004). Whilst the Council originally intended to prepare a Development Management Document which would have set out detailed policies for the consideration of planning applications, it is now intended that these will be brought forward as part of the forthcoming single Local Plan.
- 2.2.2 The current Local Plan was adopted by the Council in 2004. From September 2007, a number of policies were saved by direction of the Secretary of State; however, many of these policies have been superseded following the adoption of the Core Strategy in 2013, including all of the previously adopted policies on shopping. The Core Strategy is therefore the main development plan document.
- 2.2.3 Core Strategy Policy 16 'Shops and Commerce' states that the retail hierarchy will be strengthened. New retail development, which will be assessed in terms of its location, scale and impact, will be permitted provided it accords with the retail hierarchy and conforms to the sequential approach. Hemel Hempstead is identified as the main destination in the Borough for comparison goods shopping, leisure, entertainment and civic and cultural activities while other centres should provide core shopping facilities and services for their local communities.
- 2.2.4 The policy confirms that development of new out-of-centre retail floorspace will only be permitted if: 'the proposal complies with the sequential approach as set out in the NPPF and

the retail impact assessment demonstrates a positive overall outcome' which is understood to be interchangeable with the NPPF's term 'significant adverse impact'.

2.3 Material considerations

Pre-Submission Site Allocations Document

- 2.3.1 The Pre-Submission Site Allocations Document (September 2014) has undergone several stages of public consultation and therefore carries a degree of weight in considering the current application.

East Hemel Hempstead Area Action Plan

- 2.3.2 The emerging East Hemel Hempstead Area Action Plan ('the draft AAP') is being progressed in partnership with neighbouring St. Albans District Council and carries a degree of weight since the document has been subject to an initial 'Issues and Options' consultation. The draft AAP draws on the Maylands Masterplan which was adopted by the Council as a planning policy statement in September 2007. Although it does not form part of the development plan, it is a material consideration in the consideration of planning applications.
- 2.3.3 The Masterplan provides a framework for the regeneration Maylands Business Park. The vision for Maylands includes: 'improving the appearance of the business area, together with providing a high standard of commercial accommodation, shops and amenities, as well as delivering renewable energy, developing the Maylands Gateway, and regeneration the Heart of Maylands'. The Masterplan divides the Maylands Business Park area into a number of Character Areas which each have a different function and where different uses are allocated.

Maylands Gateway Development Brief

- 2.3.4 Published in 2013 in advance of the adoption of the Core Strategy, the MGDB is a material consideration in respect of planning applications and sets out an overriding aspiration for employment-led development in the Gateway area. It will also inform the forthcoming East Hemel Hempstead AAP.
- 2.3.5 The application site is included within the boundary of the Gateway area. With regard to non-employment uses, paragraph 4.4.1 notes that:

'Small-scale food and drink and childcare provision may be permitted. Such uses should not detract from the aim of the Maylands Master Plan to create a specific social 'heart' for the business area along Maylands Avenue, but facilities to suit the local market within the Gateway may be appropriate'

3 Planning history

- 3.1.1 Section 2 of the PS includes a summary of the planning history; the majority of which relates to B Class uses.
- 3.1.2 It is noted that paragraph 2.18 makes reference to an implemented permission for uses including an ancillary Class A1 building. The committee report associated with the application notes that the approved building would extend 928 sqm and would provide not just retail but also 'meeting facilities and a security and management suite'.
- 3.1.3 The permission includes the following condition:
- 'Unless otherwise agreed in writing by the local planning authority, the ancillary building indicated as Building 11 on the approved plans shall only be used for purposes falling within Classes A1, A2 or A3 of the Schedule to the Town and Country Planning (Use Classes) Amendment Order 2005 or security and management suite/facilities ancillary to the overall office use of the development hereby permitted.'*
- 3.1.4 This confirms the ancillary nature of the approved retail floorspace i.e. the floorspace could not be operated independently of approved office use. Therefore, under a revised planning application, it is considered that no significant weight can be afforded to this approved ancillary floorspace as a fall-back position. PBA note that the applicant has not attempted to suggest anything that would run counter to this view.

4 Sequential approach

4.1 Status of the application site

- 4.1.1 The applicant asserts that the site should be regarded as edge of centre. This is based on the following justification:

'The formal boundary of the Heart of Maylands Local Centre is to be defined by the East Hemel Area Action Plan. The application site is anticipated to be less than 300 metres to the south of the Heart of Maylands and therefore can be considered to be an edge of centre site as defined by the NPPF.' (PS para. 6.2)

- 4.1.2 As set out in the initial comments provided to DBC and shared with the applicant, PBA do not agree with this assertion.

- 4.1.3 In coming to this view, it is relevant to consider the definition of edge of centre as set out in the NPPF (Annex 2):

'For retail purposes, a location that is well connected and up to 300 metres of the primary shopping area. For all other main town centre uses, a location within 300 metres of a town centre boundary. For office development, this includes locations outside the town centre but within 500 metres of a public transport interchange. In determining whether a site falls within the definition of edge of centre, account should be taken of local circumstances.' (emphasis added)

- 4.1.4 As the applicant acknowledges, the formal boundary of the Heart of Maylands local centre has yet to be defined. Indeed, the Heart of Maylands, whilst allocated as a new local centre in the Core Strategy, PBA understand that construction is only due to start in late 2015.

- 4.1.5 It is acknowledged that the NPPF and PPG offer little in the way of guidance on the definition of the status of a site in sequential terms. However, it is relevant to note the conditions under which the sequential test is required in the first instance:

'Local planning authorities should apply a sequential test to planning applications for main town centre uses that are not in an existing centre and are not in accordance with an up-to-date Local Plan.' (para. 24, emphasis added)

- 4.1.6 In this context, it is clear that the Heart of Maylands cannot be classified as an 'existing' centre. It then follows that sites outwith a centre that does not currently exist cannot be defined with reference to that centre.

- 4.1.7 In any event, it is considered that even when the Heart of Maylands is developed, the application site cannot be deemed to constitute edge of centre. This view has regard to the approved layout of the new centre and the quality of linkage with the proposed development.

- 4.1.8 The layout of the Heart of Maylands local centre, as approved under application 4/00676/14/MFA, includes two blocks separated by a public square and fronting onto Maylands Avenue, comprising retail and community uses at ground floor with residential uses above. The proposed retail floorspace is exclusively located in Block A (the northern block); as and when a primary shopping area or local centre boundary is designated, it is only likely to include the northern block. As such, based on the illustrative representation of the proposed development included within the Design and Access Statement, none of the proposed retail uses are within 300m of the Heart of Maylands.

- 4.1.9 Notwithstanding this point, the definition of 'edge of centre' provided in the NPPF sets out that 'account should be taken of local circumstances' in the determination the definition of an edge-

of-centre site. The illustrative layout suggests that the office/commercial element of the proposed development will be located on the northern-most (and narrowest) part of the application site i.e. physically separating the new local centre from the proposed retail development. Whilst it is acknowledged that the application is submitted in outline and layout is reserved for later determination, given the intended function of the proposed floorspace to provide large-format retail units, it is questionable whether an alternative layout would significantly alter this configuration. With reference to the NPPF test, it is again worth noting the wording of the edge-of-centre definition the reference to such sites being 'well connected'.

- 4.1.10 The local circumstances in this instance are provided by the policy framework in the development plan. Policy CS16 designates Heart of Maylands as a new local centre with the 'principal function' of providing 'a range of mainly small shops, services and facilities of a local nature, serving a small catchment'. In relation to the new retail development, the policy goes on to state that 'it will be permitted if it accords with the retail hierarchy and conforms with the sequential approach'.
- 4.1.11 Paragraph 13.9 explains this approach further identifying the top tier of the sequential approach to be 'locations in shopping areas in appropriate existing centres'. The adoption of the Core Strategy post-dates the publication of the NPPF; the policies and guidance within it was therefore found to be compliant to the NPPF by the Inspector and has been adopted on that basis. It follows that the policy must carry significant weight in determining how the sequential approach, as articulated in both the NPPF and the Core Strategy is applied.
- 4.1.12 The proposed development is clearly out of scale with the new local centre allocation.

4.2 Implications of the planning history

- 4.2.1 As set out in Section 3, no material weight is afforded to the extant permission's approval for an element of ancillary A1 floorspace.

4.3 Guidance and recent case law

- 4.3.1 With regard to the sequential test, paragraph 009 of the NPPG states that in order to satisfy the test applications must demonstrate that the following points have been considered:
- The suitability of more central sites to accommodate the proposal with due regards to the requirement to demonstrate flexibility.
 - The contribution that more central sites are able to make individually to accommodate the proposal.
- 4.3.2 Paragraph 010 of the PPG states that the application of the sequential test should be proportionate and appropriate for the given proposal. The PPG states that the sequential test is passed if there are no suitable sequentially preferable locations and confirms that where a proposal fails to satisfy the sequential test, it should be refused.
- 4.3.3 It is acknowledged that the recent judgments referred to by the applicant in the PRS, together with the Secretary of State's decision at the Rushden Lakes call-in inquiry have served to limit the parameters within which the sequential approach to site selection is applied. Having regard to these decisions, it is agreed that there is no requirement under the NPPF to disaggregate elements of the proposed development.
- 4.3.4 That said, it is noted that the Core Strategy, which was adopted following both the publication of the NPPF and the Dundee judgment, continues to require applicants to demonstrate flexibility in terms of scale, format, car-parking provision and the scope for disaggregation. Irrespective of the timing of the adoption of the Core Strategy, it is considered that applying the policy in decision-making terms must still be done in the context of particularly the Dundee

judgment’s clear statement that sequential sites must be considered in the ‘real world in which developers seek to operate’.

4.4 Parameters of search

4.4.1 Paragraph 6.22 of the PS sets out that:

‘The applicant has included flexibility in terms of scale and format when considering alternative sites in accordance with the requirements of the NPPF and NPPG. Sites below 4ha would require a material change to the nature of the proposed development and are therefore deemed unsuitable purely based on their scale.’

4.4.2 Following PBA’s initial comments to DBC, the applicant provided additional information in relation to the parameters of search in their June submission which is welcomed. With regard to the area of search, the applicant confirms that the search has focused on Hemel Hempstead and justifies this approach with reference to existing expenditure patterns and the intended role of the proposed floorspace to reduce leakage to other centres in the study area. PBA agree that this approach is reasonable.

4.4.3 Whilst the June submission includes a section relating to ‘flexibility’, PBA do not consider that this provides any additional clarity on the approach taken in relation to establishing the minimum threshold of 4ha adopted by the applicant. The statement that ‘any sites that are below the minimum threshold would require a material change to the development proposed so that it would not meet the same consumer or operator demand’ is not explained by the applicant. Thus, whilst PBA acknowledge that a material change would go beyond the requirements of policy, the applicant has not provided compelling justification as to why a site of less than 4ha would constitute a material change.

4.4.4 In the absence of further justification, given the application site extends to 6.4ha, considering sites 62.5% of that size appears to represent a reasonable degree of flexibility in principle. However, it is not made clear in the PS how a smaller site might affect the scale of proposed floorspace, whether in relation to the A1, A3 or B1 elements.

4.5 Sequential site assessments

4.5.1 Because the applicant considers the site to be edge of centre, the PS focuses on in-centre sites in Hemel Hempstead, in addition to one out-of-centre site, under the sequential assessment. Whilst this was raised in PBA’s initial comments, the applicant has not provided any analysis of further sites.

4.5.2 In the following table, PBA consider the analysis provided by the applicant and also assess the proposed development with reference to other sites identified in the Hemel Hempstead Masterplan and in the emerging Site Allocations Document.

Site	PS Analysis	Review
Hemel Hempstead town centre	Largest vacant unit identified as extending 350 sqm (151 Marlowes). Considered that because of the extensive nature of the proposed floorspace, no sites within the centre are suitable or available.	The on-the-ground findings presented by the applicant have not been verified, but no information provided by DBC that indicates that any of the vacant units represent suitable sites. No objections have been received from either of the major stakeholders in the town centre, to indicate that units could be amalgamated or existing tenants relocated to provide larger floorplate units.

Site	PS Analysis	Review
		Accordingly, it is considered that these vacancies can be regarded as not suitable for the proposed development.
Gade	<p>Costs of acquiring and redeveloping the site considered to render the proposed development unviable.</p> <p>Considered that the proposed development would be contrary to emerging policy for the site (replacement college, new public sector quarter and housing).</p> <p>Concluded that the site is neither suitable nor viable.</p>	<p>No specific sites identified by the applicant, therefore unclear how the various development blocks identified in the Masterplan have been considered with reference to the proposed development.</p> <p>Although the applicant suggests that retail provision would be contrary to the emergent policy, the 'mix of uses are to include educational, leisure and commercial uses including retail uses (possibly including a food store)'. Thus there is clear support in for an element of retail provision on this site. However, it is also clear that this forms one component of a wider aspiration for the site.</p> <p>The draft Site Allocations identifies the West Herts College and Civic Zone site for mixed use development (Written Statement page 19). A replacement college new Public Service Quarter and housing (500-600 homes) are proposed on this 6 hectare site.</p> <p>It is understood that some development has been approved in parts of the zone. The southern part of the College/Civic Zone site has planning permission for the Forum (formerly called the Public Service Quarter) and housing. It is understood that civic offices site will be available for redevelopment once the Forum is completed in early 2017; however, the college element is not anticipated to come forward until 2020.</p> <p>The Market Square forms part of this zone. It is understood that DBC is currently exploring the possibility of a cinema and restaurants development, so it is not suitable for the proposed development.</p> <p>Whilst it is anticipated that there will be surplus land available for development, notably the central part, which the applicant has not fully assessed, discussions with DBC indicate that the residual sites are expected to play a role in meeting housing supply. Accordingly, it is agreed that the site is not suitable or available for the proposed development.</p>

Site	PS Analysis	Review
Old Town	Not considered by the applicant.	PBA consider that there are no suitable or available sites within the Old Town zone that could accommodate the proposed development, even allowing for flexibility of scale and format.
Original Marlowes	Not considered by the applicant.	PBA have been advised by DBC that none of the elements are of the site are likely to become available in the short-term, and so rule this out as a sequential alternative.
Jellicoe Water Gardens	Not considered by the applicant.	PBA are aware that the zone is in an established use which is unlikely to come forward for redevelopment. Furthermore, work is starting this month on a major refurbishment of the Water Gardens. It is accepted that the site is neither suitable nor available in sequential terms.
Hospital	Not considered by the applicant.	PBA understand that there remains an on-going requirement for this facility, such that any redevelopment would need to reprovide the hospital. Information provided by DBC indicates that the land needed for the replacement hospital facility is not yet known; additionally, the emerging Site Allocations indicates that the site is needed accommodate further housing and a new primary school. It is therefore agreed that the site is not suitable for retail-led development. It appears the majority of the zone remains in active use and not considered to be available. Furthermore, it is considered that, given the range of uses promoted through the draft allocation, it is not suitable.
Plough	Not considered by the applicant.	It is understood from DBC that the building the telephone exchange is still operation and therefore cannot be considered to be available within a reasonable timeframe.
Jarman Fields	Defined as an out-of-centre site in the Core Strategy so not considered to be sequentially preferable to the application site.	PBA agree that the site is not sequentially preferable.

4.6 Conclusions on the sequential approach

- 4.6.1 As set out in Section 4.1, PBA do not agree that the application site can be considered 'edge of centre' in planning terms. Compliance with the sequential approach is therefore considered in the context of the site being out of centre.
- 4.6.2 In relation to the parameters of search and consideration of flexibility, it is noted that the requirements of Policy CS16 in relation to demonstrating flexibility in applying the sequential approach to site selection are more onerous than the NPPF. Whilst there is continued reference to disaggregation in that policy, it is considered that this does not recognise the commercial reality of development, as confirmed in the Dundee judgment and the recent Rushden Lakes appeal, and subsequently in the Coalition Government's response to the DCLG Select Committee on the operation of the NPPF which specifically ruled out disaggregation. Having regard to the reduced land take adopted by the applicant of 62.5% of the proposed site area, it is considered that the applicant has demonstrated reasonable flexibility.
- 4.6.3 Irrespective of the disagreement of the status of the site, even when additional edge-of-centre sites are considered, PBA conclude that the proposed development is compliant with the sequential approach.

5 Impact

5.1 Guidance

5.1.1 The PPG states that when assessing impact, this should be done on a like-for-like basis in respect of the particular sector. The outline nature of the proposed development and the lack of confirmed operators makes this necessarily more complicated such that in order to robustly assess an application for largely open comparison-led retail development, a range of scenarios need to be considered.

5.2 Methodology

5.2.1 As summarised in Section 1, the initial review carried out by PBA identified a number of technical concerns over elements of the applicant's approach to assessing quantitative impact. The additional/replacement tables submitted on behalf of the applicant in July 2015 comprise:

- Replacement Tables 2 (Study Derived Comparison Turnover), 7 (Pattern of Comparison Goods Trade Draw and Impact at 2020) – superseding those contained at Appendix 8 of the PS
- Assessment of Increasing Market Share of SFT on impact (Appendix 3 to July submission)
- Zonal Composition Assessment i.e. trade draw and diversion on a zonal basis (Appendix 5 to July submission)

5.2.2 The convenience impact assessment as set out in Appendix 7 of PS is therefore unchanged.

Household survey

5.2.3 A new household survey was commissioned in support of the application. This provides a significantly more up-to-date snapshot of shopping patterns than the 2008 survey which underpins the 2011 Retail Study and is therefore considered to form a robust basis upon which to understand the 'no-development scenario' and forecast anticipated quantitative impacts.

5.2.4 The household survey area, defined with reference to a 10-minute drivetime, gravity modelling of Hemel Hempstead's and nearby centres' catchment area and the 2008 survey, is split into four zones:

- Central: comprising the majority of the urban area of Hemel Hempstead
- South: covering the area to the south of Hemel Hempstead, including Kings Langley and Abbots Langley
- West: including Berkhamstead and the western fringes of Hemel Hempstead
- North: including the northern fringes of Hemel Hempstead urban area, together with Redbourn and Flamstead

5.2.5 1,090 questionnaires were completed across the survey area, with more than 100 responses gathered from every zone.

Assumptions

- 5.2.6 In relation to the assumptions employed by the applicant in the PS, PBA make the following comments and observations:
- **Catchment area:** having regard to the justifications over the definition of the survey area provided by the applicant, the catchment area of the proposed development is considered to be reasonable.
 - **Population and expenditure data:** the applicant has sourced data from Pitney Bowes Business Insight. Whilst PBA do not use this data provider, it is a recognised source of population and expenditure data.
 - **Expenditure growth and SFT:** derived from Pitney Bowes and adjusted to exclude SFT in the base year. Following PBA's initial comments, the July submission included three additional tables which SFT to grow in line with national growth rates. These additional submissions are considered in further detail in Section 5.4.
 - **Main food/top up shopping:** available expenditure has been split 75%/25%. This is the same split adopted in the 2011 Retail Study. Whilst the proportion of top-up expenditure may be greater than this, there is no additional evidence within the applicant's household survey that runs counter to the previous assumption. PBA do not consider adopting this approach unreasonable.
 - **Design year:** the assessment adopts 2020 as the design year within which impact is assessed. With reference to the NPPF, paragraph 26 is clear that impact should be assessed 'up to five years from the time the application is made' (PBA emphasis). Further explanation is provided in the PPG which sets out that impact should be assessed in the second full year of trading after opening, no evidence has been provided by the applicant to explain the development programme. Given the site is largely clear, it seems highly plausible that the proposed retail development would commence trading before 2018. The applicant's June submission appears to misunderstand the requirement of NPPF and despite confirming that the development is likely to commence trading in 2017 (i.e. 2019 design year), continues to assert that 2020 or even 2022 are appropriate. The implications of this deficiency in the impact assessment are considered below.
 - **Proposed turnover:** the proposed comparison floorspace is forecast to achieve a turnover of £38.8m in 2020, assuming sales densities of between £4,000/sqm and £8,000/sqm and allowing for 1.8% annual sales efficiency gains. The proposed convenience floorspace is anticipated to turnover at £12,000/sqm; allowing for sales efficiency growth of 0.4% per annum, the proposed development is expected to achieve a convenience turnover of £17.31m in 2020. The total turnover in 2020 is therefore £56.1m. PBA consider the assumptions adopted in this regard to be robust.

5.3 Quantitative convenience impact

- 5.3.1 The applicant has not provided any further detail on trade draw over the catchment area. Diversion and impact of the proposed development are therefore expressed at a global level.
- 5.3.2 The applicant has assumed that 97% of expenditure will be drawn from the catchment area (proximate to a ten-minute drivetime). This approach is considered to be reasonable, given the more localised nature of convenience shopping patterns.
- 5.3.3 The majority of proposed convenience floorspace turnover will be diverted from stores in and around Hemel Hempstead (93%), with the residual 4% being drawn from Berkhamsted.

- 5.3.4 The greatest levels of diversion are experienced by out-of-centre stores, notably Tesco at Jarman Park and Sainsbury's at Apsley Mills (£3.81m from each), followed by the two Aldi stores (£1.73m from each). A total of £5.54m is expected to be diverted from existing in-centre facilities: comprising £2.76m from Hemel Hempstead town centre, focused on the Asda store; £1.73m from Woodhall Farm district centre (Sainsbury's); £0.7m from Berkhamsted; and the remaining £0.35m from Adeyfield local centre.
- 5.3.5 Whilst the PS does not set out these impacts as percentages, it is noted that the forecast diversion will have the following effects on the town centres:
- 5.5% impact on Hemel Hempstead
 - 1.3% impact on Berkhamsted
 - 8.7% impact on Woodhall Farm
 - 7.8% impact on Adeyfield
- 5.3.6 As noted above, these are the forecast impacts in 2020. Accordingly, the impact of the proposed development in a more appropriate design year will be greater.
- 5.3.7 Whilst it is noted that the assessment suggests relatively high impacts on Woodhall Farm and Adeyfield, these are focused on individual stores. There is no evidence before DBC to suggest that the operators of these stores (Sainsbury's and Co-op) might close if the proposed development were to go ahead. PBA therefore do not consider that these levels of diversion can be construed as resulting in significantly adverse impacts.
- 5.3.8 In line with the requirements of the NPPF, this potentially greater impact is considered in the context of the impact on the Hemel Hempstead and Berkhamsted as a whole, taking account of the comparison retail and other uses that contribute towards the overall vitality and viability of those centres in Section 5.6 below.

5.4 Quantitative comparison impact

- 5.4.1 The applicant has provided additional tables in relation to the trade draw of and diversion to the proposed development on a zone-by-zone basis. This has only been provided on a partial basis and relates only to the defined main centres in the catchment area. It is acknowledged that it is impact on these centres that this the relevant consideration under paragraph 26 of the NPPF; however, in order to come to a view on whether the overall trade draw and diversion assumptions are reasonable, it is relevant to also understand the implications for out-of-centre provision.
- 5.4.2 Taking into account the effect of increased expenditure on SFT, the impacts below are taken from Appendix 3 of the July submission. Again though, as noted above, these are the forecast impacts in 2020. Accordingly, even if these levels of diversion were accepted at face value, the impact of the proposed development in a more appropriate design year will be greater:
- 2.8% impact on Hemel Hempstead
 - 3.7% impact on Berkhamsted
 - 2.2% impact on Watford
- 5.4.3 Impact on St Albans and Luton taking into account SFT it is not provided in Appendix 3. With reference to the revised Table 7, a 4.5% solus impact is forecast on both centres. Taking into account SFT on the same basis as that adopted in the July submission, it is estimated that the impact would increase to 4.6% to 4.7%.

- 5.4.4 Having reviewed the methodology adopted in respect of SFT, the approach is not considered to be conventional but having remodelled it following a more conventional approach, the resultant impacts are not discernibly different to those forecast by the applicant.
- 5.4.5 It is notable that in forecasting diversion, the applicant has assumed that there will be diversion from the now-lapsed Jarman Park permission. Accordingly, whilst impacts are presented as 'solus' in that they do not factor in diversion to the Jarman Park scheme, they are not truly 'solus' in impact terms because they assume 15% of the proposed development's turnover will be drawn from the lapsed Jarman Park scheme. The implication of this permission now having expired is that diversion from existing centres and locations will be greater than previously forecast by the applicant, notably in respect of Hemel Hempstead town centre, where 30% of the Jarman Park scheme was anticipated to divert its turnover.
- 5.4.6 For these reasons, PBA consider that the impacts as forecast by the applicant are likely to represent underestimates, particularly in relation to Hemel Hempstead.

5.5 Impact of the proposed A3 floorspace

- 5.5.1 The applicant has not provided any quantitative assessment of the impact the proposed A3 floorspace might have on existing town centres. Whilst this would not necessarily be problematic because of the less developed methodology surrounding the impact of leisure floorspace and the more discretionary nature of leisure expenditure patterns, the applicant does not appear to have provided any qualitative assessment either. This is shortcoming of the submitted assessment.
- 5.5.2 PBA note the June submission states that the intention is to create a 'home and lifestyle' shopping destination. It is unclear how such a substantial quantum of A3 floorspace is accommodated within this vision. Indeed whilst it may be the case that the floorspace could provide a role for the existing business community at Maylands, DBC have a clear aspiration that this role should be met in the Heart of Maylands local centre. Albeit scale is not a test enshrined in the NPPF, it is notable that the quantum proposed is not dissimilar to the overall floorspace of permitted for the whole of the new local centre.
- 5.5.3 The implications of this element of the proposal are considered further below.

5.6 Impact on town centre vitality and viability

Hemel Hempstead

- 5.6.1 The applicant includes a brief assessment of the vitality and viability of Hemel Hempstead town centre at Appendix 4 of the PS. However, PBA have more recently provided DBC with advice on the health of the town centre (May 2015). This informs the following assessment.
- 5.6.2 The PPG states that in order to judge whether the adverse impacts will be significant this must be considered in light of local circumstances. In considering local circumstances, it is relevant to factor in the concerns identified in relation to effects of recent developments (out-of-centre convenience and leisure improvement, together with improvements in the comparison offer of centres outside Dacorum) on the performance of Hemel Hempstead town centre.
- 5.6.3 In reviewing the existing offer within the centre, the applicant's health check notes that the comparison offer is strong, focused on the 'middle mass' market with a high number of national multiple fashion retailers. The representation of such retailers is not disputed; however, it is relevant to note that many of these retailers operate from premises that are undersized or lack visibility, particularly if located within the Marlowes Shopping Centre.
- 5.6.4 Similarly, in relation to services, the list of national leisure operators listed is underlines that limited nature of the offer, particularly when viewed in the context of the evidence provided by

the applicant in relation to the catchment population profile and its 'significantly above average proportion of adults within the most affluent AB social group'. This is in contrast to the recently expanded restaurant offer at Jarman Park which now includes Nando's, Bella Italia, Frankie and Benny's, Coast to Coast and Hungry Horse, and will be expanded further following the grant of permission for the conversion of one of the cinema auditoria into four new restaurants. This suggests that the town centre is failing to capture its share of A3 expenditure; which is reflected in operators' willingness to co-locate with the Empire cinema at Jarman Park rather than take vacant space within the centre.

- 5.6.5 Whilst it is accepted that vacancy rates appear to be broadly in line with national average, there is no consideration of where these vacancies are within the centre or the nature of the vacant floorspace. It is noted that there are vacancies clustered in the Marlowes Shopping Centre, which, as a managed shopping centre in a single ownership would generally be expected to have a lower level of vacancies relative to the rest of the town centre. This point is amplified by the existence of vacant units in the other managed shopping centre, the modern Riverside development, which are understood to have been empty since the complex opened.
- 5.6.6 Although the applicant's health check notes that there are 68 retailer requirements in Hemel Hempstead, no details further details are provided. As PBA have previously noted, Dorothy Perkins/Burton recently left the town centre and, as far as PBA are aware, the Arcadia Group have shown no interest in acquiring new premises in the centre in spite of sizeable vacant units in prime locations. This would appear to suggest that, in line with the wider strategy within the Arcadia Group to streamline the store portfolio as leases on existing store expire, Hemel Hempstead is no longer viewed as a town centre in which they require representation. Thus, whilst the applicant points to 'strong retailer demand', this demand appears to be caveated to 'new floorspace', suggesting that vacancies will remain a problem within the centre as existing floorspace is not deemed fit for purpose. Given the wider trends towards polarisation amongst centres as retailers seek to rationalise their portfolios as part of a more 'omni-channel' retailing model, PBA suggest that the weight awarded to apparent retailer demand in the centre should be limited.
- 5.6.7 It is acknowledged that the corollary of the poorer performance of Hemel Hempstead town centre is increased leakage to competing retail destinations. It is therefore relevant to consider whether the proposed development may then play a role in effecting more sustainable shopping patterns by clawing back expenditure leaking to other destinations.
- 5.6.8 In the absence of any named retailers there is an inherent uncertainty surrounding the nature of diversion. For example, if the proposed development simply relocates existing town centre anchors or other retailers that are currently in Hemel Hempstead, it is not reasonable to expect that this would result in any substantive shift in shopping patterns beyond that of losing expenditure from Hemel Hempstead town centre to an out-of-centre location. Conversely if the proposed development accommodates retailers not currently found in Hemel Hempstead but that are currently attracting shoppers to competing destinations such as St Albans and Watford then it is more reasonable to suppose there would be a degree of clawback and that the impact on the town centre would be lessened.
- 5.6.9 Added to this, it should also be noted that because of the proximity of Hemel Hempstead to both Watford and St Albans, it is entirely reasonable to expect the catchments of the centres to overlap to the extent that whilst some expenditure going to Watford and St Albans may technically be categorised as 'leakage', this is in part of product of the way in which the catchment area has been defined.
- 5.6.10 In the absence of any controls, the fundamental point remains that because of the terms of the application, it would be entirely possible for the proposed development to enable key anchor retailers to relocate from Hemel Hempstead town centre and deliver limited benefits in terms of clawback. In this respect, it is noted that the June submission by the applicant included

some additional detail on the anticipated retailer profile of the proposed comparison elements of the proposed development.

- 5.6.11 As part of this submission, a number of suggested conditions on the proposed retail floorspace were also tabled. Several of these are material when considering the impact of the proposed development on Hemel Hempstead, notably those relating to the range of goods that could be sold. The June submission explains that:

'the proposed retail floorspace is not intended to create a shopping park or fashion oriented destination. The sale of clothing and footwear will be strictly controlled to specific formats or specific ranges (e.g. sports clothing and footwear). Instead, it is anticipated that the retail floorspace at the site will establish itself as a 'home and lifestyle' shopping destination.'

- 5.6.12 PBA summarise the effects of the suggested conditions as follows:

- No retail units to be used for the 'primary' sale of clothing and footwear, jewellery and fashion accessories and health and beauty products.
- Up to 1,350 sqm of clothing and footwear and jewellery/fashion accessories floorspace. This floorspace could only be accommodated within a single unit and that unit must sell a combination of other 'bulky' comparison goods ranges over a similar or greater amount of floorspace.
- Up to 825 sqm to be used for sports clothing and footwear. Again this floorspace could only be accommodated in a single unit.

- 5.6.13 With regard to these suggested conditions, PBA note that whilst there appears to be a restriction across the majority of the comparison floorspace to limit clothing, accessories and health and beauty sales, this is not the same as wholesale restriction. It would be entirely possible for the proposed retail units to use up to half the proposed comparison floorspace for these uses and argue that it was not their 'primary' purpose. Given our concerns over the vitality and viability of the town centre, we suggest the Council consider the consequence of any planning conditions very carefully.

- 5.6.14 In assessing vitality and viability, the applicant draws attention to the fashion offer in the town centre: Marks & Spencer, Topshop/Topman, Debenhams, TK Maxx, Next are all highlighted in the applicant's health check. Other notable retailers include River Island, New Look, Primark and H&M. Experian GOAD identify a number of these as 'key attractors'. It follows that the loss of such 'key attractors' would reduce the draw to shoppers of the town centre relative to competing centres, out-of-centre locations or the internet. The consequence of such a loss could be serious in respect of consumer choice and quality, increased vacancies, reduced footfall and the failure to take into advantage of very significant investment from the Council in the regeneration of the town centre (including public realm improvements).

- 5.6.15 As evidenced by the loss of Dorothy Perkins and Burton from the centre, there is a risk to the centre in terms of other retailers choosing not to renew leases or retain a town centre presence. To date, Hemel Hempstead's out-of-centre retail offer has been primarily limited to either foodstores or 'bulky' goods operators, thus fashion retailers have been unable to consider alternative locations in the town.

- 5.6.16 PBA recognise the intention behind the conditions; however, DBC must have regard to all the potential consequences of such conditions in respect of the future trading characteristics of the development. Whilst the conditions impose some restrictions on the type of retail development that could come forward, PBA are concerned that allowing the principle of fashion floorspace in all the retail units would significantly alter the profile of the way in which the town centre competes with the out-of-centre floorspace in Hemel Hempstead to the overall detriment to the vitality and viability of the town.

5.6.17 The applicant forecasts a combined 3.2% impact on Hemel Hempstead town centre (2020 impact year, no allowance for increased expenditure going to SFT). This assumes that 20% of the proposed development's turnover will be diverted from the in-centre comparison stores. In the absence of any named occupiers and considerable uncertainty over the range of goods likely to be sold from the development, PBA anticipate that the forecast impact will be higher. This has regard to a number of factors including:

- Given the proposed development could include a significant proportion of fashion floorspace, diversion from the retail parks appears to be have been overstated;
- The combined convenience, comparison and leisure offer will create a significant cluster of floorspace which will encourage linked trips between the different uses, amplifying the impact on existing centres;
- Allowance was made for diversion from the Jarman Park commitment which has now lapsed¹;
- Impact should be assessed in 2018;
- SFT should be deducted at source.

5.6.18 The implications are considered below in the context of assessing the significance of the impact on Hemel Hempstead town centre.

Berkhamsted

5.6.19 A modest degree of diversion is forecast from the town centre. PBA do not consider that this is of scale that can be construed as significantly adverse.

5.7 Impact on planned investment

5.7.1 When assessing the impacts of the proposals on town centre developments and investments that are in progress applications should consider:

- the policy status of the investment
- the progress made towards securing the investment
- the extent to which an application is likely to undermine planned developments or investments based on the effects on current/ forecast turnovers, operator demand and investor confidence.

Existing centres

5.7.2 The PS reviews planned investment in the context of the Hemel Hempstead town centre and Berkhamsted town centre and, on the basis that the applicant is not aware of any planned investment, concludes that it will not have an adverse impact.

5.7.3 PBA agree that, particularly given the change in aspirations for the Civic Centre/Gade site in Hemel Hempstead, following the withdrawal of the planning application for a foodstore-led development, the proposed development would not immediately prejudice any planned investment in that part of Hemel Hempstead town centre. Nor is there any evidence to suggest it prejudice investment in Berkhamsted town centre.

¹ It is understood that an application will be made to DBC for a similar scheme to the recently lapsed permission; however, this has yet to be received and will be determined on its own merits.

Heart of Maylands

- 5.7.4 As set out in Section 2, a new local centre at the Heart of Maylands is designated in the Core Strategy. In line with this designation, planning permission was granted at the end of 2014 for a mixed-use scheme which includes 11 units at ground floor, extending to 1,300 sqm gross, for a range of commercial uses (A1-3,5, B1 and D1). The largest unit is 441 sqm gross. Whilst construction is underway on the development, there are no confirmed occupiers of the commercial units. The new local centre is located c.200m from the nearest point of the application site.
- 5.7.5 The applicant has not considered the potential implications of investment in this planned new centre. Furthermore, because of the broad brush nature of the convenience impact assessment, it is not possible to establish what proportion of turnover the applicant anticipates will be derived from top-up convenience shopping and therefore competing with any convenience provision as part of the Heart of Maylands.
- 5.7.6 Having regard to the overall convenience turnover of the proposed development in the region of £17m, it would not be unreasonable to suppose that in the region of £4m might be accounted for as top-up shopping expenditure. The key question to consider is whether this top-up expenditure being absorbed by the proposed foodstore would prejudice occupier confidence in the Heart of Maylands such that finding a convenience store operator to take the unit in the new centre would be difficult.
- 5.7.7 It is acknowledged that the permitted scheme at the Heart of Maylands comprises a number of uses and units to enable the new centre to provide the range of local uses that would be expected within a centre of this size. In addition to convenience retail, this is likely to include local comparison retail such as a chemist or florist, service retail uses e.g. hairdressers and local community uses e.g. crèche. However, typically within these centres, it is the presence of a convenience store that drives footfall within the local centre and results in the linked trips that would make the location attractive to these complementary occupiers. In addition, the proposed development includes a significant quantum of A3 floorspace which would compete for operators and customers with the Heart of Maylands. The risk then is that failing to secure an anchor convenience store would prejudice the establishment of a vital and vibrant local centre as envisaged in planning policy.
- 5.7.8 However, as PBA have previously advised DBC when considering potential impacts on planned investment at the Heart of Maylands, in the absence of any formal objection from the developer of the Heart of Maylands local centre to indicate that they anticipate that the application will have a negative impact on attracting tenants to the development, it is recommended that DBC adopt a cautious approach when considering the degree of weight that should be attached to this anticipated adverse impact under paragraph 26 of the NPPF. However, the Council may also wish to consider the effect on planned regeneration as a material consideration.

5.8 Cumulative impact

- 5.8.1 In assessing impact, the applicant has included the permission at Jarman Park within the assessment. This permission was extant at the time of the submission of the application; however, PBA understand that the Jarman Park permission lapsed on 19 August 2015. As such, this is no longer relevant to the consideration of the proposed development. Additionally, a fresh application for a retail development at Jarman Park was refused by the Council in June 2015 on the grounds of retail impact. Whilst an appeal has been lodged, there is no extant permission on the Jarman Park site and therefore this is not relevant to the consideration of the proposed development.

- 5.8.2 Although this is not a point that has been directly considered by the applicant, PBA are aware of another out-of-centre retail application that is currently before DBC for determination for a discount foodstore in close proximity to the application site.
- 5.8.3 Given the proximity of the proposed development to the proposal at the former Breakspear House, it is likely that the two foodstores would largely compete with one another, albeit it may result in some additional impact on Hemel Hempstead town centre.
- 5.8.4 This is not something that PBA have assessed in detail and the above initial view should be considered in such light. In the event DBC is minded to grant permission for both applications, in order to ensure the combined impact of the two developments on Hemel Hempstead Town Centre is acceptable, it is recommended that further work be undertaken on cumulative impact.

5.9 Conclusions on impact

- 5.9.1 The test outlined at paragraph 27 of the NPPF as to whether a refusal is justified on retail impact grounds relates to whether the application is likely to have a significant adverse impact on existing town centres.
- 5.9.2 In PBA's view, the key concern arising relates to the effects of the forecast trade diversion on the vitality and viability of Hemel Hempstead town centre.
- 5.9.3 In its current form, having regard to the suggested conditions proposed by the applicant, PBA consider that there is a likelihood that the proposed development would result in significantly adverse impacts on the vitality and viability of Hemel Hempstead town centre. This would warrant a refusal under paragraph 27 of the NPPF. Therefore, if the Council is minded to grant planning permission and is seeking to ensure that the impact from the development does not result in a likelihood of the impact of being 'significant', then it will need to consider mitigation measures. The most straightforward approach to mitigating impact is to ensure that planning permission is granted with appropriate conditions attached to control the trading characteristics of the development to ensure the level of competition with Hemel Hempstead town centre is controlled and limited.
- 5.9.4 PBA do not agree with the applicant's view that Hemel Hempstead 'is clearly vital and viable'. Having regard to the fragile health of Hemel Hempstead town centre, PBA consider that this impact could be best mitigated through a restriction on the range of comparison goods sold from the development and other conditions that control the manner in which the development functions. Recommendations on potential conditions are therefore set out in Section 6.
- 5.9.5 It should be noted that PBA do not consider the impact on Berkhamsted, Woodhall Farm or Adeyfield to be significantly adverse with reference to the tests in paragraph 26 of the NPPF.

6 Conclusion

6.1 Compliance with the sequential approach

- 6.1.1 A comprehensive review of the evidence provided by the applicant has been undertaken. PBA can conclude that the application complies with the NPPF's test as set out at paragraphs 24 and 27, as well as Policy CS16.

6.2 Impact of the proposed development on existing centres

- 6.2.1 The applicant has undertaken an assessment of both quantitative impact and, to a lesser extent, qualitative impact on Hemel Hempstead and Berkhamsted town centres. Although the submissions made have pointed to the application site's edge-of-centre location, no assessment of the impact on this emergent centre has been undertaken.
- 6.2.2 As noted in Section 5 above, PBA consider that the applicant has understated the level of impact the proposed development may have on Hemel Hempstead town centre. This stems from both methodological shortcomings in the assessment, as well as considerable uncertainty over the future role of the development given the range of convenience, comparison and leisure floorspace proposed. There is a real risk that the proposed development will divert expenditure away from the town centre, as well as retailers and A3 operators that may currently or might in the future occupy premises within Hemel Hempstead town centre. Therefore, PBA are concerned that there is a likelihood of a significant adverse impact to the vitality and viability of the town centre.
- 6.2.3 In addition, given the proximity of the application site, the development may pose a risk to the establishment of the successful local centre at the Heart of Maylands by reducing the attractiveness of the location for a convenience store operator to anchor the new centre. As PBA have advised in relation to the current application at the former Breakspear House, the failure to attract a convenience anchor would limit footfall in the new local centre such that attracting those complementary shops and services necessary to underpin a vital and viable centre could be constrained. The same would be true of the proposed development, particularly given the amount of A3 floorspace also proposed. PBA are therefore concerned that there is a risk of a significant adverse impact to the vitality and viability of the new local centre at the Heart of Maylands. The effect on planned regeneration of the Heart of Maylands is also a material consideration that the Council may wish to consider.

6.3 Recommendations

- 6.3.1 PBA consider that, in the absence of any planning conditions to control the trading characteristics of the proposed development, its impact on the vitality and viability of Hemel Hempstead town centre is likely to be significantly adverse and therefore contrary to paragraphs 26 and 27 of the NPPF and Policy CS16. This would warrant a refusal of the application.

6.4 Potential conditions

- 6.4.1 In the event DBC is minded to grant planning permission and is seeking to ensure that the impact of the development does not result in a likelihood of significantly adverse on Hemel Hempstead town centre, then it will need to consider measures to mitigate impact. The most straightforward approach to mitigating impact is to ensure that planning permission is granted with appropriate conditions attached to control the trading characteristics of the development to ensure the level of competition with Hemel Hempstead town centre is controlled and limited. Whilst it is appreciated that the applicant has put forward conditions, we remain concerned that the development may still have a likelihood of a significant adverse impact.

6.4.2 Taking into account our comments on the Hemel Hempstead town centre and its vitality and viability, the following conditions are recommended in order to protect the vitality and viability of the town centre:

- Restriction on total net sales area (9,262 sqm net) and gross floor area (12,503 sqm GIA);
- Control over the proportions of net sales area devoted to the sale of convenience (1,414 sqm net) and comparison goods (7,848 sqm net);
- Convenience retail floorspace to be restricted to a single unit; the net sales area of that unit limited to 1,767 sqm;
- Minimum unit size: imposing a lower threshold of 650 sqm gross on units;
- Range of goods: prevention of the sale of clothing and footwear;
- Revoking permitted development rights.

11 June 2015
L 150611 SAV Policy Response



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Dear Ms Bogle

**SECTION 62 OF THE TOWN AND COUNTRY PLANNING ACT 1990 (AS AMENDED)
OUTLINE APPLICATION FOR THE CONSTRUCTION OF RETAIL FLOORSPACE (USE CLASS A1)
MEASURING 12,503 SQ. M, RESTAURANTS (USE CLASS A3) MEASURING 1,031 SQ. M, OFFICE
FLOORSPACE (USE CLASS B1) MEASURING 3,004 SQ. M AND ASSOCIATED CAR PARKING,
ACCESS AND LANDSCAPING WORKS
LAND AT MAYLANDS AVENUE, HEMEL HEMPSTEAD
AVIVA LIFE AND PENSIONS UK LIMITED**

Introduction

We write in respect of the above application registered under Reference: 4/01132/15/MOA. It seeks planning permission for a mixed use development including provision for food and non-food retail, commercial leisure and office floorspace at land accessed via Maylands Avenue.

This correspondence provides clarification and additional evidence relating to the Retail Impact Assessment ('RIA') submitted as part of the application. It responds to the matters raised in the initial consultation response of the planning policy team, following advice from Peter Brett Associates, and at the meeting held on 20 May 2015.

The correspondence responds to the points in the same sequence as the policy response for ease of reference.

Proposed Development

Paragraph 3 states that the application is seeking completely unrestricted use for the floorspace. This is not the case. The applicant is seeking some flexibility to ensure that it can respond to operator demand and market requirements but is willing to look at conditions that impose certain limitations on area of types of goods to ensure the scheme does complement rather than compete with the town centre.

Furthermore, the proposed development will provide large format, warehouse premises which are qualitatively different to the premises in the town centre. The resultant premises will accommodate operators and business models that complement rather than compete with the town centre. The floorspace will compete directly with other retail warehouses facilities in Hemel and in competing towns (e.g. Watford).

The applicant is willing to discuss the wording of potential conditions that create a framework of controls in respect of the amount and / or size of units at the application site.



It is critical that the proposed development has the necessary flexibility to ensure that it can attract new, national operators that enhance the overall retail offer of Hemel Hempstead. New operators and retail formats will help to better meet needs locally and reduce the requirement to travel for retail activities. This accords with the overarching objective to deliver more sustainable forms of development.

Sequential Approach

The sequential approach to site selection is considered at Paragraph 7 of the consultation response. We provide comments below under a series of separate sub-headings.

Area of Search

The response states that the sequential assessment has been based predominantly on Hemel Hempstead and that no assessment has been made of other centres such as Watford.

The area of search has been focused on Hemel Hempstead as the proposed development is intended to meet a quantitative and qualitative requirement for new retail floorspace within the town. The Core Strategy states there is a requirement for 15,550 sq. m of additional comparison floorspace in Hemel Hempstead by 2021. The proposed floorspace will meet both consumer and operator demand in the town.

Furthermore, a detailed household survey was undertaken to inform the RIA contained within the Planning Statement. The empirical data demonstrates that a significant proportion of comparison goods expenditure generated within the Study Area is leaking to competing centres, in particular Watford. For example, 21% of the expenditure on 'clothing and footwear' and almost 30% of the expenditure on 'furniture' in the Study Area is spent in Watford town centre in Watford as a whole (i.e. including Retail Parks).

A total of £186.1m of comparison expenditure generated in the Study Area currently leaks out to competing centres and this is expected to increase to £236.1m by 2020. This represents 34% of the total comparison expenditure which, given Hemel Hempstead's role in the retail hierarchy, is considered to be unsustainable.

It is correct that the sequential assessment should be limited to Hemel Hempstead. Providing additional floorspace in Watford would not meet the same consumer or operator demand and therefore would not perform the same role and function as the proposed development.

The professional officers of the Local Planning Authority ('LPA') agreed that there is no requirement to expand the area of search to include Watford.

Flexibility

The correspondence then goes on to refer to the requirement to demonstrate flexibility within the sequential approach.

The NPPF requires applicants to demonstrate flexibility when considering the sequential approach to site selection in respect of format and scale.

The application site measures 6.4 hectares. As part of the original assessment, the applicant considered sites that measure in excess of 4 hectares. It is considered that any sites that are below that minimum threshold would require a material change to the development proposed so that it would not meet the same consumer or operator demand. Such a change goes beyond the requirements of the policy.

Section 6.0 of the Planning Statement provides a comprehensive review of the binding authority which is clear that alternative sites should be able to accommodate the development 'as proposed'.

Furthermore, there is no requirement to 'disaggregate' individual elements of a proposed development so they could fit on smaller, sequentially preferable sites. In December 2014, the CLG Select Committee

published its findings into the operation of the NPPF. One of the recommendations was that ‘disaggregation’ should be re-introduced as a consideration in the sequential approach.

In March 2015, the Government published its response to the recommendations. In respect of disaggregation, they disagreed with the recommendation and asserted that the current wording already provides sufficient control for local authorities.

Within the comments on ‘Flexibility’, the consultation response also states that no justification is provided in respect of the office floorspace (Class B1). As the site is allocated for employment uses, there is no requirement to undertake an assessment of alternative sites for this element of the proposed development. This was agreed with the professional officers of the LPA.

Status of the Application Site

As part of the RIA, the applicant asserted that the application site is in an ‘edge of centre’ location. This was due to its proximity to the proposed Heart of Maylands centre.

The policy response takes a very simplistic view of the position and states that because the Heart of Maylands centre has not yet been built and no primary shopping area has been defined, the application site cannot be considered edge of centre.

The Heart of Maylands is an identified objective of Policy CS34 of the adopted Dacorum Core Strategy which states that a retail centre should be delivered at the site to support residents and workers. As the LPA is aware, planning permission¹ has been granted for the commercial floorspace that will comprise the Heart of Maylands and work is due to commence imminently on site. It follows that there is certainty that the centre will be delivered in the short term.

We would also stress that, given the scale of the centre, it is unlikely that a Primary Shopping Area would be defined. It follows that an ‘edge of centre’ location would be 300m from the boundary of the centre.

The clear direction of travel in respect of the adopted policy combined with the planning permission means that the ‘edge of centre’ status asserted in the RIA should be afforded weight by the LPA.

Irrespective of the classification of the application site, be it ‘edge’ or ‘out’ of centre, the assessment has demonstrated that there are no alternative sites that are available, suitable and viable to accommodate the proposed development.

Retail Impact

Paragraph 8 of the consultation response raises a series of queries in respect of the methodology and technical assumptions adopted as part of the statistical assessment. We provide a response to each in turn below.

Special Forms of Trading

The RIA assumed a constant market share approach. The consultation response states that an allowance should be made for growth in the rate of SFT.

The empirical data obtained to inform the RIA demonstrates that the propensity for people within the Study Area to shop online is lower than the UK average. As a result the overall level of growth, in what is now a maturing sector, will also be lower.

We will include an assumption in respect of growth in SFT as part of an updated set of Tables.

¹ Planning Permission: 4/00676/14/MFA

Design / Impact Year

The consultation response requests an explanation for the assessment years that have been adopted.

The RIA adopts assessment years of 2020 and 2022. These years accord with Paragraph 26 of the NPPF which states 'the impact of the proposal on town centre vitality and viability, including local consumer choice and trade in the town centre and wider area, *up to 5 years from the time the application is made.*'

The application was submitted in 2015 and therefore 2020 has been adopted as an appropriate assessment date. If approved, the floorspace is likely to commence trading in 2017 and therefore a second assessment date of 2022 is also considered appropriate.

This approach ensures that the full impacts of the proposed development can be assessed properly by the LPA.

Inflow of Expenditure

The consultation response requests an explanation for the amount of 'inflow' expenditure that has been adopted as part of the RIA.

In respect of convenience goods, we have assumed inflow of expenditure of 3%. In respect of comparison goods, this is assumed as 20%.

Convenience and comparison retailing have very distinct and different shopping patterns. Convenience shopping is undertaken at regular intervals, usually once or twice a week. Given the frequency of trips, people are only willing to travel short distances to visit convenience store. This is demonstrated by the high market share (or retention rate) that Hemel Hempstead achieves in respect of convenience shopping expenditure compared to comparison expenditure. The same is true of competing towns and therefore the amount of 'inflow' for convenience sales from outside the Study Area will be low.

Comparison shopping has very different characteristics. Shoppers are willing to travel much further distances in order to find the best value goods, or to visit specific retailers or retail formats that aren't represented in other towns. As Hemel Hempstead is a higher order centre, it is expected to attract spending from outside the Study Area as shoppers look to meet their needs for higher order goods.

The assumption that 20% of the turnover of the proposed comparison turnover is derived from expenditure generated outside the Study Area is robust.

In terms of the assumptions in respect of the Jarman Field proposal, the assumptions were taken directly from the application documents for that scheme. We do not agree with those but have retained them in the interest of consistency.

Trade Draw and Diversion

The consultation response requests that information is provided to enable the data to be analysed on a zone by zone basis.

The applicant will provide a more detailed analysis of the origination of expenditure but this will not alter the overall figures contained within the assessment in terms of the impact on Hemel Hempstead. Clearly it is the overall economic impact that is the key land use policy consideration rather than the origin of the expenditure.

The consultation response also refers to the fact that the level of comparison impact will differ based on the goods sold.

As the application is being made in outline, there are no retailers signed up to take space at the site. It is therefore very difficult to accurately predict the type of retailers that could operate from the site.

Notwithstanding this, the type of goods sold is not the only consideration. The scale of the retail operation is also important, and we have assumed that the proposal will primarily compete with other large format retail units.

As set out above, the applicant is willing to discuss a framework of conditions that provide controls in respect of ranges of goods, maximum number of units and floorspace limits. The conditions can be drafted to provide sufficient control to ensure that the development complements rather than competes directly with Hemel Hempstead whilst at the same time providing the applicant with the flexibility it requires to attract, new, high quality operators to the town.

Impact Upon Planned Investment

The correspondence also refers to the impact upon planned investment within the catchment, in centres other than Hemel Hempstead and Berkhamsted. We are not aware of any developments in any other centres that would be adversely affected by the proposed development.

Summary

We trust the above information provides you with clarification to assist the consideration of the proposed development.

We will issue an updated set of statistical tables with a supporting note on the revised 'methodology'. We trust that this will demonstrate the proposed development accords with the necessary planning policy tests and meets the requirements of the LPA.

In the meantime, should you require any further information in respect of any element of the proposed development, please do not hesitate to contact Tim Price or Philip Marsden at these offices.

Yours sincerely

Savills (UK) Limited
Commercial Planning

Land at Maylands Avenue, Hemel Hempstead

Further Retail Review

On behalf of **Dacorum Borough Council**



Project Ref: 33945| Rev: Final | Date: November 2015



Document Control Sheet




Project Name: Land at Maylands Avenue, Hemel Hempstead

Project Ref: 33954

Report Title: Retail Review

Doc Ref: D

Date: November 2015

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Revision	Date	Description	Prepared	Reviewed	Approved
A	21.10.15	Draft for client review	CH	PK	PK
B	10.11.15	Draft for client review	CH	PK	PK
C	17.11.15	Draft for client review	CH	PK	PK
D	20.11.15	Final	CH	PK	CQ

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Contents

- 1 Introduction 1**
- 2 Applicant’s further submissions 2**
- 3 Representations 6**
- 4 Solus impact 7**
- 5 Cumulative impact 10**
 - 5.2 Comparison impact..... 10
 - 5.3 Convenience impact..... 13
 - 5.4 Combined impact..... 14
 - 5.5 Hemel Hempstead..... 14
 - 5.6 Impact on local centres 16
 - 5.7 Implications for the wider Maylands area 16
 - 5.8 Impact on other centres..... 17
 - 5.9 Conclusion..... 17
- 6 Conclusions 18**
 - 6.2 Solus impact 18
 - 6.3 Cumulative impact..... 18
 - 6.4 Implications for Jarman Fields..... 19

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1 Introduction

- 1.1.1 On behalf of Dacorum Borough Council (DBC), Peter Brett Associates LLP (PBA) undertook a review of the retail evidence set out within the Planning Statement (PS) prepared by Savills and submitted in support of the current planning application for the proposed A1, A3 and B1 mixed-use development on land at land at Maylands Avenue, Hemel Hempstead. This comprised providing initial comments in May 2015; in response to these initial comments, two further submissions were made on behalf of the applicant dated 11 June and 30 June 2015. Following these additional submissions, PBA provided DBC with a full Retail Review (RR) in September 2015.
- 1.1.2 The RR concluded that whilst in the absence of controls the proposed development was not acceptable, the likelihood of a significant adverse retail impact could be satisfactorily be mitigated through suitable conditions relating to floor areas, unit sizes, the range of goods and revoking permitted development rights.
- 1.1.3 Since the RR was completed, an objection has been received from Hightown Housing Association ('Hightown') and Savills, on behalf of the applicant, have submitted a further letter dated 2 October 2015 ('the October submission'). Hightown are the developers of the Heart of Maylands local centre. These are considered in this Further Review at Sections 2 and 3.
- 1.1.4 Section 4 comprises an assessment of solus impact. Section 5 of this Further Review then provides a cumulative impact assessment of the proposed development, the Jarman Fields appeal and draft allocation and the current Lidl application. PBA's conclusions are set out in Section 6.
- 1.1.5 In preparing this further note, it should be reiterated that PBA's scope relates solely to retail planning matters. Whilst PBA recognise that there are other planning policy matters to consider such as the loss of allocated employment land, these are for DBC to take account of when they balance the planning issues as required by paragraph 14 of the NPPF.

2 Applicant's further submissions

- 2.1.1 The October Submission deals primarily with retail impact issues. At the outset, it is worth noting that whilst the application originally comprised 12,503 sqm Class A1 retail, 3,004 sqm Class B1 office and 1,031 sqm Class A3 café/restaurant, the submission states that the A3 element has been reduced to 650 sqm.
- 2.1.2 The submission also confirms that the following potential conditions, which PBA included in Section 6.4 of the RR, were acceptable:
- Restriction on total net sales area (9,262 sqm net) and gross floor area (12,503 sqm GIA) – relating the proposed A1 floorspace;
 - Control over the proportion of net sales area devoted to the sale of convenience goods (1,414 sqm net) and comparison goods (7,848 sqm net);
 - Convenience retail floorspace restricted to a single unit; the net sales area of that unit limited to 1,767 sqm net;
 - Minimum unit size: imposing a lower threshold of 650 sqm gross;
 - Revoking permitted development rights.
- 2.1.3 In addition, Appendix 1 to the October Submission includes several other conditions such as the restriction of A3 floorspace to a maximum of 650 sqm (GIA) and limiting the number of retail units to a maximum of six.
- 2.1.4 The applicant has not accepted the potential condition which sought to prevent the sale of clothing and footwear from the application site. Instead, the October Submission includes an alternative proposal, namely that the sales of such goods, together with jewellery and fashion accessories, would only be permissible in the following circumstances:
- When sold alongside furniture, furnishings and garden centre goods up to a maximum of 1,350 sqm. The furniture, furnishing and garden centre goods etc. would occupy a minimum of 1,350 sqm i.e. the clothing element would not exceed 50% of the total sales floorspace within the unit.
 - Sports and outdoor pursuits clothing up to a maximum of 825 sqm, when sold alongside sports equipment which would account for the majority of retail floorspace within the unit i.e. the sports clothing element would not exceed 50% of the total net sales area of that unit.
 - When sold as an ancillary product range from no more than 3% of the net sales area. In addition to clothing and footwear and jewellery and fashion accessories, the 3% restriction would also apply to pharmaceuticals, toiletries and cosmetics (health and beauty). Although not specified, it is assumed that the third circumstance (3% upper limit) would relate to each individual retail unit.
- 2.1.5 These first two elements set out above are the same as the conditions proposed as part of the June submission.
- 2.1.6 There is reference throughout the submission to Next Home and Garden as a potential occupier of one of the units; however, they are not a contracted tenant. The same is true of Decathlon. In any event, the permission will run with the land and the implications of the suggested conditions must therefore be considered without reference to these potential

tenants but in terms of what they would permit. This is summarised in the table below which sets out the maximum quantum of clothing that would be allowed under the suggested conditions (all figures shown in sqm net):

Table 1 – Aviva scheme summary

Unit	Clothing, footwear, jewellery etc.	Other comparison goods	Total
Home and fashion unit	1,350	1,350	2,700
Sports unit	825	825	1,650
Other units	105*	3,398	3,498
Total	2,280	5,568	7,495
Potential total clothing, footwear, jewellery etc.			
Sports and outdoor clothing			825
Unrestricted clothing, footwear, jewellery etc.			1,455

* including any health and beauty

- 2.1.7 The table above represents the maximum scenario. In the event the home and fashion unit and sports unit did not come forward, the maximum floorspace that could be devoted to a clothing, footwear, jewellery, fashion accessories and health and beauty products would be capped at 278 sqm over the whole development.
- 2.1.8 In response to concerns raised in the RR in relation to the impact of comparison trade diversion on Hemel Hempstead town centre being understated, the October Submission includes some further analysis. The RR set out at paragraph 5.6.17 that PBA consider that the forecast impact will be higher than forecast by the applicant for a number of reasons including:
- Given the proposed development could include a significant proportion of fashion floorspace, diversion from the retail parks appears to have been overstated;
 - The combined convenience, comparison and leisure offer will create a significant cluster of floorspace which will encourage linked trips between the different uses, amplifying the impact on existing centres;
 - Allowance was made for diversion from the Jarman Fields commitment which has now lapsed;
 - Impact should be assessed in 2018;
 - Special forms of trading (SFT) should be deducted at source.
- 2.1.9 The October Submission seeks to address some of these points. The additional points made are considered below:
- **Trade diversion:** the suggestion that diversion from the retail parks has been overstated not been considered.

- **Jarman Fields:** the October Submission does not provide a revised assessment of solus impact to take account of the fact that there is currently no permission on the Jarman Park development site from which 15% of the proposed development's turnover was expected to be derived; there is however reference to increasing diversion from the town centre to £9.7m i.e. a further 5%. It is unclear from the submission where the other 10% (£3.88m) that was previously coming from Jarman Fields will be derived.
- Attention is drawn to the fact that the refused development at Jarman Park (now subject to appeal) was recommended for approval on the basis of £15m diversion from the town centre. This is compared to applicant's forecasted £9.7m. However, it should be clarified that the Jarman Fields application was found to be unacceptable without appropriate mitigation measures, including the imposition of a condition to preclude the sale of fashion goods. Thus the consequent point made by in the October Submission that it was recommended for approval with an impact of between 8.7%¹ and 9.4% cannot be taken at face value but must be considered in the context of the conditions that were intended to mitigate what were perceived to be significant adverse impacts.
- **Design year:** the October Submission suggests that the NPPF is 'explicit that impact should be assessed five years from the date an application is submitted'. This is not correct; as set out at paragraph 5.6.2 of the RR, the NPPF states that impact should be assessed 'up to five years from the time the application is made'. It is therefore reasonable to refer to the PPG to understand what constitutes an appropriate design year. In any event, the additional information on the intended programme is useful and PBA now agree that 2020 is an appropriate design year for the purposes of the NPPF and PPG.
- **SFT:** as confirmed at paragraph 5.4.4 of the RR, PBA accept that whilst not conventional the approach adopted by Savills has a similar effect to deducting SFT at source. It is acknowledged that this point should not have been included in the points set out at paragraph 5.6.17.

2.1.10 It should be noted that PBA's advice to DBC has never been, as the October Submission has sought to suggest, that there is a 'deficiency in the existing retail provision within the town' because 'it lacks a destination out-of-centre retail location'. PBA do acknowledge that there is leakage to out-of-centre facilities outside Hemel Hempstead but the critical point made in relation to the Jarman Park scheme and equally applicable to the proposed development is that there is no guarantee that either would successfully clawback any of this leakage. Indeed, it is noted that by the applicant's own submissions, only 10% of the proposed development's turnover appears to be drawn from out-of-centre provision outwith Hemel Hempstead and there is no analysis to underpin an assertion that this provision constitutes 'destination' out-of-centre retail.

2.1.11 As such, this is only material insofar as it relates to the extent of impact on existing and planned town centres as required by the NPPF.

2.1.12 The RR identified a concern that because of the lack of named occupiers, understanding and mitigating the impact on Hemel Hempstead town centre would be more challenging. It is in this context that the effects of the suggested conditions should be considered.

- Home and fashion store: this is unchanged from the June submission and would allow up to 1,350 sqm of fashion goods within one unit. However, it is also true that the condition would require an equal if not greater proportion of floorspace to be devoted to bulkier items including DIY and garden goods, furniture, furnishings, electricals, homewares, flooring and floor coverings and seasonal home and garden goods.

¹ Adjusted to reflect PBA advice to DBC

The RR expressed concern that the lack of named retailer/s meant that there was no ability for DBC to prevent any existing town centre retailers relocating to the proposed development to the detriment of the wider town centre. However, as the October Submission points out, there are very few retailers that operate such a business model; PBA acknowledge this point, but plainly in the future this may no longer be the case as retail business models evolve. Having regard to existing town centre occupiers, because the convenience goods condition would prevent a full-line Marks and Spencer variety store occupying a unit in the proposed development, In PBA's view, at the time of writing, Next and TK Maxx/Homesense are the only existing town centre occupiers that might take the unit. The October Submission makes a number of references to Next, although they are not contracted, thus there is no ability for DBC to require them to commit to a town centre presence.

- Sports store: the suggested condition would allow up to 825 sqm of sports and outdoor clothing to be sold from the proposed development. Whilst restricted, it would compete directly with a number of town centre occupiers including JD Sports, Sports Direct, Trespass and Millets. However, it is noted that the suggested condition also means that the sports clothing element would not account for the majority of the unit's sales area; taking account of those existing in-centre occupiers' business models, it is clear that none could relocate to the proposed development.
- Other fashion and health and beauty floorspace: this would be limited to a maximum of 278 sqm; feasibly this could be provided within a single unit but the total sales floorspace of that unit would be 9,262 sqm (i.e. the whole development). The condition would therefore ensure that such floorspace would be very much ancillary to the main function and would not be suitable for any of the main retailers currently in the town centre to relocate. In this sense, whilst there may be a degree of diversion from competing town centre retailers, the overall effect on the perception of the proposed retail park as a competing destination to the town centre would be limited. PBA consider that this condition is appropriate.

3 Representations

- 3.1.1 PBA have been asked to consider the representations submitted by Hightown by letter and email, dated 28 August and 11 September respectively. It should be noted that neither submission relates explicitly to this application; however, the August letter concludes with the comment that Hightown 'would encourage the Council to press for a policy-compliant development on the former Lucas Aerospace site, one that genuinely embraces Maylands as a growing and thriving business park'.
- 3.1.2 The Hightown representation therefore relates primarily to the proposed Lidl foodstore at the former Breakspear House site, also on Maylands Avenue. The application has now been refused for reasons not related to retail planning matters but the foodstore would, if approved, have extended to a maximum net sales area of 1,228 sqm. Whilst this is smaller than the proposed foodstore element within this application, for completeness PBA have reviewed the representations to understand whether there are any retail planning implications for the proposed development that DBC should consider.
- 3.1.3 The main concern articulated by Hightown relates to the impact a large foodstore would have on the Heart of Maylands local centre in terms of future tenant line up. The representation confirms that construction is underway and that Sainsbury's are contracted to take a unit within the centre as a Sainsbury's Local. There is no suggestion that the construction will not be completed, nor that there are terms within Sainsbury's lease to suggest that they might not choose to take the store or might terminate their lease earlier as a consequence of impact from the Lidl or the proposed development.
- 3.1.4 However, Hightown are concerned that the Lidl development might prejudice their ability to let the other units within the local centre. To address these concerns, PBA recommended that DBC should impose a condition to preclude the foodstore from having an in-store post office, pharmacy, bakery, delicatessen, photo shop, financial services or opticians. In addition, a further condition was suggested to restrict the sale of newspapers and periodicals, tobacco and individual confectionary items. Whilst Hightown have not made this explicit comment, plainly the concern is equally applicable to the proposed development. To mitigate the impact on planned investment in the Heart of Maylands local centre, it is recommended that the same conditions should be imposed on the foodstore element of the proposed development.

4 Solus impact

- 4.1.1 The October Submission sought to respond to a number of issues raised in the RR. Having reviewed this submission, PBA consider that the applicant has provided greater clarity on a number of points. PBA's overall recommendation to DBC remains unchanged; namely that unrestricted the proposed development would not be acceptable and would cause a significant adverse impact on Hemel Hempstead town centre. However, it is considered that the impacts from a limited provision of fashion floorspace within the proposed development on Hemel Hempstead town centre could be acceptable, if carefully controlled through planning conditions.
- 4.1.2 The previous concern set out in the RR related to the lack of confirmed tenants. It is helpful to understand likely tenants of a development, since it assists consideration of whether financial impact modelled is reasonable and to reach a judgement on whether the consequences of that impact are acceptable. In a situation where no tenants are named, this exercise is more challenging. However, PBA recognise that the planning permission would run with the land and it is recognised that the applicant has put forward specific conditions that will control the type of retailer that could be attracted to the development to ensure that the development complements rather than competes with the town centre. This appears to be a genuine attempt to mitigate impact.
- 4.1.3 If permission was granted by the Council and the applicant sought to vary or appeal a condition that entirely precluded fashion floorspace within the development (or indeed any of the other planning conditions put forward that control the trading effect of the development), the retail impact must be considered once again. The conditions put forward by the applicant have been considered in some detail and, having regard to the limited tenant line up that might currently occupy either the proposed home and fashion unit or the sports unit, PBA consider that this would be unlikely to give rise to significant adverse impacts on Hemel Hempstead town centre under the terms of paragraph 26 of the NPPF and therefore, if conditioned appropriately, there would be no reason to withhold permission under paragraph 27 of the NPPF. The reasons for these conclusions are as follows:
- The applicant is forecasting an impact in the region of 3.5% on Hemel Hempstead town centre, on the basis that 25% of the proposed development's turnover will be diverted from the centre;
 - This forecast impact takes account of the intended role of the development as having a limited fashion offer;
 - PBA identified that the health of the town centre was fragile and in this context, the potential impact in terms of losing existing in-centre attractors to an out-of-centre retail park, was considered to constitute a significant adverse impact;
 - Having considered the implications of all the suggested conditions which will ensure that no unit within the proposed development would be capable of being fashion-led in its offer, PBA consider that this concern is capable of being satisfactorily mitigated to secure a development that was largely complementary with the town centre's retail offer.
- 4.1.4 In considering the October Submission, it is relevant to note that this assumed that the planning permission for the Jarman Fields development, which has now expired, would come forward and, on that basis, the applicant allow for some trade diversion from Jarman Fields itself. No solus impact assessment was provided. Taking account of this, it is anticipated that the proposed development will result in greater trade diversion, and therefore retail impact, on Hemel Hempstead town centre than the level forecast by the applicant and set out above; PBA estimate that this will be in the region of 6% (comparison only). However, it is recognised that by granting permission on the lapsed Jarman Fields scheme, a level of trade diversion

from Hemel Hempstead town centre was expected. Accordingly, PBA remain of the view that the suggested conditions would satisfactorily mitigate the solus impact.

- 4.1.5 It should be reiterated that these conclusions relate solely to retail planning matters: primarily compliance with the sequential test, as concluded in the RR, and whether there will be a likelihood of a significant adverse impact on Hemel Hempstead town centre under paragraph 26 of the NPPF. It does not assess other important planning policy matters; nor does it exercise a judgement in planning balance.
- 4.1.6 DBC have asked PBA to clarify its position in respect of anticipated impact on Adeyfield, Leverstock Green and Woodhall Farm local centres. As set out at paragraph 5.3.7 of the RR, diversion from Woodhall Farm and Adeyfield is focused on two stores and there is no indication from the operators of those stores that the scale of diversion might prompt the closure of those stores. On this basis, whilst the percentage impacts set out in the report may appear high, the monetary level of trade diversion is a lot lower and there is no evidence to suggest the vitality and viability of these smaller centres will be undermined. For these reasons, PBA do not consider the impact on those centres to be significantly adverse.
- 4.1.7 In relation to Leverstock Green, no diversion is forecast and PBA do not have reason to doubt this expectation. It therefore follows that there will be no impact.
- 4.1.8 In the event DBC are minded to grant planning permission, PBA recommend that it should be conditioned on the following basis:
- i. Restriction on total net sales area (9,262 sqm net) and gross floor area (12,503 sqm GIA);
 - ii. Control over the proportions of net sales area devoted to the sale of convenience (1,414 sqm net) and comparison goods (7,848 sqm net);
 - iii. Convenience retail floorspace to be restricted to a single unit; the net sales area of that unit limited to 1,767 sqm;
 - iv. Controls to prohibit in-store post office, pharmacy, bakery, delicatessen, photo shop, financial services or opticians within the foodstore unit;
 - v. Controls to prevent the sale of newspapers and periodicals, tobacco and individual confectionary items;
 - vi. Minimum unit size: imposing a lower threshold of 650 sqm gross on units;
 - vii. Maximum of six retail units;
 - viii. Restriction on the total amount of A3 floorspace to 650 sqm GIA;
 - ix. Revoking permitted development rights.
 - x. Restriction of clothing and footwear, jewellery and fashion accessories, and pharmaceuticals, toiletries and cosmetics to no more than 3% of the net sales area of any of the retail units;
 - xi. Notwithstanding the above restriction xi. clothing and footwear and jewellery and fashion accessories up to a maximum of 1,350 sqm net sales to be allowed within a single unit where the proportion of floorspace devoted to other comparison goods must exceed 1,350 sqm net sales.

- xii. Notwithstanding the above restriction xi. sports and outdoor clothing up to a maximum of 825 sqm net sales to be allowed within a single unit where the proportion of floorspace devoted to the sale sports and outdoor pursuits equipment must exceed 825 sqm.
- 4.1.9 Irrespective of the above, PBA recognise that the potential of the proposed development to attract tenants currently occupying town centre units is a very sensitive issue. It can influence the assumptions underpinning an impact assessment and therefore the conclusions reached on the consequences of any impact. If DBC remains concerned over the potential effect on trading presence in the town centre, then it could seek written reassurances from the named, albeit not currently contracted, retailers.

5 Cumulative impact

- 5.1.1 PBA have now been instructed to undertake a full cumulative impact assessment of the proposed development (the Aviva scheme) with the Jarman Fields development as well as the refused planning application for a new Lidl foodstore at the former Breakspear House site. An overview of the methodology adopted to inform this cumulative assessment is contained at Appendix A.
- 5.1.2 As stated above, the refused application at Jarman Fields (ref. 4/00424/15/MOA) is subject to a current appeal (APP/A1910/W/15/3132774). The site was allocated through the saved Local Plan, although it should be noted that the relevant policy has not been saved (Policy 41: New shopping development in town centres and local centres); that now deleted policy referred to the Schedule of Shopping Proposal Sites (SSPS), of which Jarman Fields was one (site S3). That allocation was for a: *'mixed-use scheme including shopping, offices, leisure, catering establishments and residential. Non-food retail warehousing also acceptable as part of a mix or as a standalone park'*.
- 5.1.3 However, the context in which this allocation has been saved is material: the Local Plan Policy Schedule (September 2013²) states that *'for simplicity [the Schedules] are retained in their entirety, until updated and superseded by subsequent DPD or decisions. Where there is a conflict between their content and that of the Core Strategy, the Core Strategy will take precedence'*. In determining the degree of weight that can be afforded to the allocation, consideration must also be given to paragraph 215 of the NPPF.
- 5.1.4 The SSPS has not yet been superseded by more recent development plan policy. However, the draft Site Allocations document is in its advanced stages; DBC consulted on Focused Changes to that draft document in August 2015. This draft seeks to allocate Jarman Fields under Proposal S/1 for retail and leisure uses and, to reflect the fact that the historic permission has now lapsed, states that *'approximately 7,000 sqm (gross) of retail floorspace is acceptable, except for the sale and display of clothing and footwear, unless ancillary to the main use of an individual unit'*.
- 5.1.5 For transparency, the comparison impacts and convenience impacts are summarised under separate sections below. This has primarily been presented in this format because whilst it is the comparison element that is most relevant in terms understanding the potential impact on Hemel Hempstead town centre, it is the convenience impact that needs to be considered in relation to understanding the potential impact on the lower-order local centres.

5.2 Comparison impact

- 5.2.1 Three comparison scenarios have been assessed. These are explained in detail at Appendix A.
- 5.2.2 In modelling the cumulative comparison impact, it should be noted that:
- The Jarman Fields and Aviva schemes are likely to be broadly similar in terms of retail offer.
 - It is likely that if both schemes were approved, there would be a high degree of mutual impact as the developments would be performing a similar function and meeting similar needs.
 - Given the similarity of the Jarman Fields and Aviva schemes and the fact that both, if approved or (in the case of Jarman Fields) allocated, would be restricted along similar

² Issued alongside the adoption of the Core Strategy

lines, there must be some question over whether there would be sufficient retailer demand to support the delivery of both schemes. DBC have sought separate advice on this point.

- With regard to the Lidl scheme, it is considered that the comparison element will not act as a significant attractor in its own right but will perform an ancillary role to the foodstore.

5.2.3 The table below presents the forecast cumulative comparison impact under Scenario A (the Aviva application together with the Jarman Fields appeal scheme)³. As set out in Appendix A, no allowance is made for inflow expenditure⁴.

Table 2 – Cumulative comparison diversion and impact - Scenario A

	Zone				Total diversion	Impact
	West	North	Central	South		
Hemel Hempstead	£1.78	£8.70	£11.58	£1.88	£23.93	9.85%
Hemel Hempstead retail parks	£1.02	£2.97	£5.26	£1.90	£11.15	14.93%
Local centres Hemel Hempstead	£0.03	£0.10	£0.12	£0.03	£0.28	0.98%
Berkhamsted	£0.52	£0.12	£0.08	£0.03	£0.75	2.33%
St Albans	£0.02	£1.55	£0.49	£0.18	£2.24	10.59%
Watford town centre	£0.71	£1.62	£2.34	£3.32	£7.98	8.00%
Watford retail parks	£0.16	£0.59	£0.78	£0.49	£2.02	8.94%
Luton	£0.02	£0.80	£0.11	£0.00	£0.93	12.57%
Tring	£0.00	£0.00	£0.01	£0.01	£0.02	3.25%
Central London	£0.01	£0.02	£0.04	£0.02	£0.09	0.81%
Other	£0.35	£1.49	£1.38	£0.47	£3.69	4.85%

5.2.4 The table below presents the forecast cumulative comparison impact under Scenario B (the Aviva application, together with the Jarman Fields appeal scheme and the Lidl application i.e. Scenario A with the Lidl application).

Table 3 – Cumulative comparison diversion and impact – Scenario B

	Zone				Total diversion	Impact
	West	North	Central	South		
Hemel Hempstead	£1.82	£8.84	£12.08	£1.92	£24.66	10.15%
Hemel Hempstead retail parks	£1.02	£2.98	£5.32	£1.91	£11.24	15.06%
Local centres Hemel Hempstead	£0.03	£0.11	£0.15	£0.03	£0.32	1.14%

³ All monetary figures £M. Also the case for Tables 3-6.

⁴ Refer to Appendix A for further explanation

Berkhamsted	£0.53	£0.12	£0.08	£0.03	£0.76	2.36%
St Albans	£0.02	£1.58	£0.52	£0.18	£2.31	10.93%
Watford town centre	£0.71	£1.63	£2.39	£3.35	£8.09	8.11%
Watford retail parks	£0.16	£0.60	£0.79	£0.49	£2.04	9.07%
Luton	£0.02	£0.80	£0.11	£0.00	£0.93	12.60%
Tring	£0.00	£0.00	£0.01	£0.01	£0.02	3.28%
Central London	£0.01	£0.02	£0.04	£0.02	£0.09	0.84%
Other	£0.36	£1.51	£1.45	£0.48	£3.80	4.99%

5.2.5 The table below presents the forecast cumulative comparison impact under Scenario C (the Aviva application, together with the Jarman Fields allocation and the Lidl application).

Table 4 – Cumulative comparison diversion and impact – Scenario C

	Zone				Total diversion	Impact
	West	North	Central	South		
Hemel Hempstead	£1.51	£7.93	£10.74	£1.75	£21.92	9.02%
Hemel Hempstead retail parks	£0.85	£2.70	£4.73	£1.74	£10.02	13.42%
Local centres Hemel Hempstead	£0.02	£0.10	£0.13	£0.03	£0.29	1.02%
Berkhamsted	£0.43	£0.11	£0.07	£0.03	£0.64	1.99%
St Albans	£0.02	£1.42	£0.46	£0.17	£2.07	9.77%
Watford town centre	£0.59	£1.46	£2.12	£3.05	£7.22	7.24%
Watford retail parks	£0.13	£0.54	£0.70	£0.45	£1.82	8.07%
Luton	£0.01	£0.72	£0.10	£0.00	£0.83	11.20%
Tring	£0.00	£0.00	£0.01	£0.01	£0.02	2.88%
Central London	£0.01	£0.02	£0.04	£0.02	£0.08	0.74%
Other	£0.30	£1.35	£1.28	£0.44	£3.37	4.42%

5.2.6 The above scenarios indicate that there will be diversion in the order of £22-25m from Hemel Hempstead town centre in the event all the schemes come forward.

5.2.7 The Lidl application is factored into Scenarios B and C; when the cumulative impact under these scenarios (9.1% or 10.2%) is compared to Scenario A which excludes Lidl (9.9%), it is evident that the comparison element of the proposed Lidl store will have a limited impact on the town centre. The same is true for the local centres.

5.2.8 It is clear therefore that, in comparison terms, it is the Aviva and Jarman Fields schemes that are the main considerations. As set out above, the Scenario C considers impact if a scheme more akin to the draft allocation comes forward, whereas Scenario B looks at the appeal scheme being allowed. Under these scenarios, there is a 1.1% difference in terms of the impact on the town centre.

5.3 Convenience impact

5.3.1 The table below sets out the cumulative convenience impact of the Aviva application, together with the Jarman Fields appeal scheme and the Lidl application. This relates primarily to Hemel Hempstead in terms of the town centre, local centres and out-of-centre stores, although it is noted that there is a degree of diversion forecast from stores in Berkhamsted.

Table 5 – Cumulative convenience diversion and impact

	Zone				Total diversion	Impact
	West	North	Central	South		
Hemel Hempstead town centre						
Asda	£1.42	£0.93	£0.10	£0.30	£2.74	9.17%
Iceland	£0.02	£0.01	£0.00	£0.00	£0.03	1.98%
Marks and Spencer	£0.04	£0.02	£0.00	£0.00	£0.06	2.08%
Tesco Express Marlowes	£0.01	£0.01	£0.00	£0.00	£0.02	0.96%
Local shops	£0.05	£0.03	£0.00	£0.01	£0.10	0.95%
Total	£1.54	£1.00	£0.11	£0.31	£2.95	6.30%
Local centres						
Apsley	£0.00	£0.00	£0.00	£0.00	£0.00	0.34%
Adeyfield	£0.04	£0.00	£0.00	£0.00	£0.04	0.99%
Woodhall Farm	£1.10	£0.72	£0.03	£0.15	£2.00	10.19%
Bennetts End	£0.00	£0.00	£0.00	£0.00	£0.01	0.58%
Highfield - Bellgate	£0.00	£0.00	£0.00	£0.00	£0.01	0.57%
Highfield - The Heights	£0.00	£0.00	£0.00	£0.00	£0.01	0.59%
Leverstock Green	£0.00	£0.00	£0.00	£0.00	£0.00	0.50%
Nash Mills - The Denes	£0.01	£0.00	£0.00	£0.00	£0.01	0.44%
Out of centre						
Tesco Extra Jarman Park	£9.81	£3.68	£0.51	£0.87	£14.87	23.10%
Aldi Two Waters Road	£0.89	£0.47	£0.23	£0.49	£2.08	10.25%
Aldi Redbourn Road	£1.06	£0.91	£0.05	£0.14	£2.16	15.23%
Sainsbury's Apsley Mills	£1.80	£0.66	£0.12	£1.42	£4.01	8.17%
Berkhamsted ⁵	£0.18	£0.20	£0.31	£0.04	£0.74	
Other	£0.32	£0.82	£0.16	£0.63	£1.93	

5.3.2 Analysis of the household survey data⁶ highlights the limited role local centres play in meeting comparison shopping needs; this is reflected in the limited market share that they achieve. It is therefore only possible to consider the impact on specific local centres with regard to convenience goods. These are set out above.

⁵ Impact percentages not expressed for Berkhamsted or Other destinations are level expenditure drawn from beyond the catchment (inflow) not included and likely form a significant proportion of turnover for those destinations.

⁶ Refer to Appendix A for further detail

5.3.3 In convenience terms, because of the location of the existing Tesco store at Jarman Fields, it is unlikely that approval of either of the Maylands Avenue proposals would result in significant shift in anticipated convenience impact i.e. a new store at Jarman Fields would compete most closely with that existing store. Whilst it might compete with either of the Maylands Avenue stores, the combined impact on existing centres is unlikely to be materially worse.

5.4 Combined impact

5.4.1 Appendix B contains two full cumulative impact assessments which combine both comparison and convenience impact under the scenarios set out in Appendix A (paragraph A.1.4). With regard to the main centres considered, the table below summarises the cumulative impact. No allowance is made for inflow:

Table 6 – Cumulative impact summary

	Pre-diversion turnover 2015	Pre-diversion turnover 2020	Diversion	Post-diversion turnover	Cumulative impact	Growth from 2015	Diversion	Post-diversion turnover	Cumulative impact	Growth from 2015
	Scenario 1						Scenario 2			
Hemel Hempstead	£243.11	£289.75	£27.61	£262.14	9.53%	£19.03	£24.87	£264.88	8.58%	£21.77
Local centres Hemel Hempstead	£52.36	£59.20	£2.40	£56.80	4.05%	£4.44	£2.37	£56.83	4.00%	£4.47
Berkhamsted	£61.74	£69.23	£1.50	£67.74	2.16%	£5.99	£1.38	£67.85	1.99%	£6.11
Watford town centre	£81.62	£99.79	£8.09	£91.70	8.11%	£10.08	£7.22	£92.57	7.24%	£10.94
St Albans	£17.30	£21.15	£2.31	£18.83	10.93%	£1.54	£2.07	£19.08	9.77%	£1.78

5.5 Hemel Hempstead

5.5.1 The table above confirms that the anticipated impact on Hemel Hempstead town centre will be between 8.6% and 9.5%. Whilst under both scenarios, even allowing for diversion, this will mean that the town centre's turnover will grow from its current level, it should be noted that this growth will be substantially lower than anticipated under a no-development scenario.

5.5.2 As set out in the methodology, in assessing the cumulative impact, specific allowance has not been made for inflow expenditure to the centres. Assuming that 10% of the town centre's turnover is derived from beyond the catchment area, as adopted in the Aviva supporting tables, cumulative impact is estimated to reduce to 7.7% and 8.6% for each scenario.

5.5.3 As set out in Appendix A, it is assumed that the Aviva and Jarman Fields schemes will be controlled, such that the amount of floorspace devoted to clothing and fashion is limited: in the case of Aviva, this would be to 30% of the total comparison floorspace and the in the case of Jarman Fields to 10%. These restrictions have regard to the role that clothing and fashion play in Hemel Hempstead's town centre.

5.5.4 However, as set out in, regard must also be given to other comparison goods sectors and the role that they play in the town centre's vitality and viability. Table 7 below summarises the comparison performance of the centre by goods sector based on current market shares.

Table 7 – Hemel Hempstead by goods category

	Clothes and fashion	DIY	Furniture, homewares, floor covering	Electrical goods	Health and beauty	Recreation
Proportion of town centre turnover by comparison goods category	36.91%	4.39%	5.26%	8.61%	25.07%	19.75%
Turnover 2020 (£M)	£89.66	£10.67	£12.78	£20.92	£60.90	£47.99

- 5.5.5 In previous advice to DBC, PBA have articulated a concern that the development will adversely impact on the clothing and fashion attraction of the town centre through a combination of direct diversion and loss of existing in-centre retailers. Having regard to the table above, it is clear that fashion and clothing has the greatest turnover within the centre. For these reasons, PBA have recommended that, in solus terms, conditions will be necessary to mitigate this impact.
- 5.5.6 However, it is clear that fashion is not the only expenditure driver in the town centre; from Table 7, it can be seen that health and beauty and recreation goods also play a significant role in the town centre. As set out in the cumulative methodology, by virtue of the restrictions modelled on the Aviva and Jarman Fields schemes, the majority of the floorspace (c. 12,200 sqm net) will be used for these non-clothing and fashion goods categories, albeit the conditions suggested for the Aviva scheme would also serve to limit the proportion of floorspace that could be devoted to health and beauty products (c.100 sqm net over the whole scheme).
- 5.5.7 It follows that by limiting fashion representation on the schemes, the impact will be felt more keenly by other comparison sectors and occupiers. Having regard to the retailers in Hemel Hempstead town centre, general value comparison merchandise forms an important part of the centre's offer (Argos, B&M Bargains, Wilko, Poundland, 99p Stores), so too do sports and recreation retailers (Sports Direct, JD Sports, The Entertainer). The health and beauty offer in centre includes Boots, Superdrug, the Body Shop and Savers. Other comparison retailers include Laura Ashley (homewares), Waterstones (recreation), Robert Dyas (homewares) and Maplin (electricals). It would be possible for these retailers to relocate to Aviva (not the health and beauty retailers) or Jarman Fields. Whilst in isolation a degree of relocation may not have a significantly adverse effect on Hemel Hempstead, given the scale of the two schemes, it would be possible for a large swathe of these retailers to relocate.
- 5.5.8 The lack of confirmed operators attached to either scheme complicates the assessment of impact, both in solus and cumulative terms. However, given that even if retailers were named they could change in the future, it should not preclude DBC from coming to a robust conclusion on retail planning matters. Conditions have been suggested to mitigate the impact of fashion retailers relocating out of centre if the schemes were to come forward.
- 5.5.9 However, it is also relevant to consider the extent to which it is practical to impose conditions which seek to 'second guess' existing in-centre retailers' location strategies. Critically, whilst it is acknowledged that there will be mutual impact between the two schemes in terms of suppressing their anticipated turnover, the corollary of this is that there will also be competition to secure tenants for those schemes in the event that both come forward. In-centre floorspace would inevitably be impacted by such competition as retailers seek to secure the best deal for them, potentially at the detriment of having a town centre presence. The question to consider is then whether the likely cumulative impact of significant relocations and consequent reductions in footfall and turnover can be best mitigated by only granting permission for one development.

- 5.5.10 With regard to the forecast impact on the town centre, it is acknowledged that turnover of the town centre is still expected to grow over the period to 2020 even with the cumulative diversion factored in. However, it cannot be assumed that because the centre's turnover is expected to grow that it will remain vital and viable.
- 5.5.11 Indeed, town centres rely on continued investment to ensure that they remain vital and viable. At a basic level, this is reflected in improving sales efficiencies; applying efficiencies of 1.5% and 0.25% per annum for comparison and convenience goods means that it would be reasonable to expect the centre to achieve a turnover of £260m in 2020. Taking into account the cumulative effects of the three schemes, the forecast turnover of the town centre is broadly in line with this level.
- 5.5.12 In considering whether the cumulative impact is acceptable, it is reasonable to assume that one of the schemes will come forward. As such, the town centre will be subject to increased competition from new and potentially more commercially attractive floorspace in locations which benefits from surface-level, adjacent, free car parking. In order to continue to compete with such locations, it will be necessary for town centre retailers and stakeholders to make investments to retain shoppers. For such investment to be commercially attractive, it assumes a basic level of custom and footfall; the combined effects of direct diversion of expenditure and losses of in-centre retailers jeopardises this.
- 5.5.13 As noted previously, DBC are seeking separate advice on whether two out-of-centre schemes are likely to be deliverable. Irrespective of the conclusions of that advice, DBC must also consider that, even if only one scheme is deemed deliverable in the short term, granting planning permission on both could potentially prejudice future development aspirations. To explain: although any permission granted would be subject to conditions which limited its lifespan, in order to reserve the developer/applicant's position on the land, necessary works could be undertaken to technically implement the permission; this would keep the permission live. Such an approach is not uncommon and there are frequent instances of historic permissions being partially implemented sufficient to establish a precedent which would be material in any future decision making.
- 5.5.14 As such, whilst the PBA have concluded that there are no sequentially preferable sites to either the Aviva or the Jarman Fields schemes, it is possible that development on the sites may not come forward for some time and, at that juncture, a town centre development site may have become more deliverable. Furthermore, the continued investment in the existing retail stock could be undermined. The existence of an out-of-centre permission which is potentially more attractive to retailers than any future in-centre scheme must be weighed in the balance.
- 5.5.15 Having regard to the above, PBA consider that the cumulative impact of the two schemes (Aviva and Jarman Fields) on Hemel Hempstead is finely balanced and there is a risk of significant adverse impact arising. This point is explored in more detail in Section 6.

5.6 Impact on local centres

- 5.6.1 With regard to cumulative impact, as set out above, it is the convenience element of the impact that is the most relevant consideration as the combined analysis is not fine grain enough to understand the impact on specific centres. When an overall approach is adopted, an impact of c.4% is forecast. As previously confirmed, PBA do not consider this to be likely to cause a significant adverse impact on the vitality and viability of those centres.

5.7 Implications for the wider Maylands area

- 5.7.1 In the event that both the application scheme and the former Breakspear House application are approved, within close proximity of the Heart of Maylands local centre, there will be a significant cluster of retail, leisure and service uses at Maylands Avenue. As Hightown sought

to point out in their representations, this does not form part of the Core Strategy's and supplementary planning policy documents' vision for the area.

- 5.7.2 In this context, it is relevant to consider whether granting permission to these applications would establish a precedent for further retail and other main town centre uses in this area. At the outset, it should be noted that if DBC are minded to grant planning permission, this must be on a conditional basis to mitigate impacts on Hemel Hempstead town centre. Furthermore, any future applications would have to be considered on their own merits; part of this consideration would be the effect that any additional floorspace might have in terms of creating a critical mass of town centre uses that might threaten the vitality and viability of the town centre.

5.8 Impact on other centres

- 5.8.1 As set out in Table 6, it is anticipated that there will be impact on Berkhamsted, Watford and St Albans. In considering this impact, it should be reiterated that this is not based on the whole turnover of those centres i.e. no allowance has been made for inflow expenditure. This is particularly relevant to Watford and St Albans; both of which attract a large amount of expenditure from beyond the catchment area. Thus, although impact is modelled at 7-8% for Watford and 10-11% for St Albans, the true impact will be substantially lower.
- 5.8.2 The Aviva submissions sought to address the question of inflow; however, the assumptions they have adopted are not evidenced and the approach they have taken suggests that they have misunderstood this point e.g. in relation to St Albans, whilst the table implies that they have assumed 85% of the centre's turnover is accounted for by inflow expenditure, the total turnover figure produced indicates that instead they have assumed that inflow expenditure represents amounts to an additional 85% of the catchment area generated turnover. This serves to demonstrate that limited weight can be ascribed to their assumptions.
- 5.8.3 At a simple level, a brief review of the retail evidence for St Albans and Watford indicates that the centres are expected to achieve turnovers of £205m in 2021⁷ £1,238m in 2018⁸. This compares to survey-generated pre-diversion turnovers of £21m and £100m in 2020. Plainly the catchment area currently under consideration only represents a small element of both these centres' catchments; therefore, taking into account inflow, the percentage impact on St Albans and Watford even in the cumulative scenario is unlikely to give rise to significant adverse impacts under the test of the NPPF.
- 5.8.4 In relation to Berkhamsted, even without factoring inflow from beyond the catchment area, the forecast impact is c.2% under either combined scenario. On this basis, the cumulative impact on Berkhamsted is not considered to be significant adverse.

5.9 Conclusion

- 5.9.1 The above analysis has concluded that it is the cumulative impact on Hemel Hempstead that is the key consideration for DBC.

⁷ Strategic Perspectives 2010

⁸ GVA Grimley 2013

6 Conclusions

6.1.1 This Further Review has considered the further submissions made on behalf of the applicant (the October submission) and the representations received on behalf of Hightown. Following these submissions, PBA have provided advice in relation to the anticipated solus impact of the proposed development. In addition, PBA have carried a full cumulative impact assessment of the proposed development, the Jarman Fields schemes and the Lidl application; the findings of which have been set out in Section 5.

6.1.2 Whilst this Further Review relates primarily to the Aviva application, in considering cumulative impact, it is necessary to also set out the implications for the Jarman Fields appeal scheme and allocation, as well as the Lidl application.

6.2 Solus impact

6.2.1 As set out above and in separate advice to DBC, PBA consider that the solus impact of the developments (as applied for and appropriately controlled) would not cause a likelihood of a significant adverse impact on existing town centres under the terms of the NPPF. The suggested conditions are detailed in Section 4.

6.3 Cumulative impact

6.3.1 Assuming the schemes come forward in the manner assumed within the cumulative impact assessment, then PBA consider that there is the potential for a significant adverse impact on Hemel Hempstead town centre, particularly due to diversion within the comparison goods sector.

6.3.2 This conclusion takes into account the specific circumstances in Hemel Hempstead town centre and is because:

- The financial impact of the proposed floorspace on the turnover of the town centre would exceed its expected growth in turnover under a no development scenario and would mean improvements only in just in line with efficiency growth in the performance of the town centre over a five-year period.
- In respect of Jarman and Aviva, the result of two similar schemes coming forward would necessarily put increased pressure on a narrow pool of potential non-fashion retailers in the town centre, either reducing the turnover to such an extent that they would cease trading or to encourage relocations to an out of centre location, thus increasing the potential for vacancies or reducing the quality of the shopping offer in the town centre

6.3.3 In respect of the convenience sector, the cumulative effect would be less pronounced. This is primarily because there is only one significant foodstore within Hemel Hempstead town centre and instead the additional convenience floorspace would compete most readily with the strong out-of-centre provision, including mutual impacts on the schemes themselves. Accordingly, having regard to the ancillary role of the limited quantum of comparison floorspace within the proposed store, there is no reason to withhold permission for the Lidl on cumulative retail impact grounds.

6.3.4 Having regard to the tests of the NPPF, the salient question is whether this significant adverse impact will be likely to happen; this is dependent on there being the demand within the market for both schemes to come forward. However, it is also relevant to consider the longer-term position; whilst there may not be the market at present, there are avenues available to applicants/developers to prevent planning permissions from lapsing until such time as a market exists in order to preserve land value. Therefore, DBC need to be mind the potential

for both Jarman Fields being permitted at appeal (or a smaller application consistent with the policy being granted) as well as the Aviva application also being granted.

- 6.3.5 The results of the cumulative assessment exercise demonstrate that DBC should only support either Jarman Fields or Aviva. This is a finely balanced view and DBC will need to weigh this into the planning balance. Added to this, PBA acknowledge that DBC are not determining the Jarman Fields appeal and will therefore need to consider the position an inspector may adopt on that appeal.

6.4 Implications for Jarman Fields

- 6.4.1 It should be noted that because Jarman Fields is an out-of-centre retail location which is not sequentially preferable to either the application site or the former Breakspear House site, there is no requirement under the NPPF paragraph 26 to consider impact on out-of-centre allocated sites.

- 6.4.2 In relation to Jarman Fields, the relevant facts are as follows:

- There is a saved allocation for 6,700 sqm of bulky goods retail floorspace
- There is an emerging allocation for 7,000 sqm of retail floorspace, where fashion is acceptable in an ancillary capacity
- No representations have been made objecting to this emerging allocation beyond seeking that the quantum be increased to 10,000 sqm and any reference to bulky goods be removed
- Planning permission for bulky goods retail for 6,700 sqm expired in August 2015
- Planning permission was refused for 10,305 sqm of retail floorspace in June 2015 on the grounds of impact on Hemel Hempstead town centre
- There is a current appeal on that refused application

- 6.4.3 With regard to cumulative impact, DBC will need to consider the weight that should be attributed to these facts in assessing the relevance of the current appeal and the allocation at Jarman Fields in the determination of the Aviva application.

- 6.4.4 For the purposes of this cumulative analysis, it is the appeal scheme that is of most relevance. However, it should be noted that even allowing for the smaller allocation scheme, the conclusion in relation to cumulative impact and therefore recommendations to DBC are not materially different under the appeal or allocation schemes.

Appendix A Methodology overview

A.1.1 This appendix accompanies the Further Retail Review prepared by PBA in relation to the current application on Land at Maylands Avenue, Hemel Hempstead. It provides a short summary of the methodology and data inputs that have been used to underpin the cumulative impact assessment which informs the Further Note.

A.1.2 Three comparison scenarios are considered:

- A. Aviva application + Jarman Fields appeal scheme
- B. Aviva application + Jarman Fields appeal scheme + Lidl application (i.e. Scenario A + Lidl application)
- C. Aviva application + Jarman Fields draft allocation + Lidl application

A.1.3 One convenience scenario is considered. This assumes the Aviva scheme, the Jarman Fields appeal scheme and the Lidl scheme will come forward.

A.1.4 Two combined cumulative impact scenarios are presented:

- 1. Comparison Scenario B + Convenience
- 2. Comparison Scenario C + Convenience

A.1.5 The following data inputs have been used to quantify the turnovers of the various schemes:

	Aviva	Jarman Fields Appeal scheme	Jarman Fields Allocation	Lidl
Floorspace (sqm net)				
Comparison	7,484	8,000	5,600	246
Convenience	1,414	812		982
Restrictions ⁹	c.30% cap on fashion floorspace	c.10% cap on fashion floorspace	c.10% cap on fashion floorspace	
Sales densities (£/sqm) ¹⁰				
Comparison	£4,000-8,000 ¹¹	£4,000	£4,000	£5,236
Convenience	£12,000	£11,200		£6,314
Scheme turnovers				
Comparison	£38.8m	£34.5m	£24.1m	£1.4m
Convenience	£17.3m	£9.2m		£6.3m
Total	£56.1m	£43.9m	£24.1m	£7.7m

A.1.6 An impact year of 2020 has been adopted. This allows for all the schemes having opened and reached maturity.

⁹ PBA acknowledge that additional conditions have been recommended on the above schemes; these are not summarised in detail here but PBA have borne them in mind when undertaking this cumulative assessment.

¹⁰ Convenience grown at 0.25% per annum and comparison at 1.5% per annum

¹¹ Sourced from Savills assessment

- A.1.7 The modelling sequence adopted is as follows: Aviva scheme opens first, then Jarman Fields, then Lidl scheme. It is acknowledged that, as the least complex proposal, the Lidl store may open first; however, given its limited turnover, it has been modelled for completeness and therefore has been added as the final stage for Comparison Scenarios B and C.
- A.1.8 It is assumed that the opening of the first development (Aviva) will result in the Jarman Fields scheme not achieving its full turnover. Jarman Fields has therefore been assumed that it will achieve 80% of the forecast turnover set out above.
- A.1.9 As the most recent household survey undertaken, PBA has adopted the results of the survey undertaken in support of the Aviva application. Consequently the same catchment area and survey zones as those adopted in the Aviva application have been used. Following on from these assumptions, the following data inputs have been used:
- Population and baseline 2015 expenditure data have been derived from Savills Planning Statement Appendices 7 (Tables 1a and 1b) and 8 (Tables 1a and 1b).
 - Expenditure growth: making allowance for growth in special forms of trading (SFT), baseline expenditure has been allowed to grow in line with Experian Retail Planner Briefing Note 13.
 - Comparison goods shopping patterns: due to a lack of transparency in the impact modelling submitted in support of the Aviva application, PBA has used the survey results to establish zone-based market shares for comparison goods.
 - Convenience goods shopping patterns: the main food and top-up market shares set out in Savills Planning Statement Appendix 7 Table 2 have been combined with expenditure to establish overall convenience market shares on a zone-by-zone basis.
 - Inflow expenditure: this is the proportion of expenditure derived by the relevant centres from beyond the area covered by the household survey. Unless otherwise specified, no allowance is made for inflow expenditure.
- A.1.10 PBA has used its own judgement in relation to the assumptions adopted on trade draw and diversion. This seeks to address deficiencies identified in the various application documents reviewed by PBA, including the need for impact to be assessed on a zone-by-zone basis in order to be able to understand that the assumptions adopted in relation to trade draw and diversion are realistic.
- A.1.11 The effect of inflow expenditure on the performance of existing centres has only been considered in relation to Hemel Hempstead. In relation to the other centres, it is considered that they are not dominant in the catchment area; therefore assumptions in terms of the proportion of trade that they draw from the catchment area would not be robust.

Appendix B Cumulative impact tables

COMBINED CUMULATIVE IMPACT - SCENARIO 1

	Comparison				Convenience				Combined					
	2015 turnover	2020 turnover	Diversion	Post-diversion turnover	2015 turnover	2020 turnover	Diversion	Post-diversion turnover	2015 turnover	2020 turnover	Diversion	Post-diversion turnover	Cumulative impact	Growth from 2015
<i>Aviva</i>			-£38.81	£38.81			-£9.09	£9.09			-£47.90	£47.90		
<i>Jarman Fields</i>			-£27.58	£27.58			-£15.92	£15.92			-£43.50	£43.50		
<i>Lidl</i>			-£1.39	£1.39			-£6.33	£6.33			-£7.72	£7.72		
Hemel Hempstead	£198.69	£242.91	£24.66	£218.25	£44.42	£46.84	£2.95	£43.89	£243.11	£289.75	£27.61	£262.14	9.53%	£19.03
Local centres Hemel Hempstead	£22.98	£28.09	£0.32	£27.77	£29.38	£31.11	£2.08	£29.03	£52.36	£59.20	£2.40	£56.80	4.05%	£4.44
Out-of-centre stores Hemel Hempstead	£61.06	£74.65	£11.24	£63.41	£141.34	£149.02	£23.12	£125.90	£202.40	£223.67	£34.36	£189.31	15.36%	-£13.09
Berkhamstead	£26.37	£32.24	£0.76	£31.48	£35.37	£36.99	£0.74	£36.26	£61.74	£69.23	£1.50	£67.74	2.16%	£5.99
St Albans	£17.30	£21.15	£2.31	£18.83					£17.30	£21.15	£2.31	£18.83	10.93%	£1.54
Watford town centre	£81.62	£99.79	£8.09	£91.70					£81.62	£99.79	£8.09	£91.70	8.11%	£10.08
Watford retail parks	£18.43	£22.53	£2.04	£20.49					£18.43	£22.53	£2.04	£20.49	9.07%	£2.06
Luton	£6.07	£7.42	£0.93	£6.48					£6.07	£7.42	£0.93	£6.48	12.60%	£0.42
Tring	£0.52	£0.63	£0.02	£0.61					£0.52	£0.63	£0.02	£0.61	3.28%	£0.09
Central London	£8.63	£10.56	£0.09	£10.47					£8.63	£10.56	£0.09	£10.47	0.84%	£1.83
Other	£62.35	£76.23	£3.80	£72.43	£64.78	£67.73	£1.88	£65.85	£127.13	£143.96	£5.69	£138.28	3.95%	£11.15

Notes

1. Diversion (i.e. new trade) to new stores/development appears as negative. Forecast turnover only appears as 'post-diversion turnover'.
2. Post-diversion turnovers for 'Out-of-centre stores Hemel Hempstead' does not include new developments.

COMBINED CUMULATIVE IMPACT - SCENARIO 2

	Comparison				Convenience				Combined					
	2015 turnover	2020 turnover	Diversion	Post-diversion turnover	2015 turnover	2020 turnover	Diversion	Post-diversion turnover	2015 turnover	2020 turnover	Diversion	Post-diversion turnover	Cumulative impact	Growth from 2015
<i>Aviva</i>			-£35.46	£35.46			-£9.09	£9.09			-£44.55	£44.55		
<i>Jarman Fields</i>			-£19.24	£19.24			-£15.92	£15.92			-£35.16	£35.16		
<i>Lidl</i>			-£1.39	£1.39			-£6.33	£9.09						
Hemel Hempstead	£198.69	£242.91	£21.92	£221.00	£44.42	£46.84	£2.95	£43.89	£243.11	£289.75	£24.87	£264.88	8.58%	£21.77
Local centres Hemel Hempstead	£22.98	£28.09	£0.29	£27.81	£29.38	£31.11	£2.08	£29.03	£52.36	£59.20	£2.37	£56.83	4.00%	£4.47
Out-of-centre stores Hemel Hempstead	£61.06	£74.65	£10.02	£64.63	£141.34	£149.02	£23.12	£125.90	£202.40	£223.67	£33.14	£190.53	14.82%	-£11.87
Berkhamstead	£26.37	£32.24	£0.64	£31.59	£35.37	£36.99	£0.74	£36.26	£61.74	£69.23	£1.38	£67.85	1.99%	£6.11
St Albans	£17.30	£21.15	£2.07	£19.08					£17.30	£21.15	£2.07	£19.08	9.77%	£1.78
Watford town centre	£81.62	£99.79	£7.22	£92.57					£81.62	£99.79	£7.22	£92.57	7.24%	£10.94
Watford retail parks	£18.43	£22.53	£1.82	£20.71					£18.43	£22.53	£1.82	£20.71	8.07%	£2.28
Luton	£6.07	£7.42	£0.83	£6.59					£6.07	£7.42	£0.83	£6.59	11.20%	£0.52
Tring	£0.52	£0.63	£0.02	£0.61					£0.52	£0.63	£0.02	£0.61	2.88%	£0.10
Central London	£8.63	£10.56	£0.08	£10.48					£8.63	£10.56	£0.08	£10.48	0.74%	£1.84
Other	£62.35	£76.23	£3.37	£72.86	£64.78	£67.73	£1.88	£65.85	£127.13	£143.96	£5.25	£138.71	3.65%	£11.58

Notes

1. Diversion (i.e. new trade) to new stores/development appears as negative. Forecast turnover only appears as 'post-diversion turnover'.
2. Post-diversion turnovers for 'Out-of-centre stores Hemel Hempstead' does not include new developments.

COMPARATIVE ASSESSMENT

- 1 This comparative assessment has been prepared for Dacorum Borough Council (DBC) by Peter Brett Associates LLP (PBA). This considers the current application for retail-led development on land at Maylands Avenue (4/01132/15/MOA) and the appeal that is currently live on Jarman Fields (APP/A1910/W/15/3132774) following the refusal of a planning application in June 2015 on retail impact grounds (4/00424/15/MOA).
- 2 This assessment should be read alongside the following reports prepared by PBA for DBC:
 - Retail Review (May 2015) – Proposed Retail Development Jarman Park
 - Retail Review (September 2015) – Land at Maylands Avenue, Hemel Hempstead
 - Further Retail Review (November 2015) – Land at Maylands Avenue, Hemel Hempstead
- 3 This assessment considers retail planning matters only, focusing on the tests as set out at paragraphs 24, 26 and 27 of the NPPF. It draws together advice provided on the two schemes to assist DBC’s decision making process. It does not come to a view on the degree of weight that should be afforded to each element but instead compares one scheme against the other.

	Issue	Aviva	Jarman Fields (appeal)
Context	Scale	12,503 sqm GIA A1 retail floorspace 9,262 sqm net sales area (7,848 sqm comparison and 1,414 sqm convenience) 650 sqm A3	10,305 sqm GIA A1 retail floorspace 8,812 sqm net sales area (8,000 sqm comparison and 812 sqm convenience)
	Range of goods/suggested restrictions	1,350 sqm fashion (in a single unit), 825 sqm sports clothing (in a single unit) and 3% clothing, footwear and health and beauty cap in other units i.e. c. 30% floorspace cap	10% cap on fashion floorspace i.e. 800 sqm net
	Turnover in 2020 (£M)	£56.21	£43.68
Sequential (NPPF paragraph 24)	Sequential status	Out of centre	Out of centre
	Analysis	<p>Both sites are out of centre and neither is within easy walking distance which would promote linked trips with the town centre. Both have established bus links with the town centre and surrounding residential areas.</p> <p>The Aviva site is located c.200m from the nearest part of the permitted neighbourhood shops that is currently under construction at the Heart of Maylands but, for the purposes of the NPPF sequential test, it is not an existing centre and therefore is not relevant in determining the status of the Aviva site. In any event, taking into account local factors, including the scale of the approved local centre and the nature of linkage between it and any development that might come forward on the Aviva site, it is considered to be out of centre even to Heart of Maylands local centre.</p> <p>Both sites are considered to be sequentially equal.</p>	
Impact	Impact on Hemel Hempstead		
	Convenience	£1.6m	£0.9m
	Comparison	£14.7m	£13.4m
	Total diversion	£16.3m	£14.3m
	Impact	5.6%	4.9%

Issue	Aviva	Jarman Fields (appeal)
Commentary	Diversion and impact, whilst adverse, deemed to be within the bounds of acceptability, provided appropriate conditions are imposed to reduce the prospect of town centre occupiers relocating to the site.	Diversion and impact, whilst adverse, deemed to be within the bounds of acceptability, provided appropriate conditions are imposed to reduce the prospect of town centre occupiers relocating to the site.
Analysis	<p>The overall impact is lower in the case of the Jarman Fields; however, the quantitative impact needs to be balanced against other factors.</p> <p>Notably this includes the existence of significant retail and leisure provision at Jarman Fields which is already in the process of being enhanced. Both developments are presented as being 'complementary' to the town centre; however, the already well-established nature of Jarman Park as a retail and leisure destination together with any new retail development at Jarman Fields risks creating a competing destination. Although controls are suggested, the Jarman Fields development together with the existing Jarman Park offer would create a greater critical mass of main town centre uses in an out-of-centre location than through the Aviva scheme.</p>	
Impact on local centres Convenience Comparison Total diversion Impact Commentary	£1.0m £0.2m £1.2m 2.0% Greatest diversion (£1m) forecast from Woodhall Farm (Sainsbury's store). Overall diversion and impact on other local centres limited.	£0.6m £0.2m £0.7m 1.2% Greatest diversion (£0.6m) forecast from Woodhall Farm (Sainsbury's store). Overall diversion and impact on other local centres limited.
Analysis	The Aviva scheme will result in a greater level of impact on the local centres than the Jarman Fields scheme.	
Impact on planned investment in town centres Analysis	<p>Heart of Maylands local centre located 200m from the nearest part of the application site. Objection submitted on behalf of the Heart of Maylands developer; however, no evidence to suggest that development will not proceed or prejudice to occupiers.</p> <p>Potential impact on longer-term development aspirations at the Market Square in Hemel Hempstead town centre.</p>	<p>Potential impact on longer-term development aspirations at Market Square.</p>
Analysis	<p>Both schemes may result in a potential impact on future investment in Hemel Hempstead town centre. However, no explicit concerns have been expressed by town centre stakeholders to suggest that there are any firm plans that either development might impact upon.</p> <p>The Aviva scheme presents a greater degree of risk than the Jarman Fields scheme because of the proximity to the new local centre at the Heart of Maylands. Whilst there is nothing to indicate that in solus terms the Aviva scheme would result in a significant adverse impact on the delivery of that planned investment, it is inevitable that there will be a greater degree of diversion in the future from the local shops in the Heart of Maylands centre simply because of the proximity of the Aviva site to Heart of Maylands.</p>	
Diversion from other centres Berkhamsted	£0.8m	£0.6m

Issue	Aviva	Jarman Fields (appeal)
St Albans Watford	£1.4m £5.1m	£1.2m £4.1m
Analysis	A greater level of diversion will result from the Aviva scheme. Again, neither scheme is anticipated to result in diversion of such a scale as to result in a significant adverse impact on any of these centres.	
Impact on town centres	<p>In solus terms, neither scheme will result in impacts on existing centres of a scale that would raise the likelihood of a significant adverse impact.</p> <p>The Aviva scheme will result in a greater degree of diversion and therefore impact on other centres; however, the Jarman Fields scheme risks creating a retail destination in an out-of-centre location that could create the critical mass that could compound impact on particularly Hemel Hempstead town centre.</p>	

DACORUM BOROUGH COUNCIL
RETAILER DEMAND ASSESSMENT
IN CONNECTION WITH
PROPOSED DEVELOPMENTS AT
JARMAN PARK AND MAYLANDS AVENUE,
HEMEL HEMPSTEAD
DATED
NOVEMBER 2015

PREPARED AT THE OFFICES OF
CHASE & PARTNERS, HIGHLIGHT HOUSE, 57 MARGARET STREET,
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CHARTERED SURVEYORS • COMMERCIAL PROPERTY CONSULTANTS • CHARTERED TOWN PLANNERS

CONTENTS	PAGE NO
1.0 Introduction	1
2.0 Proposed Development Sites	1
3.0 Current Retail Offer in Hemel Hempstead	4
4.0 Retail Requirements	11
5.0 Retailers with no requirement	15
6.0 Planning Conditions	16
7.0 Conclusion and recommendations	18

APPENDICES

- APPENDIX 1: Letter of Instruction
- APPENDIX 2: Goad Plan
- APPENDIX 3: Location Plan – Jarman Park and Maylands Avenue
- APPENDIX 4: PROMIS Report
- APPENDIX 5: Goad Extracts
- APPENDIX 6: Edmonds Parade and Stephyns Chambers Sales Particulars
- APPENDIX 7: Retailer Demand Schedule
- APPENDIX 8: Suggested Planning Conditions, Jarman Park and Maylands Avenue

1.0 Introduction

- 1.1 Chase & Partners were instructed on 5 November 2015 by Dacorum Borough Council to report on whether there is sufficient retailer demand from prospective tenants to make either the proposed development at Jarman Park or the proposed development at Maylands Avenue, or both together, viable with or without planning controls/conditions.
- 1.2 Additionally, we have been asked for a professional view on whether implementation of either or both schemes would be likely to lead to retailers relocating from Hemel Hempstead town centre.
- 1.3 A copy of the letter of instruction is attached at Appendix 1.
- 1.4 Our report and findings are based on research and market knowledge. Given the time constraints placed upon us to prepare our report we have concentrated on retailer demand, the retail profile of the town centre and endeavoured to speak directly to retailers to ascertain their position.
- 1.5 In compiling our shortlist of retailers to contact, we identified those retailers who are established tenants on out of centre retail parks and also those comparison goods and convenience retailers identified by GOAD as "key attractors".
- 1.6 We visited Hemel Hempstead on Friday 8th November, 2015 inspecting both application sites, the town centre and existing retail parks. During our inspection of the town centre we updated the street traders plan (Goad plan) and from this we have assessed the current vacancy rate within the town centre.
- 1.7 For the purposes of our report we have identified Hemel Hempstead town centre as that being represented by the GOAD plan. (Appendix 2)
- 1.8 We have also been provided with copies of Retail Reviews relating to both proposals prepared by Peter Brett Associates LLP.
- 1.9 The floor areas referred to in our report are Gross Internal Areas, unless specified.

2.0 Proposed Development Sites

- 2.0 The out of centre development sites, the subject of this report, are situated at Jarman Park and Maylands Avenue, both of which lie approximately one mile and

two miles respectively to the east of Hemel Hempstead town centre. Both sites are accessed off the A414, which links the town centre with Junction 8 of the M1 motorway, a drive time of less than five minutes. The sites are located within one mile of each other, a drive time of less than two minutes. (Appendix 3)

2.1 **Jarman Park, St Albans Road, Hemel Hempstead HP2 4JN**

2.1.1 The 2.02 hectare site is located within Jarman Park, an established out of town leisure park and Tesco Extra food store, situated off St Albans Road (A414). The site is situated approximately one mile to the east of the town centre, being at the eastern end of Jarman Park, bounded by St Albans Road and Jarman Way. Jarman Park provides the following offer:

- Multiplex cinema – Empire Cinemas
- Ice Rink – Planetice
- Health and Fitness Club – The Gym
- Climbing Centre – The XC Centre
- Café – Subway
- Family Pub – The Hungry Horse
- Restaurants – Chiquito, Bella Italia, Coast to Coast, Nando's and Frankie & Benny's
- Drive-through restaurant – McDonalds
- Food store – Tesco Extra

2.1.2 The outline planning application was submitted by Ediston Properties Ltd on behalf of Tesco Pensions Trustees Ltd. Reference: 4/00424/15/MOA. The application was for the construction of Class A1 retail development (to include convenience and comparison retail floor space and ancillary café) and Class A3 drive-through cafe/restaurant unit (with ancillary takeaway) together with access, car parking, service yard and associated works.

2.1.3 The planning application sought outline planning permission for 10,305 sq m (110,925 sq ft) of A1 floor space split between convenience-food, gross floor space of 1,505 sq m (16,200 sq ft) (822 sq m / 8,848 sq ft net) and comparison non-food gross floor space of 8,800 sq m (94,725 sq ft) (8,000 sq m / 86,114 sq ft net) additionally an A3 café/restaurant drive-through (with ancillary takeaway) of 185 sq m (1,990 sq ft). This therefore seeks to extend the existing facility in terms of its current leisure and food store offer (which includes an

element of non-food sales) and to add comparison non-food retailing to the user and tenant mix profile.

2.1.4 We note that the planning application was refused.

2.2 **Maylands Avenue, Hemel Hempstead, HP2 7DF**

2.2.1 The 6.4 hectare site is located at the junction of Maylands Avenue and Breakspear Way (A414). The site is situated approximately two miles to the east of the town centre and is vacant, having formerly been occupied as industrial premises by Lucas Aerospace.

2.2.2 A planning application has been submitted by Aviva Life and Pensions UK Limited, Reference: 4/01132/15/MOA. The outline application is for the construction of Retail Floorspace (Use Classes A1) measuring 12,503 sq. m (134,585 sq ft), Office Floorspace (Use Classes B1) measuring 3,004 sq. m (32,335 sq ft), Restaurants measuring 650 sq. m (7,000 sq ft), and associated car parking, access and landscaping works. This is therefore a new use for this site (previously industrial) plus an office facility to promote a mixed use offer.

2.2.3 A Planning Statement attached to the application prepared by Savills (UK) Ltd, informs us that the precise floorspace is yet to be finalised, with the layout and design of the floorspace reserved for subsequent approval. An indicative layout has been provided, "based on the anticipated demand for floorspace at the application site." Savills report outlines the detail of the proposed floorspace and uses as:

- A food store measuring 2,356 sq. m (25,360 sq ft) (GIA)
- Non-food retail units totalling 10,147 sq. m (109,225 sq ft) (GIA) to be configured as 7,102 sq. m (76,448 sq ft) at ground level and 3,045 sq. m (32,777 sq ft) at mezzanine level
- A three storey office building measuring 3,004 sq. m (32,335 sq ft) (GIA)
- Restaurant floorspace totalling 650 sq. m (7,000 sq ft)
- 553 car parking spaces and

- Minor amendments to an existing internal access road

2.2.4 Additionally the Planning Statement states that the proposed food store will be configured across ground floor level only and will be used for the sale of convenience and comparison goods, estimating a net sales area of the store at 1,414 sq. m (15,220 sq ft), of which 1,060 sq. m (11,410 sq ft) will be convenience (75%) and 353 sq. m (3,800 sq ft) comparison goods sales (25%). This will add an additional convenience food retail offer in Hemel Hempstead, reflecting current market trends.

2.2.5 The Planning Statement also outlines that an anchor tenant will be accommodated in the south-west corner of the site and this will be, “a high quality retailer selling a mix of furniture, homeware, garden and electrical goods and clothing and footwear. The operation would significantly enhance the retail offer of Hemel Hempstead by extending choice in terms of product range and retail format.” The retailer is not identified by the applicant, but we suspect that it may be Next Home & Garden.

2.2.6 We are further informed in the Planning Statement that the, “other non-food units will all be large format and will accommodate business models that are associated with retail warehouse premises. The floorspace at the site will complement rather than compete with the more traditional retail premises located within Hemel Hempstead town centre.” We do not support this view in the context of the original application without suitable conditions, as otherwise this proposal could represent a significant and unchecked retail facility, which in planning terms at least could replicate the town centre user profile. Savills have subsequently informed the council that Decathlon are a potential occupier and we have been able to verify this.

3.0 Current Retail Offer in Hemel Hempstead

3.1 The principal retail offer in Hemel Hempstead is focused within the town centre and a number of retail and leisure parks including Apsley Mills Retail Park, London Road Retail Park and Jarman Park. According to Property Market Analysis (PROMIS) Hemel Hempstead has approximately 70,604 sq m (760,000 sq ft) of retail space in the town centre. PROMIS describe the town as average and rank it at 149 of the 200 PROMIS centres. Property Market Analysis reports that the town, “has broadly the expected volume and quality of retail provision, given the size

and affluence of the shopping population.” A copy of the PROMIS report, dated 10 November 2015 is attached at Appendix 4.

Hemel Hempstead Town Centre

- 3.2 The town centre is focused on The Marlowes, a pedestrianised street that runs north to south from Midland Road to The Riverside Shopping Centre. Retailing in the town centre is underpinned by two purpose built shopping centres, the fully enclosed Marlowes Shopping Centre (1990) and Riverside (2005), which is an open scheme. Anchor stores include Debenhams, Marks & Spencer and Primark, while there is strong representation from national multiple retailers including Next, Topshop, Boots, WH Smith, TK Maxx, River Island and New Look. Goad extracts are attached at Appendix 5.
- 3.3 The prime retail pitch has moved to the Riverside Shopping Centre since it was built with the result that the Marlowes, both in the pedestrianised sector and beyond has lost a number of retailers and now promotes a more secondary frontage and occupier mix. This is not uncommon in many UK towns and cities today.
- 3.4 G L Hearn prepared a Retail Study update for Dacorum Borough Council in October 2011. We have not been instructed to update this study or to undertake a health check of the town centre, however, in order to report to you we have visited the town centre and recorded the tenants in occupation and calculated the current vacancy rate.
- 3.5 Based on our street survey conducted on 6 November 2015, there are currently 246 units trading in Hemel Hempstead town centre. We set out in the table below the composition of the retailing trades:

Table 1 – Uses in Hemel Hempstead Town Centre

Category	No. of units	%	National Average %
Convenience	10	4.1%	8.1%
Comparison	110	44.7%	36%
Service	95	38.6%	43.8%
Miscellaneous	3	1.2%	
Vacant	28	11.4%	12.1%
Total	246	100%	100%

Source: Chase & Partners street survey, November 2015 and Experian Goad 2014

3.6 The above table divides the town centre retail uses into five distinct categories, which then enable analysis to be undertaken and comparisons to be drawn, between different town centres. The five categories which are as follows:

- 1) Convenience goods
- 2) Comparison goods
- 3) Services and
- 4) Miscellaneous
- 5) Vacant property

Convenience retailers such as butchers, grocers, fishmongers and supermarkets, supply the basic day to day goods that people require such as food, alcohol, tobacco and newspapers. Comparison retailers include those that specialise in items for the home such as DIY, furniture, homewares and white goods, personal goods such as clothes, footwear and chemists, or personal interests/hobbies such as books, sporting goods etc. Service retailers such as restaurants, hairdressers, banks and estate agents usually provide a service as opposed to the sale of goods. Miscellaneous includes trades such as Post Office and information offices. Vacant units and floorspace are self-explanatory.

3.7 Table 1 shows that at 4.1%, the number of convenience stores in Hemel Hempstead is below the UK average of 8.1%. This would suggest that most convenience retailing in Hemel Hempstead has moved out of town, Sainsbury's and Tesco both trade from out of town stores. However, within the town centre,

Asda, Iceland and Tesco Express have a strong presence and provide butchery, bakery, fishmongers and off licences which otherwise have limited representation elsewhere within the town centre.

- 3.8 The level of comparison retailers in Hemel Hempstead is well above the national average at 44.7% compared with 36% in the UK. The majority of comparison/convenience retailers are national multiples and include Debenhams, Marks & Spencer, Next, Boots, W H Smith and Primark who provide the town centre with a strong draw.
- 3.9 The proportion of service retailers is slightly below the national average of 43.8% at 38.6%.
- 3.10 Our survey shows that comparison retailers occupy the largest proportion of units within Hemel Hempstead. The proportion of comparison goods retailers within any centre provides a good indication of its health. Most comparison goods are reasonably expensive and consequently only those centres which attract affluent, spending shoppers will be able to support large numbers of comparison goods retailers. Therefore, the proportion of comparison retailers in Hemel Hempstead is indicative that the town is in reasonable health.
- 3.11 The vacancy level in Hemel Hempstead is slightly below the national average. We have calculated that the current vacancy rate is 11.4% whilst the Local Data Company has recently reported that the national vacancy rate is 12.9%. This is also an indicator that the town is in reasonable health, at about average.
- 3.12 It should be noted, however, that during our inspection of the town centre, a number of units that we have noted as being occupied do appear to have been let to temporary tenants. If these temporary lettings are short term then the vacancy rate within the town centre could well be higher than the reported figure. It is difficult to assess which units are occupied by temporary traders but from our inspection we would estimate that perhaps as many as ten properties are occupied on a temporary basis, mainly within The Marlowes Shopping Centre. This figure, in our opinion, does not raise cause for concern but is standard throughout the majority of town centres of this size in the UK at present.
- 3.13 In addition to the mix of users, the level and quality of existing retail representation provides an additional measure of the strength of any centre and

illustrates the desire of the retailers to be located there. National multiples, department stores and variety stores are usually much larger organisations than independent retailers with higher turnovers and profit margins. They are well known to consumers and consequently are able to achieve higher sales densities and to pay higher rents. Therefore, when a desirable retail unit becomes available within a town where they have a requirement it will often be acquired by a multiple retailer.

- 3.14 Experian Goad has identified a number of multiple retailers as being “key attractors”. Our recent town centre survey revealed that of the 30 GOAD key attractors, 23 are represented within Hemel Hempstead, including Debenhams, Marks & Spencer, Argos, Boots, TK Maxx, Tesco, H&M, New Look, Primark, Topshop and Next. Again, this is a positive indicator of the town being in reasonable health. The Goad key attractors who are not represented within Hemel Hempstead include BHS, House of Fraser and John Lewis, but they are unlikely to be represented within a town of this size.
- 3.15 It is important for a town to have a variety and mix of multiples and independent retailers and at present Hemel Hempstead does offer a wide range mix of multiple and independent retailers.
- 3.16 The development of the Riverside Shopping Centre to the southern end of the High Street provided modern retailing facilities following the completion of the development in 2005 and this has strengthened the retail offer in the town centre, but moved retail pitch. The scheme has attracted a number of multiple retailers including a Debenhams department store and many fashion retailers including H&M, Next and Topshop/Topman. This shopping centre did take some time to let, however, with one unit still available. Topshop/Topman and Clarks have only recently relocated into Riverside from The Marlowes Shopping Centre, while Toys R Us opened as recently as October 2015.
- 3.17 The Marlowes Shopping Centre is somewhat older than Riverside having been constructed in October 1990. The scheme has seen a number of vacancies in recent years and most recently Topshop/Topman and Clarks have vacated. As it re-positions itself within the retail hierarchy of the town, The Marlowes has attracted a number of new tenants including The Entertainer, Poundworld and Pep & Co, whilst it remains anchored by Marks & Spencer, Wilko and New Look. There are likely to be opportunities within this shopping centre to reconfigure

accommodation if and when it becomes vacant, to meet current retailers' needs and adjust the tenant and user mix.

- 3.18 The freehold investment in The Marlowes Shopping Centre was sold in September of this year by Standard Life Investments to Capital & Regional. It has been reported that the purchaser paid £40million showing a net initial yield of 8%. Standard Life originally purchased the investment in July 2003 at a figure of £68.5million, showing a net initial yield of 7.3%. There has been an obvious fall in capital value of this shopping centre during this 12 year period, reflecting the positioning of the Marlowes in the retail hierarchy and the increased competition that this scheme has faced since the opening of Riverside. The landlords of the town centre shopping centres may object to any out of centre proposals. Therefore the planning applications for out of centre retailing do need to be carefully considered and appropriate conditions attached to give the town centre a degree of protection. We will consider the planning conditions that have been suggested later in this report.
- 3.19 Edmonds Parade and Stephyns Chambers, 212-254 Marlowes and 2-8 Bank Court, an unbroken shopping parade within the town's prime retail pitch has recently been placed on the market. Tenants include Caffè Nero, Vodafone, O2, National Westminster Bank, Maplin Electronics, Claires Accessories, Trespass and Robert Dyas. The current income is £868,430 per annum. A price of £9.62 million is being quoted for this freehold and long-leasehold interest, showing a net initial yield of approximately 9.00%. A copy of the sales particulars is attached at Appendix 6.
- 3.20 The yields paid and quoted for these investments reflect Hemel Hempstead's position in the retail hierarchy at present and are somewhere higher than one may expect. The town faces strong competition from nearby Watford in particular, which is classified as a major regional centre and benefits from a John Lewis department store. Additionally, both Brent Cross and Milton Keynes are also within access of Hemel Hempstead residents and this competition does appear to result in leakage of the shopping catchment and reduced tenant demand. Additional out of centre retail facilities could help to reduce leakage from Hemel Hempstead.
- 3.21 Dacorum Borough Council has been pro-active in its efforts to improve the quality of offer and environment within Hemel Hempstead town centre through its "Hemel Evolution" strategy. The council has, "focused on revitalising the town centre with the ultimate goal of increasing its prosperity and celebrating and conserving its

heritage for future generations.” Hemel Evolution identified a number of key locations in the town centre for regeneration and the Hemel Hempstead Town Centre Masterplan to strengthen and diversify the town centre economy and create a quality environment is currently being progressed, providing a vision to 2031.

- 3.22 During our inspection we noted that this work is ongoing with enhancements to the public realm, including an upgrade to the fabric of the Marlowes. This investment will be critical for the future health and longer term success of the town centre as a retail destination. We understand that this strategy is not without its challenges, especially given the impact of the recent recession on retailing in the UK generally.
- 3.23 Town centres need to be attractive to shoppers, offering a wide range of choice, easy access by both public and private transport and provide a welcome environment. Town centres evolve and today they must be able to respond and adapt to meet changing shopping patterns and compete with multi-channel retailing.

Out-of-centre retailing

- 3.24 The majority of out-of-town retail accommodation is situated to the south of the town centre on London Road.
- 3.25 Apsley Mills Retail Park is the largest out-of-town scheme in Hemel Hempstead, providing 9,073 sq m (97,661 sq ft) and is occupied by Argos Extra, Carpetright, Curry's/PC World Superstore, Homebase and Wren Living. The park sits directly adjacent to a Sainsbury's foodstore. This is a relatively small scheme in real terms.
- 3.26 Halfords, McDonalds, Pets at Home and Staples are located at London Road Retail Park which totals 3,369 sq m (36,263 sq ft).
- 3.27 Dunelm and Wickes sit on effectively solus sites on London Road, close to both Apsley Mills Retail Park and London Road Retail Park.
- 3.28 B&Q is located at Two Waters Road, Hemel Hempstead in a store that we understand is 2,887 sq m (31,080 sq ft).

- 3.29 Jarman Park also provides an out of centre facility but is principally a leisure scheme with a Tesco Extra foodstore adjacent.
- 3.30 We are of the opinion that the out of centre retail offer in Hemel Hempstead is limited in comparison with similar towns, a view shared by Property Market Analysis. PROMIS estimate total existing retail warehouse supply in Hemel Hempstead at 25,083 sq m (270,000 sq ft), but fragmented, ranking 176 of the PROMIS centres, below the PROMIS average. They report that, "most goods categories are under-represented... particularly Child/Sport, Fashion/Other High Street and Furniture/Furnishing goods." We comment on this later within this report.

4.0 Retail Requirements

- 4.1 In order to assess current retailer demand for out of centre retailing on the basis as instructed by the Council, we have undertaken our own research, contacting retailers directly by telephone and/or email. Where we have not received responses in the short space of time that has been available to us to undertake our survey, we have utilised our market knowledge to assess their position.
- 4.2 We set out in Table 2 a list of the retailers that we have endeavoured to contact as part of our survey. This target list has been based upon those retailers who are established tenants on out of centre retail parks and also those comparison goods and convenience retailers identified by GOAD as "key attractors" who one could expect to locate in a town such as Hemel Hempstead.

Table 2 – Retailers Surveyed

Retailer	Retailer	Retailer
Aldi	Go Outdoors	Poundstretcher
Arcadia	Halfords	Poundworld
Argos	Harveys	Primark
B&M Bargains	Hobbycraft	River Island
B&Q	Home Bargains	ScS Furnishings
Bathstore.com	HomeSense (TK Maxx)	Smyths Toys
Benson's For Beds	House of Fraser	Sofa Workshop
Boots	IKEA	Sofaworks
Brantano	JD Sports	Sports Direct
Carpentryright	John Lewis @Home	Store 21
Carphone Warehouse	Laura Ashley	Superdrug

Clarks	Lidl	Tapi
Cotswold Outdoor	Maplin Electronics	Tile Giant
CSL	Marks & Spencer	TK Maxx
Currys	Matalan	Topps Tiles
Debenhams	Mothercare	Toys R Us
Decathlon	Multyork	Waitrose
Deichmann Shoes	New Look	Waterstones
DFS	Next Home	WH Smith
Dreams	Oak Furniture Land	Wickes
Dunelm Soft Furnishing	Paul Simon	Wilko
DW Sports & Leisure	PC World	Wren Living
Evans	Peacocks	
Furniture Village	Pets at Home	
GAP	Poundland	

4.3 We set out in Appendix 7 details of those retailers who have confirmed that they would consider an out of centre opportunity in Hemel Hempstead, should a suitable opportunity be promoted and delivered.

4.4 We have identified potential demand for approximately 39,222 sq m (422,200 sq ft) of accommodation at ground floor with a further requirement for 9,336 sq m (100,500 sq ft) of mezzanine floorspace and 2,973 sq m (32,000 sq ft) of garden centre accommodation. Retailers who have confirmed demand include: Arcadia who would take a store of 10,000 sq ft with a 8,000 sq ft mezzanine; Marks & Spencer Simply Food who require 11,000 sq ft at ground floor and a 5,000 sq ft mezzanine; Next Home & Garden 25,000 sq ft ground floor and 50,000 sq ft on two upper floors plus garden centre; Bensons Beds 5,000 sq ft ground floor; Go Outdoors 30,000 sq ft ground floor; Aldi 18,700 sq ft ground floor; Lidl 26,500 sq ft – 29,000 sq ft ground floor; Oak Furniture Land 10,000 sq ft ground floor.

Bulky Goods Demand

4.5 Bulky goods demand is limited to some 10,637 sq m (114,500 sq ft), with 1,858 sq m (20,000 sq ft) for mezzanine and 2,323 sq m (25,000 sq ft) garden centre. This limited demand is not unexpected, as the retail market for bulky goods uses has changed and declined in recent years and a number of bulky goods retailers are already represented within Hemel Hempstead including; Carpetright, Currys/PC World, Homebase, Wren Living, Wickes, Halfords and Pets at Home and Staples.

- 4.6 Of those bulky goods retailers who have confirmed requirements, both B&Q and Dunelm are already represented in Hemel Hempstead.
- 4.7 B&Q informed us that they trade reasonably well from their current location at Two Waters Road, but their premises are under sized and the layout is compromised. Ideally they require a store of 4,645 sq m (50,000 sq ft) plus a garden centre. They have 3 or 4 years remaining on their lease and they would therefore consider relocating if a suitable opportunity comes forward.
- 4.8 Dunelm informed us that they over-trade from their existing store on London Road and that they would relocate to a store providing them with 2,044 sq m (22,000 sq ft) at ground floor and a 1,858 sq m (20,000 sq ft) mezzanine. However, they also stressed that any relocation would be conditional upon disposing of their existing leasehold interest as they have ten years to expiry.

Open A1 Demand

- 4.9 Of the retailer demand identified, the majority of ground floor accommodation, 29,421 sq m (316,700 sq ft), is for Class A1 retail use. Of this, 78%, 23,039 sq m (248,000 sq ft) is for comparison retail with the remaining 22%, 6,382 sq m (68,700 sq ft), for convenience retail.
- 4.10 Comparison retail demand is for fashion/clothing, discount variety stores, footwear, sportswear and cycle shop uses. Fashion retailers who have confirmed requirements include Arcadia for their Outfit fascia, JD Sports, Matalan and Next.
- 4.11 The Outfit is Arcadia Group's out of centre clothing and fashion format and they would be a new entrant to Hemel Hempstead. Their parent company, Arcadia Group, already operates a number of fascias in the town centre including Topshop/Topman and Evans. They informed us that it would be their intention to retain Topshop/Topman in the town centre, but, in any event, Evans is likely to close at the termination of the existing lease.
- 4.12 JD Sports trade within the Marlowes Shopping Centre and they informed us that they would trade from both locations.
- 4.13 Next currently trade from a store in Riverside Shopping Centre, where they have 1,300 sq m (14,000 sq ft) over 3 levels with a net trading area of 743 sq m

(8,000 sq ft). The lease expires in 2020. Next have informed us that they do have a requirement for an out of centre store and that either location, Jarman Park or Maylands Avenue could be suitable for them. Their requirement is for their Next Home & Garden Store, which they are currently expanding throughout the UK. Departments included within a Next Home & Garden include women's, men's, children's, home, sports, Lipsy, garden centre and a cafe. They have not yet fully assessed their requirement and are unable to confirm precisely what they require but it is likely to be in the region of 1,858/2,322 sq m (20,000/25,000 sq ft) at ground floor with two upper floors providing full cover and thus a store with a total gross internal area of up to 6,968 sq m (75,000 sq ft). They may also require a garden centre as part of their offer. Next are aware of both proposals but at this stage they have not progressed negotiations on either opportunity. They did express their preference for being close to Junction 8 of the M1 motorway in order to maximise the drive time catchment of the store. Next have not considered how this would impact on their town centre store and were therefore unable to comment on whether they would remain trading in the town centre should they open a Next Home & Garden store out of centre. We are of the opinion that if Next do open in an out of centre location then their town centre store may well close and this would have an impact on the town centre.

- 4.14 Discount variety stores with requirements include B&M Bargains, Home Bargains, TK Maxx, Poundland, Poundworld and Wilko.
- 4.15 B&M Bargains, Poundland, Poundworld and Wilko all trade from premises in the town centre and stated that they would take additional accommodation and remain trading from their existing stores.
- 4.16 Convenience demand is from Aldi, Lidl, Iceland and Marks & Spencer Simply Food.
- 4.17 Marks & Spencer informed us that their, "store in Hemel Hempstead is fine and we are unlikely to do anything to it.....extensions/relocations etc are unlikely to be pursued unless retail pitch moves significantly or financially we are tempted." They have expressed interest in a Simply Food store out of centre and require 11,000 sq ft at ground floor and 5,000 sq ft mezzanine. They are aware of both out of town sites but have not agreed terms at either location.

- 4.18 Aldi expressed interest in acquiring a store of 1,737 sq m (18,700 sq ft), with 100 dedicated car parking spaces. They already trade from two stores in the town at Redbourn Road and London Road and this is an additional requirement. They would consider either the Jarman Park or Maylands Avenue proposal.
- 4.19 Lidl are not represented in Hemel Hempstead but have an active requirement for a store between 2,415 sq m (26,000 sq ft) and 2,694 sq m (29,000 sq ft), with 120 car parking spaces. They were recently refused planning permission for a new store on a site opposite Maylands Avenue, on the grounds of design and loss of employment. They would also consider either the Jarman Park or Maylands Avenue proposal.
- 4.20 Iceland would remain trading in the town centre if they open at either of the proposed schemes.

5.0 Retailers with no requirement

- 5.1 Retailers who informed us that they do not have a current requirement are set out in Table 3.

Retailer	Comment
Argos	Already represented
Bathstore.Com	Already represented
Cotswold Outdoor	Snow & Rock fascia represented at Snow Centre
Currys PC World	Already represented
Debenhams	Already represented
Deichmann Shoes	Represented in The Marlowes
DFS	No requirement for Hemel Hempstead
Dreams	Already represented
Furniture Village	Watford store covers catchment
H&M	Already represented in town centre
Halfords	Already represented
Harveys	Watford store covers catchment
John Lewis @ Home	Watford store covers catchment
Maplin Electronics	Represented in The Marlowes
Marks & Spencer	Already represented in town centre
New Look	Already in town centre
Primark	Already in town centre
Savers	Already in town centre
Sports Direct	Represented in The Marlowes
Toys R Us	Already in town centre
WH Smith	In town centre, no requirement to relocate at present
Wren Living	Already represented

- 5.2 The majority of retailers who do not have an active requirement are already represented in the town in some format. Department store Debenhams, variety stores Marks & Spencer and Primark do not have a requirement for an out of centre presence and it is their current intention to continue trading in the town centre from their existing premises.
- 5.3 John Lewis' Watford department store covers the Hemel Hempstead catchment and therefore they do not have a requirement for their department store or their John Lewis at Home concept.
- 5.4 We have spoken with Waitrose and they have informed us that they have considered opportunities in Hemel Hempstead in the recent past and have concluded that the demographics do not meet their retailer's criteria. We understand that they may have considered the Maylands Avenue site but withdrew from discussions.

6.0 Planning Conditions

- 6.1 You have provided us with suggested planning conditions relating to both applications, copies of which are attached at Appendix 8.
- 6.2 At Jarman Park it is proposed to limit the development to 10,305 sq m (110,925 sq ft) gross floor area. Of this, 1,505 sq m (16,200 sq ft) will be convenience food gross floor space and 8,880 sq m (94,725 sq ft) comparison non food gross floor space. Additionally, class A1 retail units shall have a minimum gross floor area of 696 sq m (7,500 sq ft) and A1 retail use will not be for the sale and display of clothing and footwear (except ancillary clothing or footwear or DIY, motor or cycling activities) unless formal written approval is granted by the local authority.
- 6.3 Considering the retail demand that we have identified, the convenience food floor space restriction would enable the requirement of Marks & Spencer Simply Food or Iceland to be satisfied at Jarman Park. The requirement that any class A1 unit shall have a minimum gross floor space of 696 sq m (7,500 sq ft) will only effect a limited number of retailers who trade out-of-town as the majority of requirements on out-of-town retail parks are for units of 696 sq m (7,500 sq ft) plus. There are exceptions, however, and it can be seen from the retail

requirements set out that this would preclude lettings to Bensons Beds, Brantano and Evans Cycles.

6.4 The clothing and footwear restriction would have an impact on a number of retailers including The Outfit, Brantano, TK Maxx, JD Sports, Matalan and Next.

6.5 The conditions suggested by the applicant at Maylands Avenue would limit the total class A1 retail floor space to 12,503 sq m (134,580 sq ft), the leisure floor space would be limited to 1,031 sq m (11,000 sq ft). Convenience would be limited to 1,414 sq m (15,220 sq ft) (net sales) and this condition would enable the premises to attract retailers including Marks & Spencer Simply Food, Aldi and Iceland. Furthermore, if Waitrose did have a requirement for Hemel Hempstead we believe that this design would meet their requirement. Comparison goods are to be restricted to 7,848 sq m (84,500 sq ft), however, we note this is net sales and not gross internal area. The retail units shall not be used for the primary sale of any of the following goods:

- a) clothing and footwear
- b) jewellery and fashion accessories
- c) pharmaceuticals, toiletries and cosmetics

This condition is qualified by Condition 6, which would permit the sale of clothing and footwear, jewellery and fashion accessories up to 1,350 sq m (14,530 sq ft), but only when sold from a single unit which would include the sale of some or all of the following goods from the minimum of 1,350 sq m (14,530 sq ft):

- a) DIY and garden goods
- b) furniture
- c) hard and soft furnishings
- d) electricals
- e) homewares
- f) flooring and floor coverings
- g) seasonal goods for home and garden

Additionally, the applicant is seeking permission for the sale of sports and clothing footwear from up to 825 sq m (8,880 sq ft) but only when sold from a

single unit with this being the primary use. Furthermore, no unit shall have a gross internal of less than 650 sq m (7,000 sq ft).

- 6.6 In addition, the applicant has confirmed that, “general clothing and footwear can only be sold from an ancillary area (e.g. 5% of net sales)”. The applicant will also reduce the quantum of Class A3 space from 1,031 sq m to 650 sq m to limit competition with the town centre.
- 6.7 It is our interpretation that the proposed conditions would limit the number of clothing and footwear, jewellery and fashion accessories and pharmaceutical, toiletries and cosmetics retailers and thus provide a degree of protection to the town centre. In effect, retailers that we have identified with requirements including The Outfit, Boots and Carphone Warehouse could not be accommodated as tenants under these restrictions. However, we do believe that the suggested conditions would enable Next to locate on the park to operate their Next Home & Garden store, subject to the size proposed meeting their requirement for Hemel Hempstead.
- 6.8 The Local Authority would be responsible for enforcing the planning conditions.

7.0 Conclusion and recommendations

- 7.1 We have identified over 500,000 sq ft of potential retail demand for representation in Hemel Hempstead. On a simple floor area basis it is apparent that there is sufficient occupational demand to support both proposals.
- 7.2 The majority of the retail demand recorded requires Open A1 planning permission with only limited requirements from bulky goods retailers.
- 7.3 If open A1 planning permission is granted for both schemes we are of the opinion that this could have considerable impact on the town centre, through retailers relocating out of centre. It is not possible to predict precisely who would relocate or to quantify the numbers of tenants who may do so. None of the retailers that we contacted would confirm whether they would close their town centre stores if they acquired space at either Jarman Park or Maylands Avenue, but this does not mean that they would not do so in practise. At this stage, many retailers will not have considered their options in enough detail to express a considered view. For example, Next have not made any decision but it is a possibility that they would relocate out of centre if a suitable opportunity,

such as Maylands Avenue, is brought forward. We believe that this would be the likely outcome. Retailers who have not expressed any interest in relocating could potentially and are likely to change their position, especially if an out of centre Fashion Park is established.

- 7.4 There is insufficient bulky goods demand to support proposals at either Jarman Park or Maylands Avenue unless B&Q or Dunelm decide to relocate. Thus, either and possibly both proposals will require some degree of Open A1 planning permission to be granted if they are to attract enough tenant demand to make them viable.
- 7.5 The planning conditions suggested by both applicants should help to protect the town centre from out of centre competition. The restrictions suggested will limit the number of retailers who would be able to trade from the proposed parks and thus the retailer demand that we have identified will be reduced.
- 7.6 The planning conditions proposed at Jarman Park would limit the amount of retail floor space to a gross floor area of 10,305 sq m (110,925 sq ft), with convenience food restricted to 1,505 sq m (16,200 sq ft) and comparison non-food restricted to 8,800 sq m (74,725 sq ft). Class A1 units would have a minimum gross floor space of 696 sq m (7,500) sq ft, thus restricting the number of possible tenants. Furthermore and most importantly, clothing and footwear sales will be prohibited (except ancillary clothing or footwear for DIY, motoring or cycling activities).
- 7.7 We have established that there is sufficient convenience demand for the proposed food store to attract a tenant at Jarman Park, with Marks & Spencer Simply Food and Iceland both indicating that they have a requirement. Both Aldi and Lidl's requirements could not be satisfied in this location as proposed.
- 7.8 We have also identified that there is sufficient comparison goods demand within the constraints of the suggested planning conditions to support the Jarman Park proposal, albeit that the conditions do reduce the pool of retailers able to trade within these restrictions. Retailers who could be accommodated include Anglia Home Furniture, B&M Bargains, Boots, Home Bargains, Oak Furniture Land, Poundland, Poundworld, Smyths Toys, Sofa Works, Tapi and Wilko. Requirements from these retailers total 11,938 sq m (128,500 sq ft). There are a number of competing retailers with requirements and not all retailers would

wish to trade together, but we believe that a viable scheme is capable of being delivered. This figure does not take into account the possible relocation of B&Q or Dunelm. If either of these retailers relocated, then their existing sites may become available for redevelopment.

- 7.9 A possible tenant line up of Anglia Home Furnishings, B&M Bargains, Boots, Oak Furniture Land, Wilko, Tapi and Sofa Works could work successfully in this location. Other tenant mixes would also work successfully and provide a viable development both in rental and investment terms and it will be up to the developers to seek the best tenant mix for their schemes. The retailers will also have preferences about which other retailers they are willing to trade alongside.
- 7.10 The conditions suggested at Maylands Avenue would limit the total floorspace to 12,503 sq m (134,580 sq ft), with convenience food restricted to 1,414 sq m (15,220 sq ft) net sales. Comparison goods would be restricted to 7,848 sq m (84,500 sq ft) net sales. The conditions would prohibit, "the primary use as clothing and footwear, jewellery and fashion accessories, and pharmaceuticals, toiletries and cosmetics." Additionally Condition 6 would only permit the retail sale and display of clothing and footwear, jewellery and fashion accessories up to 1,350 sq m (14,530 sq ft), but only when sold from a single unit which includes the sale of some or all of the following goods from a minimum of 1,350 sq m (14,530 sq ft): a) DIY and Garden Goods; b) Furniture; c) Hard and soft furnishings; d) Electricals; e) Homewares; f) Flooring and floor coverings; and g) Seasonal goods for the home and the garden. The sale of sports clothing and footwear would be permitted from up to 825 sq m (8,880 sq ft) as a principal use. No more than six individual units would be permitted and no unit would have a gross internal area of less than 650 sq m (7,000 sq ft).
- 7.11 As with the Jarman Park restrictions, these suggested conditions will limit retailer demand, however, we do believe that there would still be sufficient retailer demand to let a scheme of this nature on commercially viable terms.
- 7.12 The convenience store proposal of up to 1,414 sq m (15,520 sq ft) net sales would suit Marks & Spencer Simply Food, Aldi or Iceland. It will be for the market to decide which retailer locates on which park.

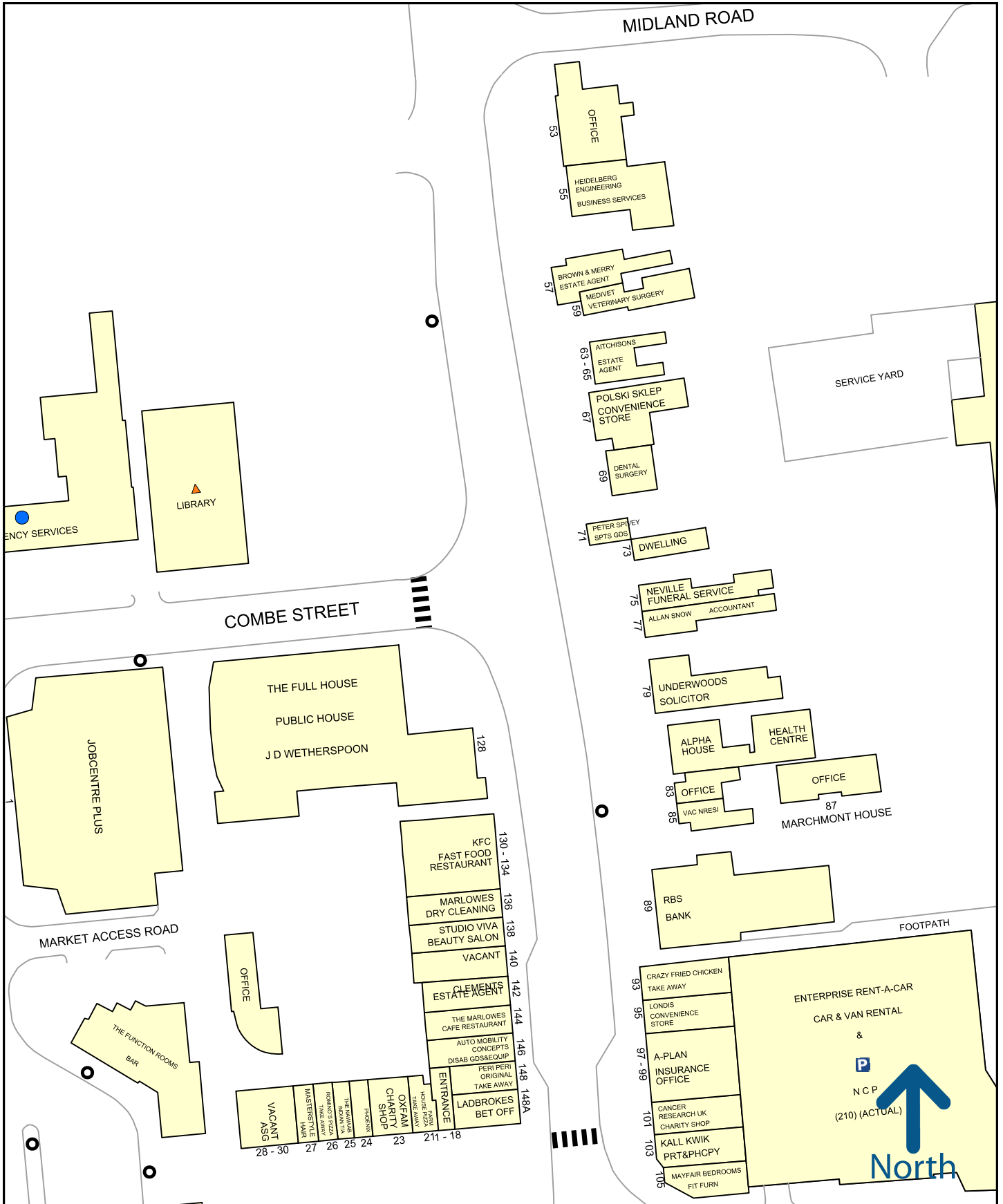
- 7.13 Allowing for the proposed planning conditions we also believe that there would be sufficient tenant demand to support the proposal at Maylands Avenue. We have established that Next have a requirement for their Next Home & Garden store and we understand that this could range in size between 5,574 sq m (60,000 sq ft) and 7,525 sq m (81,000 sq ft). Next may also wish to operate a garden centre as part of their offer. Additionally there are requirements from other comparison goods retailers including Decathlon, Smyth's Toys, JD Sports, Poundland, Poundworld and Home Bargains to compete for the remaining comparable goods accommodation. Furthermore, B&Q and Dunelm could relocate to Maylands Avenue. We therefore believe that there is potential for a viable development to be progressed by the applicant.
- 7.14 Both proposals, Jarman Park and Maylands Avenue, are suitable for the development of out of centre retail parks. Both sites, being out of centre, are considered equal in terms of the sequential test. They occupy visible and easily accessible sites with sufficient car parking to attract tenants. Ultimately, it will be for the retailers to decide on the merits of both sites and which location is best suited for their businesses unless there are restrictions which differ between these two locations or if planning permission is only granted for one of the locations. Planning permission will play an important role in the decision making process of the retailers and to some degree the planning conditions suggested by the applicants will dictate the tenant mix on each scheme. The developers will also play a part in this process, as they will be responsible for promoting their sites and agreeing terms with suitable tenants in order to create viable schemes.
- 7.15 At the present time the commercial property investment market is particularly strong, with demand for this type of asset attracting many potential purchasers from both home and abroad. We are of the opinion that both the Jarman Park and Maylands Avenue proposals would produce attractive and fundable retail parks in today's market. Development of these parks would add to the retail offer in Hemel Hempstead with the potential to attract customers from outside the borough.
- 7.16 Given the restrictions proposed in the planning conditions that have been suggested by the applicants, we feel that there will be sufficient retail demand to support each development. At the same time, the restrictions will limit those

retailers who will be able to trade at each location offering some protection to the town centre, which should remain the principal retail focus for Hemel Hempstead. This approach will also enable additional out of centre facilities to be developed, increasing consumer choice, reducing leakage to larger and competing centres including out of centre retail facilities in other towns and producing further investment in the Borough and all that comes with it.

Chase & Partners

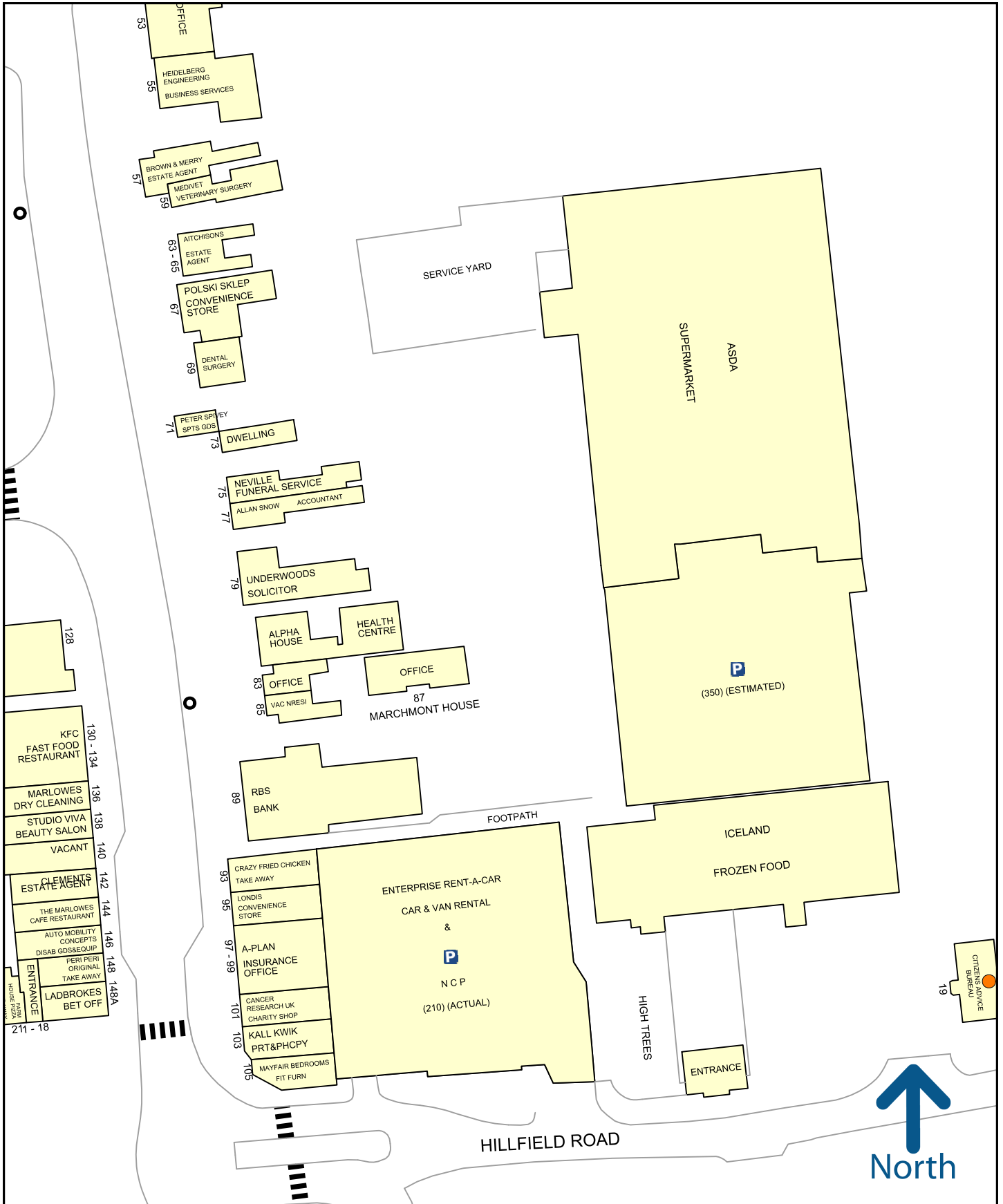
November 2015

**APPENDIX 5
GOAD EXTRACTS**



Experian Goad Plan Created: 24/11/2015
Created By: Chase and Partners

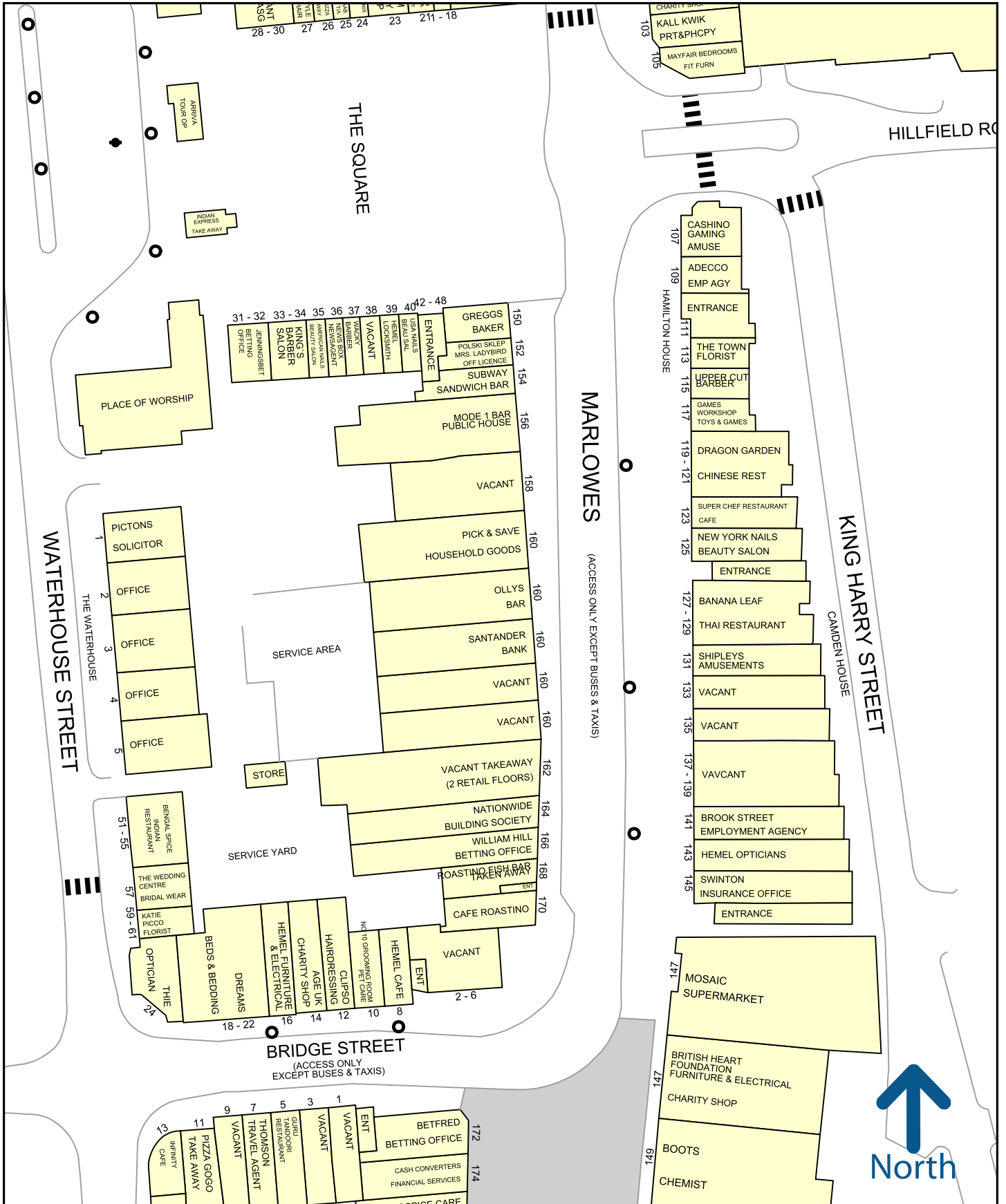
For more information on our products and services:
www.experian.co.uk/goad | goad.sales@uk.experian.com | 0845 601 6011



50 metres

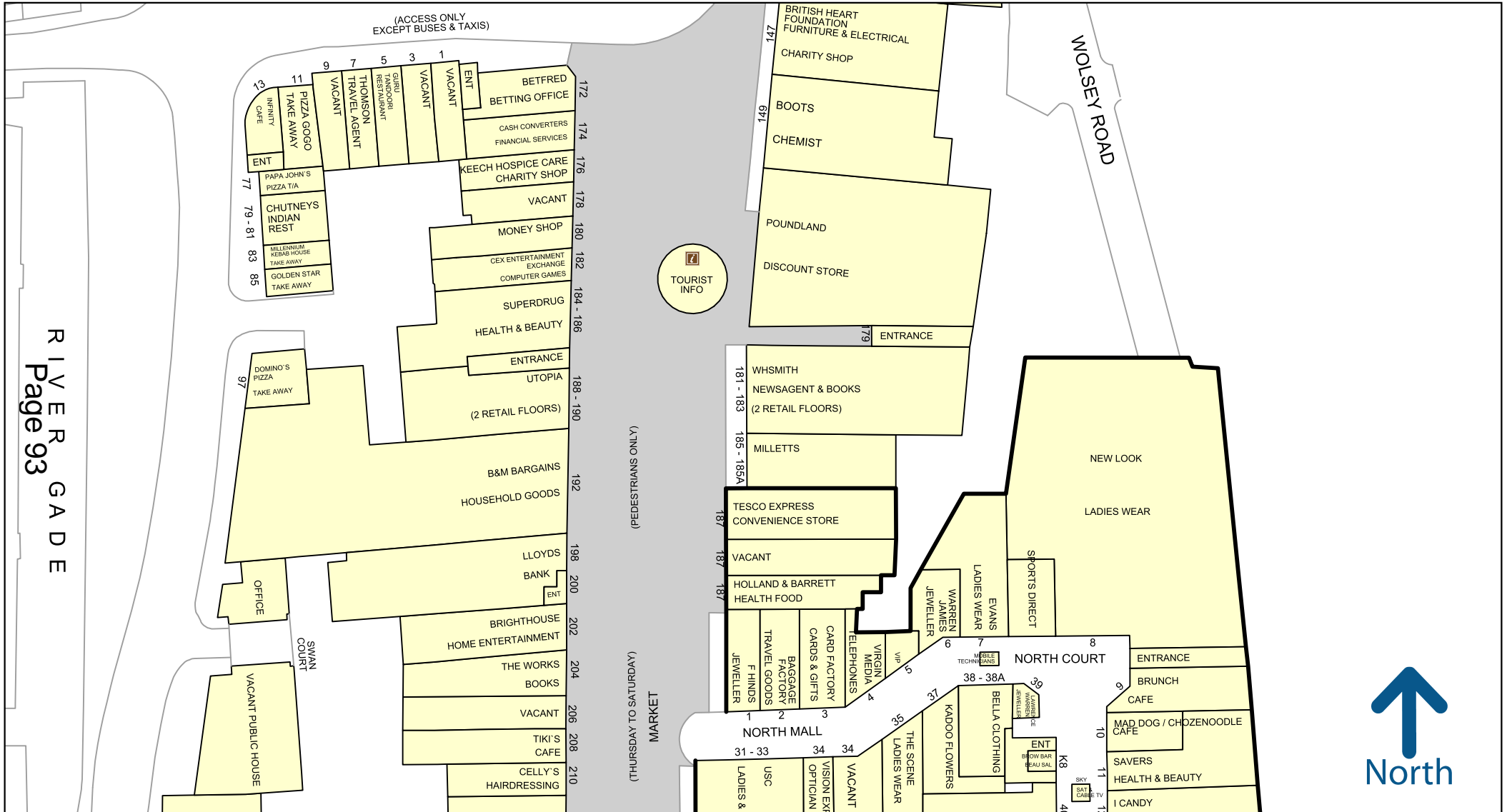
Experian Goad Plan Created: 24/11/2015
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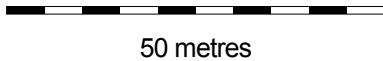
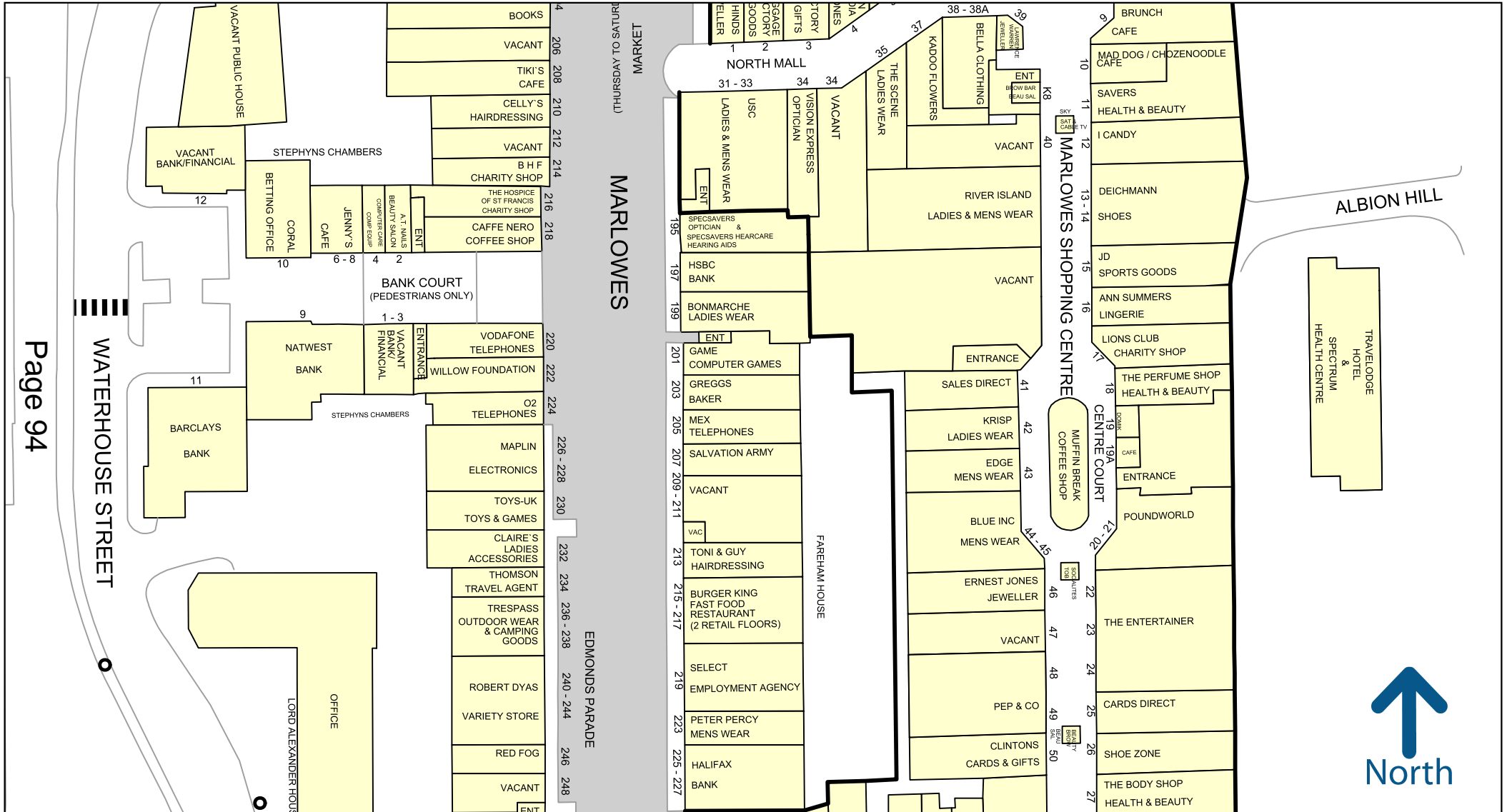


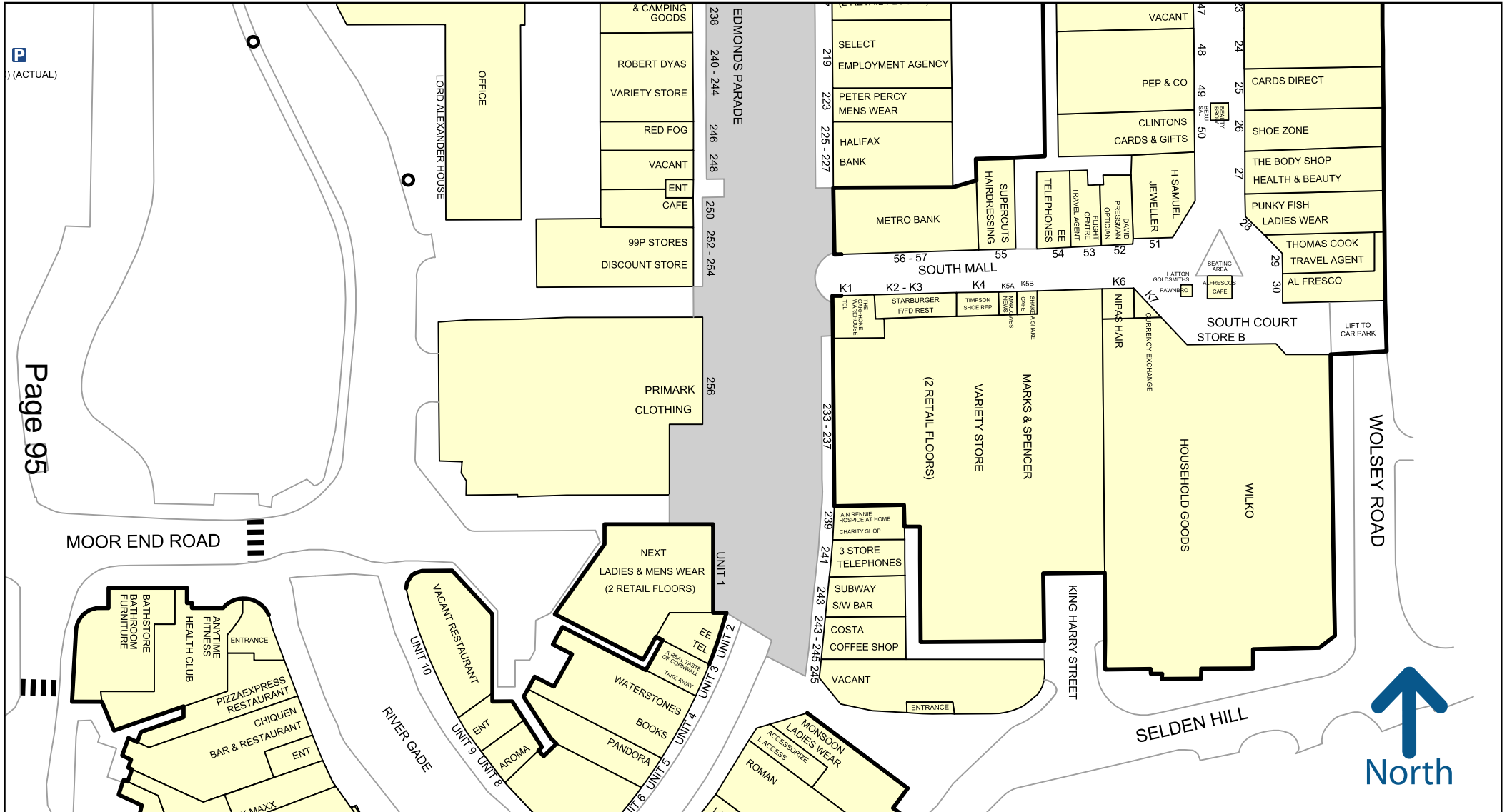
RIVER GADE
Page 93



50 metres

Experian Goad Plan Created: 24/11/2015
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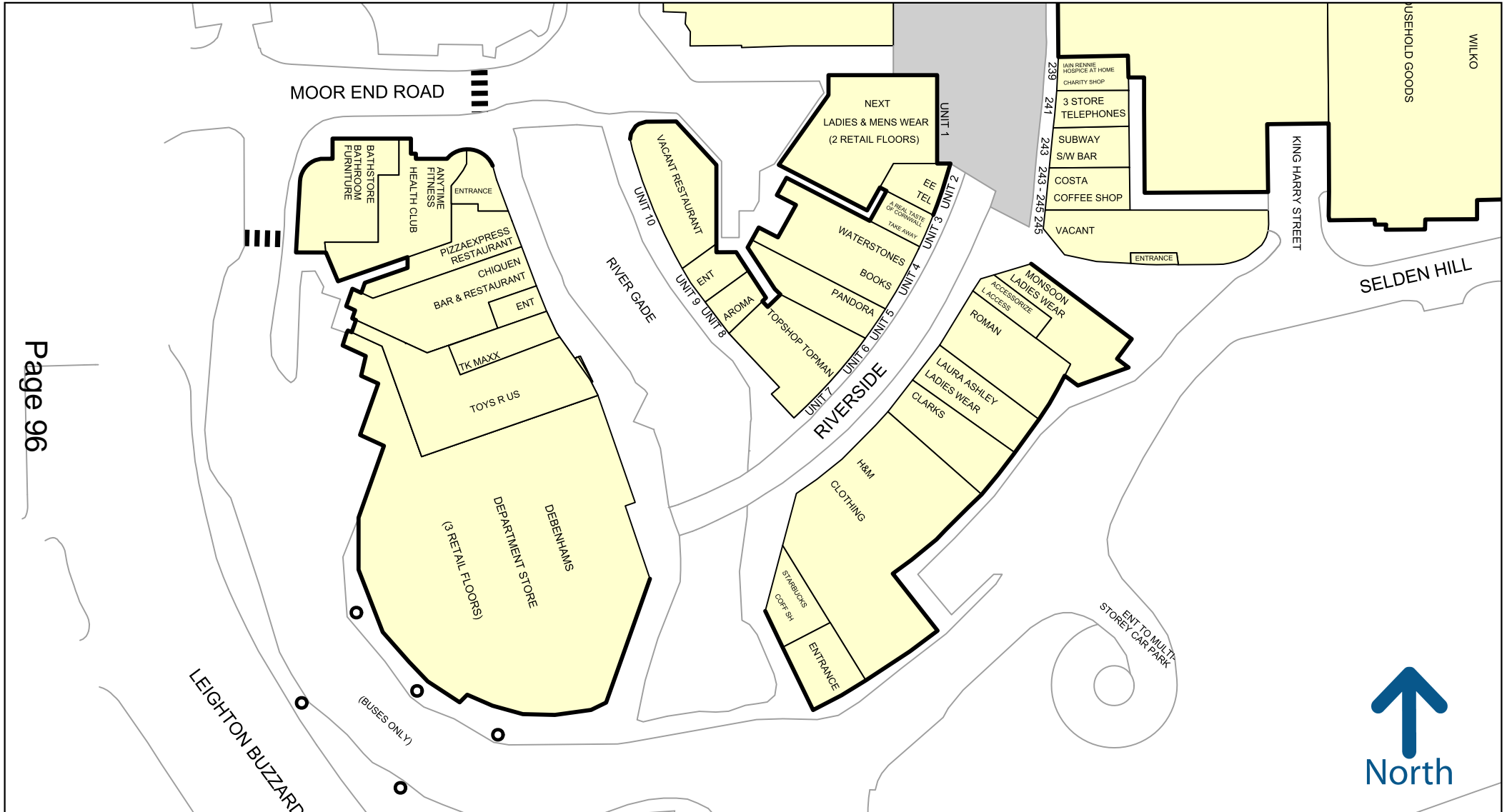




P (ACTUAL)

Page 95

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Page 96



50 metres

**APPENDIX 6
EDMONDS PARADE AND STEPHYNS CHAMBERS
SALES PARTICULARS**

HEMEL HEMPSTEAD – EDMONDS PARADE & STEPHYNS CHAMBERS

100% PRIME MIXED USE INVESTMENT OPPORTUNITY



Retail property expertise

Page 98





INVESTMENT SUMMARY

- Hemel Hempstead is **one of Hertfordshire's largest towns**, with a resident population of approximately 90,000 and an estimated shopping population of 114,000 people.
- Hemel Hempstead benefits from **one of the most affluent catchment populations in the UK**, ranked 24th of the PROMIS centres.
- The town also benefits from **superb connectivity**, being situated near to both the M25 and M1 motorways, which makes it a popular commuter town, situated 24 miles north of central London.
- The local authority, Dacorum Borough Council, is currently spending **£30m on the Hemel Evolution town centre regeneration**.
- The property is situated in a **100% prime trading position** on the west side of Marlowes, Hemel Hempstead's principal retailing thoroughfare.
- The property is well let with **approximately 70% of the total income secured** against national multiple covenants.
- The passing rents reflect low re-based rental levels, especially in comparison to other south east locations, therefore providing an **excellent platform for future rental growth**.
- The property offers a **number of asset management opportunities**, including re-gearing leases, improving tenant mix and residential conversion of upper parts (subject to planning).
- **Total Current Income: £868,430 per annum**
- We are instructed to seek offers in excess of **£9,620,000** (nine million, six hundred and twenty thousand pounds), reflecting an **attractive net initial yield of 9.00%** on the contracted retail income, assuming a Capital Value of £500,000 for the upper parts.

LOCATION

Hemel Hempstead is a popular commuter town in Hertfordshire. It is strategically located just outside the North West quadrant of the M25 approximately 10 miles south of Luton, 5 miles west of St Albans and 8 miles north of Watford. Central London is located approximately 24 miles to the South East.



The town benefits from excellent communications situated just 2.5 miles from junctions 20/21 of the M25 motorway and 1.5 miles from junction 8 of the M1 motorway, thereby offering unrivalled connectivity to the national motorway network.

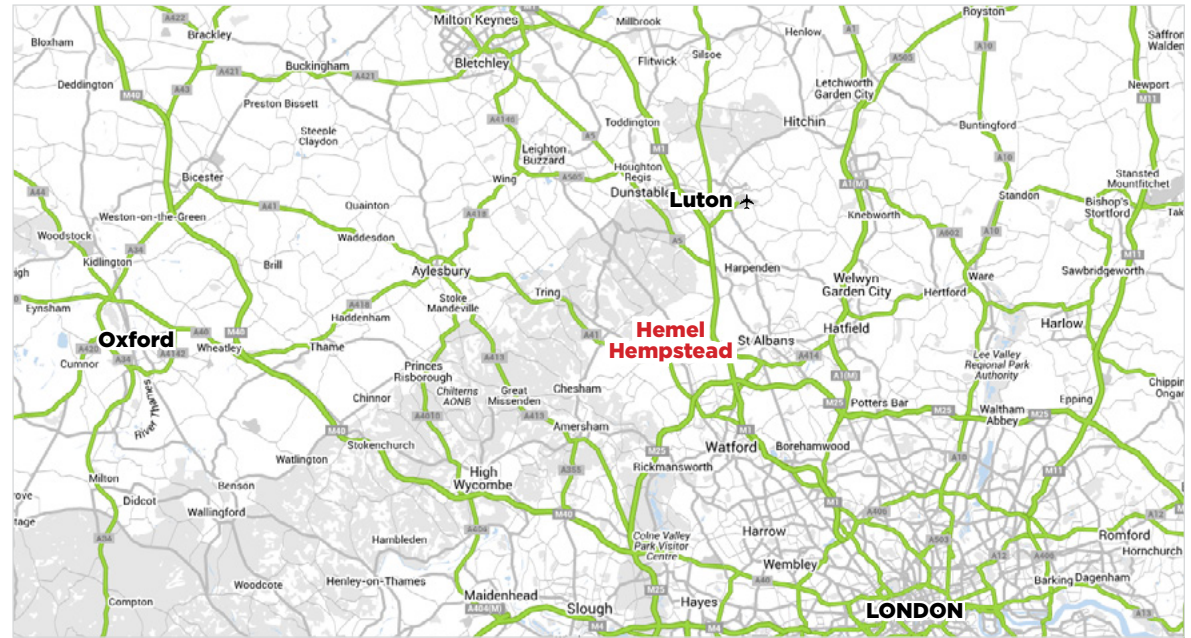


Rail services are also strong, with frequent services to London Euston in approximately 30 minutes. Birmingham New Street can be accessed in less than 90 minutes, with rail connections to the midlands and north beyond.

Regular local bus services run to and from the town centre.



London Luton airport is situated within 12 miles of Hemel Hempstead, providing both domestic and international flights, with London Heathrow airport 25 miles to the south.



DEMOGRAPHIC

Hemel Hempstead is a busy and thriving Hertfordshire town with a resident population of approximately 90,000 people. Dacorum Borough Council has set a target of an additional 520 new homes per year for the borough over the next five years and itself launched a £50 million programme in 2013 to build 300 new affordable houses by 2020.

Whilst its proximity to London and connections to major transport infrastructure make Hemel Hempstead a popular commuter town, they are also a key strength of the local economy. Over 2,000 businesses are located in the town including multi-national firms such as Amazon, BP Oil, Britvic, Dixons Carphone, Kodak, Next Distribution and Unisys.

In terms of unemployment, the local claimant count in 2014 was only 1.4% of the population aged 16-64, compared to the national claimant count of 2.2%.

Hemel Hempstead has a primary retail catchment population of approximately 180,000 people, with an estimated shopping population of 114,000, representing those people who regard Hemel Hempstead as their main shopping destination (PROMIS).

Hemel Hempstead benefits from one of the UK's most affluent catchment populations, ranked 24th of the PROMIS centres. Some 30% of the catchment falls into the AB social category, compared to the UK national average of 22%, with above average home and car ownership (2+ cars).

In line with the affluent and family dominated demographic profile, both existing per capita retail expenditure levels and forecast future growth in comparison retail expenditure for the catchment are significantly above the UK average.



180,000
primary retail catchment



114,000
estimated shopping population





Page 102

Hemel Hempstead has one of the most affluent catchment populations in the UK, ranked 24th of the PROMIS centres

RETAILING IN HEMEL HEMPSTEAD

Hemel Hempstead currently has approximately 760,000 sq ft (70,606 sq m) of retail floor space (PROMIS), with a good mix of national multiples and independent retailers.

The town centre's main retail offer runs north to south along the pedestrianised section of the Marlowes. Hemel Hempstead has two purpose-built managed shopping centres: the largest and only covered centre is Marlowes Shopping Centre, which runs along virtually the entire length of the east side of the Marlowes (opposite the subject property); the second centre in the town is the more modern, open air Riverside Shopping Centre, which is located to the southern end of the Marlowes.

To the north of the Marlowes is the Old Town, retaining its historic heritage and character, which together with the attractive Water Gardens, adds to the town's overall shopping experience.

Hemel Hempstead has a Debenhams department store that anchors Riverside Shopping Centre, along with Marks & Spencer and Primark on the Marlowes. Other retailers with representation in the town include:












HEMEL HEMPSTEAD EVOLUTION

Dacorum Borough Council identified a need to enhance the quality of the offer and environment of Hemel Hempstead town centre. It has therefore looked to address specific issues in terms of the regeneration and upgrading of key sites, heritage assets and public realm, to help secure the town centre's long term prosperity and create an appealing, attractive and high quality environment in which to live, shop and work. In response to this, the Hemel Hempstead Town Centre Masterplan was adopted in January 2013, in order to provide direction over the next 10 years and to enable transformation and regeneration to proceed as quickly as possible during this period.

Branded as Hemel Evolution, over £30m is to be invested into the rejuvenation and regeneration of the town centre. Major public realm improvements to the Marlowes commenced last year and have only very recently completed. This has made a dramatic improvement on the retailing environment on the Marlowes and is of direct benefit to the subject property.

The next phase of the planned programme will include a new bus interchange located immediately to the north of the pedestrianised section of the Marlowes, bringing the buses closer to the main shopping area.

There will also be a new public sector quarter, incorporating a new headquarters for Dacorum Borough Council, library and police station.





SITUATION

The property is situated in a 100% prime trading position on the western side of the Marlowes, Hemel Hempstead's principal retailing thoroughfare. The property is situated directly opposite the two main entrances into the Marlowes Shopping Centre, which, together with Marlowes itself, is currently the focal point for retailing in the town.

Retailers in the immediate vicinity include Marks & Spencer, Primark, Next, River Island, H&M, New Look and Debenhams.

DESCRIPTION

The property occupies a substantial site in the heart of Hemel Hempstead's retailing core, providing a prominent mixed use retail and office parade. The retail element consists of 22 units trading on the ground floor with a combination of office and ancillary space spread over the two upper floors.

The property effectively comprises two distinct elements, Edmonds Parade and Stephyns Chambers:

Edmonds Parade comprising Units 226/254 Marlowes, has an extensive frontage onto the Marlowes. The parade includes 10 retail units predominantly arranged to provide ground floor retail accommodation with ancillary accommodation on the first and second floors.

Stephyns Chambers comprises 212/224 Marlowes together with 5 units which have frontage onto Bank Court, which provides a link between Marlowes and Waterhouse Street, to the rear of the property. The accommodation is arranged to provide ground floor retail space, with the upper floors comprising residential accommodation that is held under separate ownership.



TENURE

Edmonds Parade & 212/214 Marlowes – Freehold.

Stephyns Chambers – the ground floor is held leasehold on the basis of a 999 year lease at a peppercorn rent.

Further information is available upon request.

TENANCY

The property is multi let in accordance with the tenancy and accommodation schedule, producing a total gross income of **£868,430 per annum**.

ACCOMMODATION AND TENANCY SCHEDULE

Tenancy Information		Lease Events					Floor Areas					Comments
Address	Tenant Name	Lease Start	Next Review Date	Lease Expiry	First Break Date	Current Rent	Ground Floor Sales (Sq Ft)	ITZA (Units)	First Floor Anc (Sq Ft)	Second Floor Anc (Sq Ft)	Total Area (Sq Ft)	
Stephyns Chambers												
212 Marlowes	U/O to One YMCA	New 10 year		2025		£27,000	1,079	580			1,079	U/O to One YMCA on new 10 year lease with mutual options to break at Years 3 & 5. Outside the L&T Act 1954.
Part 212 & 214 Marlowes	British Heart Foundation	02/05/07		01/05/17		£45,560	992	561	1,033		2,025	
216 Marlowes	Hospice St Francis (Berkhamsted) LTD	14/10/11	14/10/16	13/10/21	13/10/16	£35,000	1,259	695			1,259	
218 Marlowes	Nero Holdings Limited t/a Caffè Nero	27/04/04		26/04/19		£57,500	1,311	684			1,311	Tenant pays rent monthly by way of concessionary side letter
220 Marlowes	Vodafone Limited	27/06/12	27/06/17	26/06/22	26/06/17	£34,020	1,218	670			1,218	
222 Marlowes	Willow Retail Limited	19/06/15	20/06/20	18/06/25	18/06/20	£30,000	1,010	616			1,010	
224 Marlowes	Telefonica UK Limited t/a O2	22/05/03		21/05/18		£45,000	1,110	628			1,110	
1 & 3 Bank Court	U/O to La Belle Beauty Lounge Ltd	New 10 year		2025		£30,000	1,118	843			1,118	U/O to La Belle Beauty Lounge Ltd on new 10 year lease with TOB in Year 3. 3 month rent deposit held. Outside the L&T Act 1954.
2 Bank Court	Dung The Nguyen t/a AT Nails	11/02/11		10/02/16		£19,000	532	407			532	Further assignment of Lease 18/09/2015
3 Bank Court	David Pleece t/a Computer Care	16/07/10		15/07/20		£17,000	580	433			580	
4 Bank Court	National Westminster Bank PLC	08/02/09		07/02/19		£17,000	603	443			603	
7 Bank Court	National Westminster Bank PLC	24/06/08		07/02/19		£17,000	611	444			611	
7/9 Bank Court	Salim Baslamisli t/a Jenny's Café	New 15 year		2030	2020 & 2025	£30,500	1,021	798			1,021	Tenant renewing lease, 15 year lease with breaks in Years 5 & 10.
Edmonds Parade												
226/228 Marlowes	Maplin Electronics Limited	17/01/11	17/01/16	16/01/21		£80,000	3,552	1,492	1,028	846	5,426	
230 Marlowes	Lytton & Co London Limited t/a Toys UK	24/05/12		23/05/17	24/05/16	£37,000	2,298	965	842	846	3,986	
232 Marlowes	Claire's Accessories UK Limited	21/06/14		20/06/20		£37,850	1,090	582			1,090	
234 Marlowes	Tui UK Retail Limited t/a Thomson	12/04/13		11/04/18		£38,000	1,303	618	822	909	3,034	
236/238 Marlowes	Trespass Europe Limited	29/10/12	29/10/17	28/10/22	29/10/17	£40,000	2,499	1,247			2,499	Tenant pays rent monthly by way of concessionary side letter
240/244 Marlowes	Robert Dyas Holdings Limited	25/03/14		24/03/17	25/03/16	£50,000	3,797	1,915	1,055	990	5,842	
246 Marlowes	Red Frog Limited	28/04/15		27/04/20	27/04/18	£30,000	803	539			803	Stepped rent. £15,000 Y1, £22,500 Y2, £30K thereafter. Outside the L&T Act 1954.
248 Marlowes	Vacant - LL Guarantee	1 Year Guarantee				£25,000	880	555			880	Landlord to provide 1 year rental guarantee.
250 Marlowes	Cappuccio Italian Delicatessen Ltd	24/09/15	24/09/20	23/09/25	23/09/20	£26,000	965	596			965	Outside the L&T Act 1954.
252 Marlowes	99P Stores Limited	15/10/07		14/10/17		£100,000	3,306	1,325	2,647		5,953	
1st Floor, Suite 3	Office Angels Limited	01/12/15		01/12/16					2,320		2,320	New BPF Short Term Lease, mutually terminable on 1 months' notice. Paying £20,817 pa and covering rates, service charge and insurance.
2nd Floor, 252 Edmonds Parade	Vacant									1,561	1,561	Landlord to top up shortfall for period of 1 year
2nd Floor, Suite 3	Vacant									2,362	2,362	Landlord to top up shortfall for period of 1 year. No rates liability as previous lease not dissolved.
TOTAL						£868,430						





The property is well let with approximately 70% of the total income secured against national multiple covenants

RENTAL COMMENTARY

Prime rental values in Hemel Hempstead currently stand at approximately £50 Zone A, having halved from their pre-recession peak of £100 Zone A.

The majority of the lettings within the subject property reflect low, re-based rental levels which, combined with the considerable inward investment that has taken place into the town centre and the rapidly improving consumer economy, suggests that prospects for future rental growth are superb.

ASSET MANAGEMENT OPPORTUNITIES

The subject property provides a potential purchaser with the ability to own a 100% prime, multi-let parade in one of the most affluent catchments in the UK.

In addition, the property has a number of deliverable asset management opportunities through which the freeholder can drive performance over the short and medium term. We highlight a number of these initiatives below:

- Subject to obtaining the necessary consents, we believe the upper parts of Edmonds Parade offer significant potential for residential conversion, as has already been undertaken with great success on Stephyns Chambers.
- Potential to amalgamate a number of retail units to create larger retail floorplates which would appeal to expanding national retailers.
- Regear leases to 99p Stores, Robert Dyas, Thompson, Maplin, Nat West and Caffè Nero to drive rental tone and improve WAULT across the property.
- The recently completed redevelopment of the upper parts of Stephyns Chambers to residential use has the potential to create new demand from convenience retailers for the retail space going forward.



VAT

We understand that the property is elected for VAT. It is anticipated that the sale will be treated as the Transfer of a Going Concern (TOGC).

PROPOSAL

Offers are sought in excess of **£9,620,000 (Nine million six hundred and twenty thousand pounds)**, subject to contract and exclusive of VAT.

Assuming standard purchaser's costs at 5.80%, a purchase at this level would reflect an attractive **net initial yield of 9.00%** on the contracted retail income, assuming a Capital Value of £500,000 for the upper parts.

EPC

The Energy Performance Certificates for the property are available upon request.

SUBJECT TO CONTRACT

FURTHER INFORMATION

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Retail property expertise

**APPENDIX 7
RETAILER DEMAND SCHEDULE**

Retailer Requirements

Retailer	Fascia	Ground Floor Area Sq ft	Ancillary Floor Area Sq ft	Use	Planning Use Required	Comment
Anglia Home Furniture	AHF	10,000		Furniture	Bulky Goods	
Aldi	Aldi	18,700		Food store	Open A1 Food	Have 2 store existing and would remain open
Arcadia	The Outfit	10,000	8,000 mezzanine	Fashion	Open A1	
B&M Bargains	B&M	25,000	7,000 garden centre	Discount Variety Store	Open A1	
B&Q	B&Q	50,000	25,000 garden centre	DIY	Bulky Goods DIY	Possible relocation
Bensons Beds	Bensons Beds	5,000		Furniture	Bulky Goods	
Boots	Boots	10,000	2,000	Chemist/Drugstore	Open A1	Already represented in town centre, this would be additional representation.
Brantano	Brantano	5,000		Footwear	Open A1	
Carphone Warehouse	Carphone Warehouse	1,500		Phones	Open A1	
Decathlon	Decathlon	25,000		Sportsgoods and clothing	Restricted A1	
Dunelm	Dunelm	22,000	20,000 Mezzanine	Home Furnishings	Bulky Goods	Over trade from current premises and would relocate to suitable site, subject to disposal of existing lease.
Evans Cycles	Evans	5,000		Bicycles	Open A1	
Go Outdoors	Go Outdoors	30,000		Outdoor Equipment & clothing	Restricted A1	
Home Bargains	Home Bargains	15,000		Discount Variety Store	Open A1 & 30% food	
Iceland	Iceland	10,000		Food store	Open A1 Food	Would remain open in town centre
TK Maxx	TK Maxx	22,000		Discount fashion	Open A1	Would relocate from town centre
TK Maxx	Home Sense	18,500		Home Wares Home furnishings/furniture	Open A1 & Bulky Goods	Could operate from mezzanine above TK Maxx
JD Sports	JD Sports	5,000	2,500	Sports Fashion	Open A1	Do not have an active requirement but would consider a relocation to an out of centre fashion park
Lidl	Lidl	26,500 - 29,000		Food store	Open A1 Food	Require 120 car spaces. Recently refused planning on site opposite
Marks & Spener	M&S Simply Food	11,000	5,000 mezzanine	Food store	Open A1 Food	
Matalan	Matalan	12,000	6,000 mezzanine	Fashion	Open A1	
McDonald's	McDonald's	4,000		Restaurant/Take-away	A3	Require A3 Drive-Thru. Would keep other two restaurants open.

Retailer Requirements

Next	Next Home	25,000	50,000 on two upper floors	Fashion, footwear, jewellery, accessories, homeware, garden and electrical goods etc	Open A1	Have considered Maylands Avenue and Jarman Park. Maylands Avenue is preferred. Would not necessarily close town centre store of 14,000 sq ft on 3 levels. Lease expires 2020.
Oak Furnitureland	Oak Furnitureland	10,000		Furniture	Bulky Goods	
Poundland	Poundland	7,000		Discount Variety Store	Open A1	
Poundworld	Poundworld	5,000/7,000		Discount Variety Store	Open A1	Would remain open in town centre
Smyths Toys	Smyths Toys	15,000	5,000	Toys	Restricted A1	
Sofa Works	Sofa works	10,000		Furniture	Bulky Goods	
Tapi	Tapi	7,500		Carpets	Bulky Goods	
Wilko	Wilko	10,000	2,000	Discount Variety Store	Open A1	Already represented in town centre, this would be additional representation.

**APPENDIX 8
SUGGESTED PLANNING CONDITIONS
JARMAN PARK AND MAYLANDS AVENUE**

Jarman Park,

Relevant conditions recommended to committee:

- The Class A1 retail development hereby permitted shall have a maximum gross floor area of 10,305sqm comprising of;
 - 1505sqm convenience food gross floor space (822sqm net sales area)
 - 8800sqm comparison non-food gross floor space (8000sqm net sales area).

Reason: To limit the impact of the development on the vitality and viability of Hemel Hempstead Town Centre in accordance with Core Strategy Policy CS16.

- The Class A1 retail units hereby permitted shall have a minimum gross floor space of 696sqm.

Reason: To limit the impact of the development on the vitality and viability of Hemel Hempstead Town Centre in accordance with Core Strategy Policy CS16.

- The A1 retail use hereby permitted shall not be used for the sale and display of clothing and footwear (except ancillary clothing or footwear for DIY, motoring or cycling activities) unless formal written approval has been granted by the local planning authority.

Reason: To limit the impact of the development on the vitality and viability of Hemel Hempstead Town Centre in accordance with Core Strategy Policy CS16 and to allow the local planning authority to retain control over the type of goods sold.

- The Class A1 retail units shall only be used for Class A1 uses in accordance with other conditions of this planning permission and the Class A3 unit shall only be used for Class A3 uses and for no other purpose of the Schedule to the Town and Country Planning (Use Classes) Order 1987, or in any provision equivalent to that Class in any statutory instrument revoking and re-enacting that Order with or without modification and for no other purpose permitted under Part 3 of the Town and Country Planning (General Permitted Development, England) Order 2015, unless otherwise agreed in writing with the local planning authority.

Reason: In the interests of safeguarding the vitality and viability of Hemel Hempstead Town Centre.

Aviva Proposal – Maylands Avenue Conditions suggested by applicant

Appendix 1: Proposed Conditions

1. The total retail floorspace (Class A1) to be provided at the site shall not exceed 12,503 sq. m (GIA).
2. The total leisure floorspace (Class A3) to be provided at the site shall not exceed 1,031 sq. m (GIA).
3. The primary retail sale and display of convenience goods shall not take place from more than 1,414 sq. m (net sales).
4. The retail sale and display of comparison goods shall not take place from more than 7,848 sq. m (net sales).
5. The retail units hereby permitted shall not be used for the primary sale of any of the following goods:
 - a. Clothing and Footwear;
 - b. Jewellery and fashion accessories; and
 - c. Pharmaceuticals, toiletries and cosmetics.
6. Notwithstanding Condition 5, the retail sale and display of clothing and footwear, jewellery and fashion accessories is permitted from up to 1,350 sq. m but only when sold from a single unit which also includes the sale of some or all of the following goods from a minimum of 1,350 sq. m:
 - a. DIY and garden goods;
 - b. Furniture;
 - c. Hard and soft furnishings
 - d. Electricals;
 - e. Homewares;
 - f. Flooring and floor coverings; and
 - g. Seasonal goods for the home and garden.
7. Notwithstanding Condition 5, the retail sale and display of sports clothing and footwear, is permitted from up to 825 sq. m but only when sold from a single unit which the primary use (defined as more than 50% of the net sales area) is for the retail sale and display of sports equipment and outdoor pursuits equipment.
8. The retail floorspace hereby permitted shall not be used to create more than six individual units at the application site.
9. No unit at the application site in use within Class A1 shall have a gross internal area of less than 650 sq. m.

In addition applicant has confirmed:

“We are happy to tweak the conditions that have been proposed to ensure that general clothing and footwear can only be sold from an ancillary area (e.g. 5% of net sales). PBA raise concern that up to 49% of a unit could be used under the original wording.

We can also confirm that the applicant is happy to reduce the quantum of Class A3 floorspace from 1031 sq. m to 650 sq. m again to limit competition with the town centre.”

APPENDIX 6

REPRESENTATIONS RECEIVED

Strategic Planning and Regeneration

1. The proposed development

The proposed development on the 'Aviva site', as amended by Savills' letter of 2 October 2015, consists of:

- A food store, with a gross internal floorspace of 2,356 m² and net sales area of 1,414 m² (convenience floorspace of 1,060 sq. m and comparison floorspace of 353 m²).
- Non-food retail units, with a gross internal floorspace of 10,147 m².
- 1,031 m² of restaurants (A3 use).
- 3,004 m² of offices (use class B1).
- 553 car parking spaces.

An estimated 559 full time equivalent jobs would be created.

The 2 October 2015 letter reduced the A3 floorspace to 650 m² and proposed a number of planning conditions, designed to mitigate the impact on Hemel Hempstead town centre. These conditions include restricting the convenience floorspace to 1,414 m² net sales area and the comparison floorspace to 7,848 m² (gross internal floorspace). Other proposed conditions include a limit on clothing and footwear to 3% of the net sales area of each unit, except for the following units where such goods could occupy up to 50% of the space:

- A unit of up to 2,700 m² net sales area, which would also sell goods such as furniture, furnishings and garden centre goods (likely to be occupied by Next Home and Garden);
- A unit of up to 1,650 m², which would also sell sports equipment (likely to be occupied by Decathlon).

2. Planning policy context

(i) National context

The proposed retail development should be considered against paragraphs 24-27 in the National Planning Policy Framework (NPPF) and the Planning Practice Guidance on 'Ensuring the vitality of town centres'.

Given the site's location and the scale of retail development proposed, a sequential test should be applied and a retail impact assessment is required.

NPPF paragraph 22 is also relevant as the proposed development involves land

allocated for employment use.

(ii) Dacorum planning policy context

An overview of the Council's planning policies for the site is provided below and more details can be found in the Appendix at the end of these comments:

Dacorum Local Plan (April 2004)

Most of the Aviva site is located in the Maylands Avenue General Employment Area (GEA), which is allocated for business use in saved Local Plan Policy 31. This GEA is designated as a 'Core Office Location' in this policy. The southern part of the site is protected as 'open land' through saved Policy 116.

Saved Policy 44 requires shopping proposals outside defined centres to demonstrate that a sequential approach to site selection has been followed and that there is a need for the development.

Maylands Master Plan (September 2007)

The master plan shows the Aviva site as located in the Maylands Gateway character zone and states that Maylands Gateway will be a first rate business park for uses such as higher education, HQ offices, conference facilities and hotel uses. The Maylands Gateway character zone shows employment development on the open land protected by saved Local Plan Policy 116, as well as the GEA land. Therefore,

Maylands Gateway Development Brief (July 2013)

A revised brief on the Maylands Gateway site was approved by the Council as a planning policy statement in July 2013. This document is more flexible over the type of jobs to be provided, including high quality B8 developments given current economic circumstances.

Dacorum Core Strategy (September 2013)

A key aim of the Core Strategy is to encourage employment development on the Maylands Business Park. Core Strategy Policies CS1, CS14, CS15 and CS34 and Figure 18 are particularly relevant. Policy CS34 provides detailed guidance on the Maylands Business Park and states that specific opportunities for each character zone are identified in Figure 18. Figure 18 states that the type of uses suited to the Maylands Gateway will primarily be HQ offices, conference facilities and a hotel.

Core Strategy Policy CS16 (shops and commerce) directs most retail development to the town and local centres. The policy also makes it clear that:

"New retail floorspace will only be permitted outside of defined centres if the proposal complies with the sequential approach and demonstrates a positive overall outcome in terms of the impact assessment."

Site Allocations Development Plan Document, Pre-Submission version

(September 2014) as amended by the Focused Changes (August 2015)

The Site Allocations document is due to be submitted to the Planning Inspectorate in February 2016. However, the document does not deal with the Maylands Business Park. It was intended to cover this area in the East Hemel Hempstead Area Action Plan, but it is now expected that it will be considered in the single Local Plan. The Site Allocations document does include proposals for employment and retail development elsewhere in Hemel Hempstead.

Dacorum single Local Plan

Work has started on the evidence base for the single Local Plan. Once adopted, the single Local Plan will replace the existing saved Local Plan policies, the Core Strategy and (if adopted) the Site Allocations.

(iii) St Albans Strategic Local Plan

St Albans District Council consulted on its Draft Strategic Local Plan in autumn 2014. The draft plan proposes 2,500 homes and employment development at East Hemel Hempstead on Green Belt land between the existing built up area and the M1. This land is located immediately to the east of Maylands Business Park and the Buncefield Oil Terminal.

The Council's Cabinet is recommending Full Council on 2 December to publish the Pre-submission version Strategic Local Plan. Publication is scheduled for 8 January 2016. Once published, the document should be given considerable weight given NPPF paragraph 216.

The draft Pre-submission document includes the following guidance on the proposed employment development at East Hemel Hempstead:

“Significant scale employment provision for a range of uses including: offices, research and development, light industrial and logistics; broadly within the 55 Hectare area north of Breakspear Way and south of Punchbowl Lane. The first phase of employment development will be required to provide some starter units / incubator space. Sufficient variety of employment uses must be provided over time to offer in the order of up to 8,000 jobs. Over-concentration of low employment generating logistics uses will not be permitted.”

3. Existing planning permissions at the application site

The Peoplebuilding scheme involves six large office buildings, with a total floorspace of 60,960 m², as a result of permissions 4/00851/01, 4/01474/01 and 4/02728/03. Only one office building (10,160 sq. metres), permitted under 4/00851/01, has been built. According to the applicants none of the permissions can lapse, as 4/00851/01 has been partly implemented and we understand that preliminary works were carried out many years ago to constitute a 'start' on the other schemes. If this is correct, it means that permission exists for a further 50,800 m² of offices on the site subject of the current Aviva planning application.

4. Should the site be retained for B-class employment uses?

Whilst the proposed office building proposed is consistent with planning policy, the retail development is not, as the Council's policy is for B-class employment development on this land.

The designation of the southern part of the site as open land in the Local Plan is not a reason to resist the proposed development. This conclusion reflects the planning permissions for the Peoplebuilding scheme and the fact that the Maylands Master Plan, the Maylands Gateway Development Brief and the Core Strategy propose development across the whole site. Nevertheless, it would be beneficial to retain an open setting to any development, particularly along Maylands Avenue and Breakspear Way.

In order to reach a conclusion on whether the site should be retained for B-class uses, it is necessary to address the following key issues:

- Issue 1: How important is the Maylands Gateway in meeting Dacorum's future needs for B-class employment?
- Issue 2: Is the site commercially attractive for B-class employment development?
- Issue 3: Are the employment targets in the Dacorum Core Strategy likely to be achieved?

Issue 1: How important is the Maylands Gateway in meeting Dacorum's future needs for B-class employment?

Roger Tym & Partners advised the Council in their 2010 and 2011 Employment Land Update reports, that there were strong grounds for retaining this site in B-class employment use. This conclusion reflected the site's location in the Maylands Business Park, which is the Borough's premier employment location and the proposed location for the majority of future B-class development in Dacorum.

A key aim of the Core Strategy is to encourage employment development on the Maylands Business Park. Paragraph 12.9 states that the majority of employment growth will be directed to Maylands Business Park and that the Maylands Gateway will provide the most prominent location for new offices. The importance of the business park in general and the Gateway in particular is underlined by the proposals in the Maylands Master Plan and Maylands Gateway Development Brief (see page 18 below). Furthermore, the emerging South West Hertfordshire Economy Study (see page 18) regards Maylands Business Park as a strategically important employment area of regional significance

The Council's employment monitoring indicates that office floorspace in the borough during the rest of the Core Strategy plan period (2015-2031) is likely to decline, if Maylands Gateway is excluded from the calculations. Also, Maylands Gateway is estimated to provide 70% of the borough's net 2015-2031 increase in industrial, storage and distribution floorspace. Indeed, excluding Maylands Business Park it is forecast that the Borough will experience a net loss of office and of industrial, storage and distribution floorspace.

This illustrates the fact that there is very little land available for B-class employment development in Dacorum, except at Maylands. Another factor is that many B-class sites in the Borough are being lost to other uses, partly because of prior approval proposals for changes of use from offices to residential (well over 300 homes have been permitted on such schemes since 2013).

A further point to weigh in the balance is the proposal expected in the Pre-submission St Albans Strategic Local Plan for 55 hectares of B-class development at East Hemel Hempstead (see page 3 above). This land will form an extension to the Maylands Gateway site. In total, within Dacorum and St Albans there would be around 85 hectares of B-class development land at Maylands Gateway. There would still be nearly 80 hectares of such land if the Aviva application is approved.

Conclusion: Maylands Gateway is of great importance in meeting Dacorum's future needs for B-class employment. However, the proposal for employment development at East Hemel Hempstead in the proposed St Albans Strategic Local Plan means that there is now a very large reserve of land for B-class uses in the expanded Gateway area. Therefore, it would be reasonable to accept the loss of a limited amount of this land to other uses, but only if there is a clear justification for such uses.

Issue 2: Is the site commercially attractive for B-class employment development?

Aviva's planning application is accompanied by an 'Analysis of Supply and Demand for Offices in Hemel Hempstead', by commercial agents Brasier Freeth. This report states that large scale speculative office development on the Aviva site is not viable and there is little prospect of this situation changing in the foreseeable future.

However, it should be noted that:

- Office vacancy levels in Hemel Hempstead have fallen by 40% since 2009.
- The Dixons building in the Heart of Maylands has been sold for continued office use after Dixons move out. A planning application (4/03425/15/MFA) has been submitted for remodelling and refurbishment of the existing building for continued office use.
- A number of firms have been involved in discussions with the Council recently about possible major office and warehouse development elsewhere in Maylands Gateway.
- The Brasier Freeth report does not look at the prospects for securing types of B-class uses other than offices on the Aviva site.
- The Homes and Communities Agency (HCA) owns a large site (13 hectares) immediately to the east of the Aviva site. This site has recently been marketed and the HCA is currently evaluating over 10 bids, which all propose B-class development (mainly warehousing). A decision on the winning bid is expected by Christmas.

It is also important to take account of the following emerging findings in the South West

Hertfordshire Economy Study (see page 18 below):

- South West Hertfordshire has all the key ingredients of a successful growing economy and the economic forecasts suggest that employment will continue to grow at a faster rate than the UK average. In particular, a significant increase in demand for office space over the next twenty years is forecast.
- Maylands Business Park is a strategically important employment area of regional significance. Demand for industrial and warehouse and distribution uses is strong and this is the premier location for such uses in the sub-region. Demand for offices is not as strong.
- There is considerable room for expansion of employment uses at Maylands Gateway, which should be supported for future expansion of the industrial area.

Conclusion: if the Aviva site were marketed for B-class uses in the current market it is highly probable that there would be a high level of interest for warehousing development. It seems unlikely that the whole site would go for offices, although a significant office element might be included. In the future, it is probable that the site will become a commercially attractive for office development, but it is not possible to say how soon this might be.

Issue 3: Are the employment targets in the Dacorum Core Strategy likely to be achieved?

Core Strategy Policy CS14 states that sufficient land will be allocated to accommodate growth in the economy of approximately 10,000 jobs between 2006 and 2031.

Policy CS15 states that a minimum area of land will be identified and retained for B-class uses, including General Employment Areas (which will be protected for B-class uses). The policy sets the following targets for the 2006-2031 plan period:

- Around 131,000 sq. metres (net) additional office floorspace; and
- Nil net change in floorspace for industry, storage and distribution.

The Council has recently produced two documents that include important information on progress in relation to the targets in Policies CS14 and CS15:

- **Strengthening Economic Prosperity Background Issues Paper (June 2015):** the Issues Paper was published alongside the Site Allocations Focused Changes document. It includes an assessment of potential floorspace change over the Core Strategy plan period. For some of the sites in the Maylands Business Park, floorspace assumptions are made for two scenarios:

Scenario 1: high industrial/warehousing growth
Scenario 2: high offices growth

These scenarios reflect the uncertainty over whether some key sites, particularly the Maylands Gateway site (including the Aviva site), will be developed mainly for industrial/warehousing floorspace or offices.

- **Dacorum Annual Monitoring Report (AMR) 2014/15:** the AMR provides the most up-to-date monitoring information on completions and job growth since 2006 and prospects for future change to 2031. It now seems likely that the Maylands Gateway is likely to be developed mainly for warehousing. Therefore, the estimates in the AMR are based on this probability and the report does not include a high offices growth scenario.

Estimated floorspace change 2006-2031: the AMR contains the following estimates of floorspace change in Dacorum 2006-2031 (figures are in sq. metres):

	2006-2015	2015-2031	Total 2006-2031
Offices	-55,600	11,500	-41,600
Industry, storage and distribution	-36,300	86,100	51,300

These calculations suggest that there will be a substantial net loss of office floorspace over the Core Strategy plan period, rather than the major floorspace increase (130,000 sq. metres) proposed in Policy CS14. However, a modest net increase in floorspace is likely during the remainder of the plan period (2015-2031).

In contrast, a large increase in industry, storage and distribution floorspace is forecast between 2006 and 2031, rather than the nil net change proposed in Policy CS15.

The calculations assume 26,000 sq. metres of industry, storage and distribution floorspace on the Aviva site. The current Aviva planning application includes 3,000 sq. metres of offices, but no industry, storage and distribution space. Therefore, if the Aviva scheme goes ahead, it would slightly reduce the overall loss of office floorspace and reduce the increase in industry, storage and distribution space to around 25,000 sq. metres.

However, if it is assumed instead that the Aviva site is developed for 50,800 sq. metres of offices (as per the original Peoplebuilding planning permissions), it would result in an overall estimated 2006-2031 office floorspace growth of about 6,000 sq. metres. It would also reduce the increase in industry, storage and distribution space to around 25,000 as with the Aviva application.

Estimated jobs growth 2006-2031: the AMR estimates that there will be an increase of 9,900 jobs in the Borough 2006-2031, as shown below:

Jobs growth 2006-2014	3,900
Offices jobs growth 2014-2031 ¹	800

¹ The South West Hertfordshire Economy Study assumes 14.4 sq. metres per worker for office floorspace, 47.1 sq. metres per worker for industrial floorspace and 80 sq. metres per worker for warehousing floorspace (figures are for gross external area). As most of the new industrial/warehousing development in the Borough is likely to be warehousing, it seems reasonable to assume an overall average of 70 sq. metres per worker for industrial, storage and distribution floorspace.

Industry, storage and distribution jobs growth 2014-2031 ¹	1,200
Non-B jobs growth 2014-2031 ²	4,000
Total jobs growth 2006-2031	9,900

There is considerable uncertainty regarding such estimates, but it is concluded that the Borough is almost exactly on line to achieve the target in Policy CS14 of 10,000 additional jobs 2006-2031.

The calculations assume 370 industry, storage and distribution jobs on the Aviva site (assuming 26,000 sq. metres of floorspace). The current Aviva planning application would provide an estimated 559 full time equivalent jobs. The actual job numbers would be considerably higher, as many retail jobs are part time. Therefore, if the Aviva scheme goes ahead, it would increase the total jobs growth estimate to well over 10,000.

Alternatively, assuming 50,800 sq. metres of offices on the Aviva site (as per the original Peoplebuilding planning permissions) would result in around 3,500 jobs. This would increase overall estimated 2006-2031 jobs growth in the Borough to about 13,000.

Job growth will be considerably higher than indicated above if the proposed 8,000 jobs within St Albans District at East Hemel Hempstead are taken into account (see page 3). The proposed St Albans Strategic Local Plan does not see these jobs as counting towards Dacorum's needs, but in practice many jobs would be taken by Dacorum residents. However, the figure of 8,000 jobs seems high as much of the land is likely to be used for B8 purposes, because part of the site adjoins the Buncefield Oil Terminal.

Conclusion: there are mixed messages – office floorspace over the Core Strategy plan period is forecast to be way below target, whilst industrial, storage and warehousing floorspace is expected to be substantially above target. Job growth 2015-2031 is forecast to meet the Council's target. In addition, there is likely to be large scale employment floorspace and jobs growth within St Albans District immediately adjoining Dacorum at East Hemel Hempstead.

Overall conclusion on whether the site be retained for B-class employment uses

The examination of Issues 1-3 above clearly shows that there are a wide range of factors that should be considered relating to this question. After taking account of all these factors, it is concluded that most of Maylands Gateway should be retained for B-class uses. Nevertheless, it would be reasonable to accept the loss of a limited amount of this land to other uses, but only if there is a clear justification for such uses. The Aviva site should be considered in this context.

5. Is the application acceptable on retail planning grounds?

² Table 5.1 in the Dacorum Employment Land Update (Roger Tym & Partners, July 2011) contains forecasts of non-B jobs growth 2006-2031. The Spring 2011 scenario in this table shows non-B jobs increasing by 235 p.a. Therefore, it is assumed that there will be an increase of around 4,000 non-B jobs in the Borough 2014-2031 (i.e. 235 x 17).

It is necessary to consider whether the Aviva application is acceptable on retail planning grounds. The key issues that should be examined are as follows:

- Issue 1: Is the site in an edge of centre or out of centre location?
- Issue 2: Does the proposed development meet the sequential test?
- Issue 3: Is Jarman Fields or the Aviva site the most appropriate location for further out of centre retail development?
- Issue 4: Is the impact of the proposed development on Hemel Hempstead town centre and the local centres acceptable?
- Issue 5: Is there a quantitative need for the proposed retail development?
- Issue 6: Is Hemel Hempstead town centre sufficiently healthy to withstand competition from new out of centre developments?
- Issue 7: Is there sufficient retailer demand to make the Jarman Fields and Aviva schemes viable?
- Issue 8: Would the Jarman Fields and Aviva schemes be likely to lead to retailers relocating from Hemel Hempstead town centre?
- Issue 9: If the development is permitted, should conditions be imposed to restrict the type of goods sold?

These issues are examined below, in the light of the following advice from the Council's retail consultants' Peter Brett Associates (PBA) and commercial consultants Chase and Partners (C&P):

- Land at Maylands Avenue Retail Review (PBA September 2015)
- Land at Maylands Avenue, Further Retail Review (PBA November 2015)
- Retailer Demand Assessment in connection with proposed developments at Jarman Park and Maylands Avenue (C&P November 2015)

PBA have been advising the Council on the retail planning issues regarding this application and two other applications:

- 4/00424/15/MOA: 10,300 m² retail floorspace (1,500 m² convenience floorspace and 8,800 m² comparison floorspace) at Jarman Fields, Hemel Hempstead.
- 4/01031/15/MFA: 2,000 m² Lidl foodstore at Breakspear House, Maylands Avenue, Hemel Hempstead (opposite the Aviva site).

The Jarman Fields and Lidl applications have been refused. An appeal has been

lodged following refusal of the Jarman Fields application.

Issue 1: Is the site in an edge of centre or out of centre location?

Paragraph 6.2 in Savills' Planning Statement accompanying the application classifies the site as edge of centre. However, section 4.1 in PBA's Retail Review (RR) concludes that the site is in an out of centre location. We agree with PBA's view.

Issue 2: Does the proposed development meet the sequential test?

Section 6 of Savills' Planning Statement provides an assessment of the potential impact of the proposed development. Sections 4.3-4.6 in the RR are relevant. Paragraph 4.6.3 concludes that the proposed development is compliant with the sequential approach. We agree.

Issue 3: Is Jarman Fields or the Aviva site the most appropriate location for further out of centre retail development?

The table in paragraph 4.5.2 of the RR indicates that the Jarman Fields site is not sequentially preferable to the Aviva site. This is because they are both defined as out of centre sites. Nevertheless, we consider that the Jarman Fields site is clearly a more suitable location for retail development on overall planning grounds because:

- The Jarman Fields site is allocated for shopping development in the Local Plan and a broadly similar allocation is proposed in the Site Allocations.
- The Jarman Fields proposal involves the expansion of an existing well established out of centre retail and leisure location.
- Jarman Fields is closer to the town centre than the Aviva site.
- The Aviva scheme involves the loss of key employment development land, contrary to the Council's policies.

Indeed, there is a danger that the development of the Jarman Fields site will be jeopardised if the Aviva application is permitted. Therefore, if it is concluded that only one out of centre retail development should be supported, it should be at Jarman Fields, not on the Aviva site. In other words, a retail development should be permitted on the Aviva site only if it is concluded that it would be appropriate to permit two such developments.

The fact that recent planning application 4/00424/15/MOA for retail development at Jarman Fields was refused does not alter the position. This is because the refusal was concerned with the scale and nature of the proposed development, not the principle of retail development on the site. Nor is the position changed by the fact that the planning permission for bulky goods retailing at Jarman Fields has lapsed, given that the site is still allocated for retail development.

It is important to understand the planning policy context concerning the vacant land at Jarman Fields. This site was allocated in the Local Plan as site S3 and the proposal for S3 in the Schedule of Shopping Proposal Sites is as follows:

“Mixed use scheme including shopping, offices, leisure, catering establishments and residential. Non-food retail warehousing also acceptable as part of mix or as a stand alone park.”

Site S3 was linked to Local Plan Policy 41, but this policy has not been saved. However, Appendix 2 in the Council’s Local Development Scheme 2014-17 states that the schedules and appendices in the Local Plan are retained in their entirety, until updated and superseded by subsequent DPDs or decisions. Appendix 1 in the Pre-Submission Site Allocations document is also relevant. The text at the end of this appendix means that the Local Plan’s Schedule of Shopping Proposal Sites will be superseded once the Site Allocations is adopted, but not before. Furthermore, the Local Plan Proposals Map (which shows site S3) has been saved and is still valid. Therefore, Local Plan allocation S3 is saved and will remain so until the Site Allocations is adopted.

The Site Allocations Focused Changes (see page 21) lists the Jarman Fields site on the Schedule of Retail Proposals and Sites as proposal S/1. The planning requirements for S/1 include the following:

“Acceptable uses are retail and leisure uses. Approximately 7,000 sqm (gross) of retail space is acceptable, except for the sale and display of clothing and footwear, unless ancillary to the main use of an individual unit.”

The only objection to proposal S/1 in the Focused Changes came from the Tesco Pension Fund (who submitted the recent Jarman Fields application). They consider that the floorspace figure should be increased to approximately 10,000 sq. metres and for ‘bulky’ to be deleted from Table 1 in the Site Allocations document. This objection will be considered by the Council’s Cabinet on 15 December.

Given the above, it is very likely that S/1 will be included in the adopted Site Allocations document, possibly with a higher floorspace (if the Inspector recommends in favour of Tesco Pension Fund’s objection). Consequently, considerable weight should be given to the S/1 proposals, taking account of paragraph 216 in the NPPF.

It is clear, therefore, that the Jarman Fields site is still allocated as a shopping proposal in the Local Plan (site S3) and that it is expected to be allocated as a retail site in the Site Allocations (site S/1).

Conclusion: Jarman Fields is the most appropriate location for further out of centre retail development.

Issue 4: Is the impact of the proposed development on Hemel Hempstead town centre and the local centres acceptable?

Savills considered impact in section 7 of their Planning Statement and in their 2 October letter. PBA’s original advice is contained in section 5 of the RR and they provided further advice in sections 4 and 5 of the Further Retail Review (FRR). The RR (paragraph 5.9.2) states that the key concern arising relates to the effects of the forecast trade diversion on the vitality and viability of Hemel Hempstead town centre.

The RR and section 4 in the FRR deal with the ‘solus’ impact of the Aviva scheme i.e. the impact arising only from the current application proposals. However, section 5 in the FRR considers cumulative impact i.e. the combined impact of the Aviva scheme, the Jarman Fields development and the recently refused Lidl application.

Section 5 in the FRR looks separately at comparison impact and convenience impact. Comparison retailers are those that specialise in items for the home such as DIY, furniture, homewares and white goods, personal goods (e.g. clothes, footwear and chemists), or personal interests/hobbies such as books and sporting goods. Convenience retailers such as butchers, grocers, fishmongers and supermarkets supply the basic day to day goods that people purchase, including food, alcohol, tobacco and newspapers. Paragraph 5.1.5 in the FRR explains that the comparison impact is the most relevant in relation to Hemel Hempstead town centre, but the convenience impact is the key issue regarding impact on local centres.

Given the conclusions on Issue 3 above, it should be assumed that a retail development at Jarman Fields will go ahead. Therefore, the conclusions on impact should reflect the cumulative impact of both the Jarman Fields and Aviva schemes, rather than the solus impact of the Aviva scheme. The Lidl proposal should be also assessed, because of the possible impact on local centres.

Despite the above, it is worth noting that even PBA’s solus impact assessment shows that an unrestricted retail development on the Aviva site would not be acceptable and would cause a significant and adverse impact on Hemel Hempstead town centre. However, PBA consider that the solus impact could be acceptable if the amount of fashion floorspace is carefully controlled through planning conditions (see FN paragraphs 16 and 40; FRR sections 4 and 6.2).

PBA’s conclusions on cumulative impact are summarised below:

- **Cumulative comparison impact on Hemel Hempstead town centre** (FRR sections 5.2, 5.4, 5.5 and 6.3): paragraph 5.5.3 assumes that the Aviva and Jarman Fields schemes will be controlled to limit the amount of floorspace devoted to clothing and fashion. Nevertheless, paragraph 6.3.1 states that there is the potential for a significant adverse impact on Hemel Hempstead town centre, particularly due to diversion within the comparison goods sector. The following conclusion is reached in paragraph 6.3.5:

DBC
balanced “The results of the cumulative assessment exercise demonstrate that should only support either Jarman Fields or Aviva. This is a finely balanced view and DBC will need to weigh this into the planning balance.”

- **Cumulative convenience impact on Hemel Hempstead town centre** (FRR sections 5.3-5.5 and 6.3): paragraph 6.3.3 states that the cumulative convenience impact on Hemel Hempstead town centre would be less pronounced than the comparison impact. This is primarily because there is only one significant foodstore in the town centre, so any additional convenience floorspace would compete mainly with other out of centre stores.

- **Impact on existing local centres** (FRR paragraphs 4.6, 4.7, sections 5.2-5.4 and 5.6): PBA have assessed the impact on the Adeyfield, Leverstock Green and Woodhall Farm local centres. Paragraph 5.6.1 concludes as follows:

“With regard to cumulative impact, as set out above, it is the convenience element of the impact that is the most relevant consideration as the combined analysis is not fine grain enough to understand the impact on specific centres. When an overall approach is adopted, an impact of c.4% is forecast. As previously confirmed, PBA do not consider this to be likely to cause a significant adverse impact on the vitality and viability of those centres.”

- **Impact on proposed Heart of Maylands local centre** (FRR section 3): the new Heart of Maylands local centre is now under construction and the convenience store within the centre has been let to Sainsbury’s Local. Hightown Housing Association (the Heart of Maylands local centre developers) made representations on the proposed Lidl foodstore opposite the Aviva site on Maylands Avenue. In response, PBA recommended conditions preventing the Lidl store having various in-house facilities and restricting the sale of certain goods. PBA are now recommending that the same conditions should be imposed on the foodstore element of the Aviva scheme, in order to mitigate the impact on planned investment in the Heart of Maylands.

Issue 5: Is there a quantitative need for the proposed retail development?

The NPPF does not require ‘need’ to be demonstrated to justify retail development. However, Aviva’s proposed retail development is contrary to the Council’s planning policies on employment land. Therefore, the proposed retail development should not be permitted unless a clear need for retailing on the site can be demonstrated, sufficient to justify making an exception to the employment policies. As a result, the need for the retail development is a legitimate planning issue in this instance.

Small scale retail uses that primarily serve the Maylands Avenue GEA are acceptable in terms of Local Plan Policy 31. Also, the Maylands Master Plan allows for small scale food and drink uses in the Maylands Gateway. However, the Aviva scheme is contrary to Policy 31 and the Master Plan because:

- The large scale and nature of the proposed retail development means that it would serve a much wider area than just the Maylands Business Park.
- The Aviva scheme might have a detrimental effect on the Heart of Maylands local centre.

In reaching conclusions on Issue 5, it is important to take account of the recently refused Jarman Fields and Lidl applications as well as the Aviva application.

(a) Quantitative need for a foodstore

The Retail Study Update 2011 (see page 19 below) identified a demonstrable need for additional convenience goods floorspace to serve Hemel Hempstead and advised that this need should be met in the town centre. However, paragraph 3.7 in the Retail Study indicated that limited reliance should be placed on these longer term horizons and certainly beyond 10 years. Therefore, Core Strategy Policy CS16 proposes an additional 6,000 sq. metres (net) of convenience floorspace in the town centre in the period to 2031 “if there is demand”.

Since the Retail Study was produced, the main changes of circumstances have been:

- Tesco’s Jarman Park extension has increased net convenience floorspace at this superstore by 684 sq. metres.
- Aldi has opened two discount foodstores in the town (total net convenience floorspace = 1,876 sq. metres).
- The Pre-Submission Site Allocations document proposes mixed uses including retail (possibly including a food store) on the West Herts College/Civic Zone site. However, a large foodstore is unlikely to be built on this site (see Issue 2 above).

The total net convenience floorspace in the Tesco extension plus the Aldi stores is around 2,560 sq. metres. This is close to the assessed convenience floorspace need in Hemel Hempstead to 2016 (i.e. 2,805 sq. metres – see paragraph 3.30 in the Retail Study Update). It is some 1,200 sq. metres below the assessed need to 2021 (3,764 sq metres). Also relevant is that the actual turnover achieved at Aldi’s new Hemel Hempstead stores is considerably higher than the relatively low levels expected.

The new Marks and Spencer foodstore and the permitted Lidl supermarket in Berkhamsted will more than meet that town’s assessed need for additional convenience floorspace to 2031. This may slightly reduce the need for further convenience floorspace in Hemel Hempstead.

Proposals for large scale proposed housing growth at Spencer’s Park (around 1,000 homes, mainly in Dacorum/partly in St Albans District) and at East Hemel Hempstead (around 2,500 in St Albans) increases the case for additional convenience floorspace in the eastern part of the town. However, this has not been quantified. At present, only limited local shopping facilities are proposed in association with these developments.

A further 3,200 sq. metres net of convenience floorspace is proposed in the current Aviva application and the recently refused Jarman Fields and Lidl applications:

	Net convenience floorspace (sq. m)
Aviva	1,414
Lidl	982
Jarman Fields	812
Total	3,208

Conclusion: it appears that there may be a quantitative need for just one of the

currently proposed foodstores to meet identified short term needs, although it should be noted that the forecasts in the Retail Study Update are now quite old. Planned housing development in eastern Hemel Hempstead may provide a justification for some further convenience provision in this part of the town, although no assessment has been made to confirm whether this is the case.

(b) Quantitative need for comparison floorspace

The Retail Study Update 2011 (see page 19 below) showed a theoretical capacity for an additional 15,500 sq. metres of comparison shopping to serve Hemel Hempstead between 2009 and 2021 and a total of 47,500 sq. metres over the whole 2009-2031 period. However, paragraph 3.7 in the Retail Study stated that limited reliance should be placed on these longer term horizons and certainly beyond 10 years. Also, paragraph 5.4 advised that there was no need to consider further allocations for comparison floorspace until marked improvements are noted in vacant floorspace levels in the town centre and the trading performance of existing stores.

The Aviva scheme proposes nearly 7,500 sq. metres of net comparison floorspace, whilst the figure for the refused Jarman scheme is 8,000 sq. metres. This gives a total of around 15,500 sq. metres, which is the same figure as in Policy CS16 for the period to 2021. It should also be borne in mind that:

- The Council's Annual Monitoring Report states that since 2009 there has been a modest decrease in floorspace.
- There are currently no significant commitments for new comparison floorspace in Hemel Hempstead.

At present there are no sites available in the town centre, or on the edge of the centre, for significant additional comparison floorspace provision. As a result, out of centre sites will have to be considered to meet any current needs.

Conclusion: it appears that there may be a quantitative need for both the Jarman Fields and Aviva schemes to meet comparison floorspace needs, although it should be noted that the forecasts in the Retail Study Update are now quite old. This conclusion is also subject to considering whether the town centre is sufficiently healthy to withstand such competition (see Issue 6 below).

Issue 6: Is Hemel Hempstead town centre sufficiently healthy to withstand competition from new out of centre developments?

Section 3 in the Retailer Demand Assessment (C&P November 2015) contains some helpful comments on the health of Hemel Hempstead town centre. Points made include the following:

- The level of comparison retailers in Hemel Hempstead is well above the national average. Comparison retailers occupy the largest proportion of units within the town centre. The high proportion of such retailers in the town centre and the reasonably expensive goods they sell is indicative that the town is in reasonable health.

- The vacancy level in Hemel Hempstead is slightly below the national average. This is also an indicator that the town is in reasonable health.
- Experian Goad has identified a number of multiple retailers as being 'key attractors'. Of the 30 key attractors, 23 are represented within Hemel Hempstead. This is a positive indicator of the town being in reasonable health.
- It is important for a town to have a variety and mix of multiples and independents, which is a feature of Hemel Hempstead town centre.
- The Riverside Shopping Centre has attracted a number of multiple retailers including a Debenhams department store and many fashion retailers.
- Dacorum Borough Council has been proactive in improving the quality of offer and environment through its 'Hemel Evolution' strategy. This investment will be critical for the future health and longer term success of the town centre as a retail destination.

Conclusion: given C&P's findings, we conclude that there has been a clear improvement in the town centre's health, although there are still a considerable number of vacant units. It appears that the town centre's health strong enough to withstand competition from additional out of centre comparison retailing, subject to the scale not being too large and conditions being attached to any planning permissions to mitigate the impact on the town centre. The planned large-scale housing development in eastern Hemel Hempstead reinforces our conclusion on this matter.

Issue 7: Is there sufficient retailer demand to make the Jarman Fields and Aviva schemes viable?

Savills' 2 October letter states that:

"The proposed development will provide retail floorspace that is qualitatively different to that located in Hemel Hempstead and other defined centres. It will accommodate different formats of store to those found in the town centre and will enhance the overall choice within Hemel Hempstead helping to retain shoppers and expenditure locally."

However, PBA (FN Paragraph 14) consider that there is no guarantee that the development would successfully clawback any of this leakage. They also note that only 10% of the forecast turnover is expected to come from out-of-centre locations outside Hemel Hempstead. Furthermore, there is no analysis to underpin Savills' assertion that the proposed development will constitute 'destination' out-of-centre retail.

C&P are of the opinion (paragraph 3.29) that the out of centre retail offer in Hemel Hempstead is limited in comparison with similar towns, a view shared by Property Market Analysis (PROMIS). PROMIS reports that "most goods categories are under-represented...particularly Child/Sport, Fashion/Other High Street and Furniture/shing goods."

Section 4 in the C&P report assesses the current demand for out of centre retailing in Hemel Hempstead. C&P have identified strong retailer demand to locate in the town,

although some of this demand comes from retailers who would not comply with the conditions proposed by PBA for the Jarman Fields and Aviva sites.

Conclusions are reached and recommendations made in section 7 of the C&P report. Paragraph 7.15 advises that:

“At the present time the commercial property investment market is particularly strong, with demand for this type of asset attracting many potential purchasers from both home and abroad. We are of the opinion that both the Jarman Park and Maylands Avenue proposals would produce attractive and fundable retail parks in today’s market. Development of these parks would add to the retail offer in Hemel Hempstead with the potential to attract customers from outside the borough.”

Paragraph 7.16 then concludes as follows:

“Given the restrictions proposed in the planning conditions that have been suggested by the applicants, we feel that there will be sufficient retail demand to support each development.”

Demand exists both from convenience store operators and from comparison store operators who comply with the proposed conditions.

Issue 8: Would the Jarman Fields and Aviva schemes be likely to lead to retailers relocating from Hemel Hempstead town centre?

C&P were asked for a professional view on whether implementation of either or both schemes would be likely to lead to retailers relocating from the town centre.

Paragraph 7.3 in the C&P cautions that:

“If open A1 planning permission is granted for both schemes we are of the opinion that this could have considerable impact on the town centre, through retailers relocating out of centre. It is not possible to predict precisely who would relocate or to quantify the numbers of tenants who may do so.”

However, paragraph 7.5 states that:

“The planning conditions suggested by both applicants should help to protect the town centre from out of centre competition. The restrictions suggested will limit the number of retailers who would be able to trade from the proposed parks and thus the retailer demand that we have identified will be reduced.

Paragraph 7.16 concludes that:

“...the restrictions will limit those retailers who will be able to trade at each location offering some protection to the town centre, which should remain the principal focus for Hemel Hempstead.”

Issue 9: If the development is permitted, should conditions be imposed to restrict the type of goods sold?

PBA and Aviva have liaised over what conditions should be attached if it is concluded that planning permission should be granted. This dialogue has informed paragraph 4.1.8 in PBA's FRR, which recommends 12 conditions. These conditions are considered necessary to ensure that the impact of the development does not result in a likelihood of significantly adverse impact on Hemel Hempstead town centre. We support the recommended conditions.

Overall conclusion on whether the application is acceptable on retail planning grounds

A wide range of factors have been considered in Issues 1-9 above. On balance, we conclude that out of centre retail development should be accepted on both the Jarman Fields and Aviva sites and that the application is acceptable on retail planning grounds. Key points that have particularly influenced this conclusion are:

- Issue 4: The impact on Hemel Hempstead town centre and the local centres is unlikely to be significant and adverse, as long as the conditions recommended by PBA are imposed.
- Issue 5: There appears to be a quantitative need for some additional out of centre retailing in Hemel Hempstead, although the forecasts in the Retail Study Update are now quite old.
- Issue 6: It appears that the town centre's health is strong enough to withstand competition from additional out of centre comparison retailing, subject to the scale not being too large and conditions being attached to any planning permissions to mitigate the impact on the town centre.
- Issue 7: Despite the proposed planning conditions, there is thought to be sufficient retailer demand to support both the Jarman Fields and the Aviva developments.
- Issue 8: The proposed planning conditions will limit those retailers who will be able to trade at Jarman Fields or the Aviva site, offering some protection to the town centre, which should remain the principal focus for Hemel Hempstead.

6. Conclusions

In section 4 of these comments, we considered whether the Aviva site should be retained for B-class employment uses. We concluded that most of Maylands Gateway should be retained for B-class uses. Nevertheless, we felt that it would be reasonable to accept the loss of a limited amount of this land to other uses, but only if there is a clear justification for such uses. The Aviva site should be considered in this context.

Section 5 then considered whether the application was acceptable on retail planning grounds. We concluded on balance that the application is acceptable from a retail perspective. There are a number of key points that particularly influenced this conclusion.

Given the above, our overall conclusion is that the case for accepting the proposed retail development is strong enough to override the concerns about the loss of employment land. We therefore consider that the application is acceptable in terms of employment and retail planning policies.

It will also be necessary to reach a view on other relevant issues, such as car parking (which should accord with the Council's standards) and road access and the impact on traffic conditions in the area.

APPENDIX: DACORUM PLANNING POLICY CONTEXT

Dacorum Local Plan (April 2004)

The majority of the Aviva site is located in the Maylands Avenue General Employment Area (GEA), which is allocated for business use in saved Local Plan Policy 31. This GEA is designated as a 'Core Office Location' in the table in this policy. However, the guidance on 'other significant uses and planning requirements' on this GEA states that:

"Small scale retail uses acceptable if primarily needed to serve this area."

The southern part of the site is shown as 'open land' in the Local Plan (see saved Policy 116), so is protected from built development.

Saved Policy 44 provides guidance on shopping development outside existing centres. This policy stipulates that shopping proposals outside defined centres will be required to demonstrate that a sequential approach to site selection has been followed and that there is a need for the development.

Maylands Master Plan (September 2007)

The master plan was adopted by the Council as a planning policy statement in September 2007. This document shows the Aviva site as located in the Maylands Gateway character zone. Paragraph 2.2.1 in the master plan states that Maylands Gateway will be a first rate business park for uses such as higher education, HQ offices, conference facilities and hotel uses. Paragraph 2.2.2 refers to additional facilities in the Gateway, including small scale food and drink uses.

SW Hertfordshire Employment Land Update (June 2010)

This report from Roger Tym & Partners provided advice to Dacorum and Three Rivers Councils on employment land issues. It forms an important part of the evidence base for the Dacorum Core Strategy.

Paragraphs 4.14-4.26 in the report relate to Greater Maylands, including the Maylands Gateway. The consultants recommended that the Maylands Gateway site should be reserved for employment uses, but paragraph 4.21 advised that:

"...we suggest a more flexible approach in Maylands Gateway. In our opinion, unless B2/B8 uses are permitted as well as the B1 currently proposed, the timeframe for development is likely to be significantly beyond the plan period, even for the

Breakspear Way frontage.”

Dacorum Employment Land Update (July 2011)

In this report, Roger Tym & Partners gave the Council further advice on quantitative targets for employment land and advised on the implications of these targets. The recommended targets have been incorporated into Core Strategy Policy CS15 (see page 20 below).

Paragraph 5.7 of the report assumed 122,000 sq. metres of offices and 18,500 sq. metres of industrial/warehouse space at Maylands Gateway. This is more office space and less B2/B8 space than suggested in the 2010 Update. However, paragraph 5.17 expressed the fear that the land provided for offices at the site will exceed demand and much of it may not be taken up over the plan period.

Retail Study Update (October 2011)

GL Hearn’s report advised the Council on future retail needs in the Borough. Section 3 contains a quantitative assessment of the potential for additional convenience and comparison goods floorspace across the Borough to 2031. However, paragraph 3.7 in the Retail Study states that limited reliance should be placed on these longer term horizons and certainly beyond 10 years.

Paragraphs 5.2 and 5.4 in the GL Hearn report are also particularly relevant:

“5.2 The retail market share and trading performance analysis points to a demonstrable need for additional convenience goods floorspace to serve Hemel Hempstead. Much of the theoretical capacity arises from the strong trading of the main out of centre stores serving Hemel Hempstead. In adopting a sequential approach to addressing the identified need, we would advise the Council to seek to direct this convenience floorspace need onto a central site in Hemel Hempstead town centre where it will improve the existing level of food shopping; attract more shoppers into the town centre more regularly; creating potential linked trip benefits and achieving more sustainable town centre focused patterns of shopping.”

“5.4 Whilst our calculations show a theoretical capacity for additional comparison shopping to serve Hemel Hempstead over the study period, we would not in the short to medium term recommend making any specific allocation for this floorspace. There remains vacant floorspace in both the Marlowes and Riverside Shopping Centres and we consider that the existing floorspace is capable of trading more intensively. We would suggest that the Council monitor the take up of vacant premises and trading performance of the existing stores in the town centre and only when marked improvements are noted should the capacity and need for additional comparison shopping be revisited.”

In view of the above, Core Strategy Policy CS16 incorporates the quantitative floorspace figures from the Retail Study, but states that capacity should be provided for this additional floorspace “if there is demand” (see page 20 below).

Maylands Gateway Development Brief (July 2013)

Detailed guidance on the Gateway site can be found in the Maylands Gateway Development Brief. A revised brief was approved by the Council as a planning policy statement in July 2013. This document is more flexible over the type of jobs to be provided, including high quality B8 developments given current economic circumstances.

Paragraph 4.4.1 gives the following guidance on the mix of uses in the Gateway:

“The Gateway must maintain the character of an employment-led, ‘green’ mixed use area with supporting facilities. However, other uses may be permitted providing they contribute to overall quality and character of the Gateway development. The following land use principles apply:

- Development will be employment-led, particularly but not exclusively encouraging those businesses in the areas of high technology;
- High quality B8 developments that meet the quality aspirations will be considered;
- Small-scale food and drink and childcare provision may be permitted. Such uses should not detract from the aim of the Maylands Master Plan to create a specific social ‘heart’ for the business area along Maylands Avenue, but facilities to suit the local market within the Gateway may be appropriate;
- Buildings should be constructed to allow sub-divisions to enable them to act as ‘incubator’ type units. This would encourage small businesses which may especially benefit from the presence of a higher education or support network, to locate here.”

Hemel Hempstead Town Centre Masterplan (January 2013)

The masterplan was adopted by the Council in January 2013. It was then given the status of a supplementary planning document at the same time as the Core Strategy was adopted (September 2013). Section 5.2 in the masterplan proposes a new foodstore in the Gade & Original Marlowes Zone.

Dacorum Core Strategy (September 2013)

A key aim of the Core Strategy is to encourage employment development on the Maylands Business Park. Paragraph 12.9 states that the majority of employment growth will be directed to Maylands Business Park and that the Maylands Gateway will provide the most prominent location for new offices. Core Strategy Policies CS1, CS14, CS15 and CS34 and Figure 18 are particularly relevant. In particular:

- Policy CS1 point c) on Hemel Hempstead refers to “maintaining a balanced distribution of employment growth, with growth and rejuvenation in the Maylands Business Park”.
- Policy CS14 states that “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”.

- Policy CS15 protects GEAs for B-class uses, whilst new office uses will be directed to core office locations and Hemel Hempstead town centre. This policy sets a target of around 131,000 sq. metres (net) additional office floorspace in the Borough over the plan period to 2031 and states that the stock of floorspace for industry, storage and distribution should remain broadly unchanged.
- Policy CS34 provides more detailed guidance on the Maylands Business Park and states that specific opportunities for each character zone are identified in Figure 18.
- Figure 18 states that Maylands Gateway will deliver a large proportion of the Borough’s employment needs over the plan period. Also:

“The types of uses suited to this area will primarily be HQ offices, conference facilities and a hotel. There may also be opportunities for other development that accords with its high-status and green character.”

Figure 18 also states that the Heart of Maylands offers the opportunity to form a functional local centre with financial and commercial services, restaurants, cafes, leisure uses and a public square. Further guidance is contained in the Heart of Maylands Development Brief. Uses consistent with the Council’s policies have been permitted (ref. 4/00676/14/MFA) on phase 1 of the Heart of Maylands and construction has recently started.

Core Strategy Policy CS16 (shops and commerce) directs most retail development to the town and local centres. The policy also states that:

“Opportunities will be given to provide capacity for the following amounts of floorspace if there is demand”.

The amounts for Hemel Hempstead in Policy CS16 are:

Square Metres (net)			
Comparison	Convenience	Total	
15,500			2009-2021
32,000			2022-2031
47,500	6,000	53,500	Total

In addition, Policy CS16 makes it clear that:

“New retail floorspace will only be permitted outside of defined centres if the proposal complies with the sequential approach and demonstrates a positive overall outcome in terms of the impact assessment.”

In Policy CS33 (Hemel Hempstead town centre), the first principle guiding development is to:

“secure additional retail stores in the Marlowes Shopping Zone and a new food store”.

Site Allocations Development Plan Document, Pre-Submission version (September 2014), as amended by the Focused Changes (August 2015)

The Site Allocations document does not deal with the Maylands Business Park (it was intended to cover this area in the East Hemel Hempstead Area Action, but this is no longer likely). However, the Site Allocations document includes two relevant proposals elsewhere in Hemel Hempstead:

- Proposal S/1: Jarman Fields, St Albans Road - see ‘Schedule of Retail Proposals and Sites’. The planning requirements for the site indicate that:

“Acceptable uses are retail and leisure uses. Approximately 7,000 sqm (gross) of retail space is acceptable, except for the sale and display of clothing and footwear, unless ancillary to the main use of an individual unit.”

- Proposal MU/1: West Herts College site and Civic Zone (see the ‘Schedule of Mixed Use Proposals and Sites’). The proposal is for ‘replacement college, new Public Sector Quarter and housing. The planning requirements propose a:

“Mix of uses...including retail uses (possibly including a food store).”

The Site Allocations document is due to be submitted to the Planning Inspectorate in February 2016, following consideration of responses to the Focused Changes document by Cabinet in July and Full Council in September.

Strengthening Economic Prosperity Background Issues Paper (August 2015)

Part A of the Issues Paper (as revised to accompany the Site Allocations Focused Changes document) assesses employment land supply in Dacorum. Paragraphs 1.79-1.91 draw conclusions, taking account of the proposals in the Site Allocations document and the following scenarios for the Maylands Business Park:

- Scenario 1: high industrial/warehousing growth
- Scenario 2: high offices growth

These scenarios reflect the uncertainty over whether some key sites, particularly Maylands Gateway, will be developed mainly for offices or industrial/warehousing floorspace. The estimated rounded floorspace change (sq. metres) over the 2006-2031 plan period with these scenarios is as follows:

	Offices	Industrial/warehousing	Total
Scenario 1	-59,300	66,100	6,800
Scenario 2	117,400	-22,400	94,900

Paragraph 1.88 states that:

“Scenario 1 is not consistent with the targets in Core Strategy Policy CS15 of around

131,000 sq. metres of additional office floorspace and nil net change in industrial, storage and distribution floorspace. In contrast, Scenario 2 is below but fairly close to the Policy CS15 targets. Given the degree of uncertainty inherent with such forecasts, it is reasonable to conclude that Scenario 2 is consistent with Policy CS15. In practice, the outcome seems likely to be closer to Scenario 1 than Scenario 2.

Paragraph 1.89 then explains why an outcome at or close to the Scenario 1 estimate would not necessarily mean there would be an employment land supply problem.

Part B of the Issues Paper considers retailing and commerce. Paragraphs 2.63-2.76 consider whether any new shopping proposals should be included in the Site Allocations Plan. Paragraph 2.73 refers to the Aviva and Lidl applications on the Maylands Business Park. Paragraph 2.74 states that these proposals raise major policy issues and that the future of these sites should be considered through the East Hemel Hempstead Area Action Plan or the single Local Plan, rather than the Site Allocations. Paragraph 2.75 concludes that there is no need for additional shopping allocations in the Site Allocations DPD, over and above those referred to in Table 10 and paragraph 2.65.

Dacorum single Local Plan

Work has started on the evidence base for the single Local Plan. Once adopted, the single Local Plan will replace the existing saved Local Plan policies, the Core Strategy and (if adopted) the Site Allocations. The evidence base will include:

- The South West Hertfordshire Economy Study. This study is now being carried out by consultants GL Hearn and Regeneris. It was commissioned by Dacorum, Hertsmere, Three Rivers and Watford Councils and is also looking at St Albans District. The study will make recommendations on future employment provision in terms of floorspace and land, and advise on the future role and function of key employment locations (both existing and potential). Emerging conclusions are summarised under Issue 4 on page 8 above. The study is expected to be published in January 2016.
- Employment – a more detailed site specific study, following on from the SW Herts Economy Study will be carried out in early 2016. It will replace the SW Herts Employment Land Update (Roger Tym & Partners, 2010).
- Retail Study Update. This study will be undertaken in 2016 and will replace the 2011 Retail Study Update (see page 19 above), leading to revised shopping floorspace targets.

Hertfordshire County Council Highways

Outline application for the construction of retail floorspace (Use Class A1) measuring 12,503 sqm, office floorspace (Use Class B1) measuring 3,004 sqm, restaurants measuring 1,031 sqm, and associated car parking, access and landscaping works.

Condition 1 Prior to the commencement of the development hereby permitted full details in the form of scaled plans and written specifications shall be submitted to

and approved in writing by the Local Planning Authority in consultation with the Highway Authority to illustrate the following: i. Roads, footways, foul and on-site water drainage. ii. Existing and proposed access arrangements including visibility splays. iii. Parking provision in accordance with adopted standard. iv. Cycle parking provision in accordance with adopted standard. v. Servicing areas, loading areas and turning areas for all vehicles.

Condition 2 Prior to commencement of the development, the applicant shall submit a Delivery and Servicing Plan shall be submitted to and approved in writing by the Local Planning Authority in consultation with the Highway Authority. The Delivery and Servicing Plan shall contain the delivery and servicing requirements (including refuse collection) for the proposed uses, a scheme for coordinating deliveries and servicing for the proposed development, areas within the development site that will be used for loading and manoeuvring of delivery and servicing vehicles, and access to / from the site for delivery and servicing vehicles.

Reason: In the interests of maintaining highway efficiency and safety.

Condition 3 Prior to commencement of the development, the applicant shall submit a Construction Management Plan to the Local Planning Authority for approval in writing. The Construction Management Plan shall contain the program of works on site, area for construction vehicle parking, storage and delivery of materials within the development site, construction vehicles wheel washing facilities, and details of construction vehicle routing to and from the site. Reason: In the interests of maintaining highway efficiency and safety.

Informatives AN1) Storage of materials: The applicant is advised that the storage of materials associated with the construction of this development should be provided within the site on land which is not public highway, and the use of such areas must not interfere with the public highway. If this is not possible, authorisation should be sought from the Highway Authority before construction works commence. Further information is available via the website

<http://www.hertsdirect.org/services/transtreets/highways/> or by telephoning 0300 1234047.

AN2) General works within the highway: Construction standards for works within the highway: All works to be undertaken on the adjoining highway shall be constructed to the satisfaction and specification of the Highway Authority, by an approved contractor, and in accordance with Hertfordshire County Council's highway design guide "Roads in Hertfordshire". Before works commence the applicant will need to apply to the Highway Authority to obtain their permission and requirements. Further information is available via the website

<http://www.hertsdirect.org/services/transtreets/highways/> or by telephoning 0300 1234047.

AN3) Road Deposits: It is an offence under section 148 of the Highways Act 1980 to deposit mud or other debris on the public highway, and section 149 of the same Act gives the Highway Authority powers to remove such material at the expense of the party responsible. Therefore, best practical means shall be taken at all times to ensure that all vehicles leaving the site during construction of the development are in a condition such as not to emit dust or deposit mud, slurry or other debris on the highway.

Further information is available via the website <http://www.hertsdirect.org/services/transtreets/highways/> or by telephoning 0300 1234047.

Summary and conclusions

Hertfordshire County Council as Highway Authority does not object to the principle of the proposed development. However strategic traffic modelling (currently being undertaken by HCC) is required to assess the cumulative impacts of the development on the wider highway network in Hemel Hempstead.

S278 Agreement The proposed works within the highway boundary (including alterations to junctions and existing vehicular access) will need to be secured and approved via a s278 agreement.

S38 Agreement It is assumed that all roads within the site will remain under private control and management. No s38 agreement should therefore be required.

S106 Agreement A s106 agreement will be required to secure the Travel Plan and the financial contributions towards sustainable transport initiatives.

Background

Background

Planning permission to develop of 51,670sqm of office (Class B1) floorspace (with associated access road, car parking, service areas, and landscaping) was granted in April 2002 (renewed in September 2006). 9,290sqm of floorspace for the permitted office use has been constructed and is now known as the Peoplebuilding office.

The applicant provided a Transport Scoping Report (TSR) to HCC in August 2014. HCC Highways provided pre-application advice in October 2014. A Transport Assessment has been submitted with the application. This level of assessment is consistent with the guidance provided in HCC design guide Roads in Hertfordshire (RiH), and the NPPF.

Policy Context The TA refers to the following key policies including the National Planning Policy Framework (NPPF) and HCC Local Transport Plan (LTP3). Overall, the proposed development is in accordance with key policy. However, the strategic modelling currently being undertaken by HCC will determine whether the residual cumulative impacts of development on the local highway network are severe, as per paragraph 32 of the NPPF.

The proposed development should also consider key HCC policy and guidance documents including: • Local Transport Plan (LTP3); • Roads in Hertfordshire; • Hemel Hempstead Urban Transport Plan; and • Passenger Transport in New Developments 2008.

Site and Surrounding Highway Network The development site is located in the south-west of the Maylands Gateway area. The site is bounded to the north by employment land, to the west by the A4147 (Maylands Avenue), to the south by the A414 (Breakspear Way), and vacant land to the east. The site is predominantly vacant land located to the north east of the junction of Maylands Avenue and Breakspear Way. The existing access to the site is via a signalised junction on Maylands Avenue.

Trip generation and distribution

Existing Trip Generation The TA notes that the permitted office development was

expected to generate 1,086 two-way trips in the morning peak (08:00- 09:00) and 937 two-way trips in the evening peak (17:00- 18:00). No analysis of traffic associated with the development was undertaken on a Saturday, but due to the proposed use of the site, only a small number of trips was anticipated at weekends. Following the granting of planning permission, only the health club and around one third of the permitted office floorspace have been constructed and are operational.

Based on the traffic flow diagrams in Appendix M, the existing Peoplebuilding and health club currently generate 218 trips during the morning peak (07:45-08:45), 160 trips during the evening peak (16:00-17:00), and 160 trips during the Saturday peak hour (11:15-12:15).

Proposed Trip Generation The number of trips generated by the proposed development was estimated using the TRICS database. The proposed site selection criteria were reviewed by HCC and Highways England. A revised set of trip generation rates has been produced based on this feedback. Overall, the methodology and selection criteria used to estimate the number of trips generated by the proposed development are considered to be appropriate.

Food Retail The following criteria were used to select for the Class A1 Food Retail: • All regions except Northern and Republic of Ireland, and Greater London; • Gross floor area of up to 10,000sqm; • No town centre sites; • No petrol filling station included within surveys.

A total of 7 sites were selected for the weekday periods, and 9 sites were selected for the Saturday.

Non-Food Retail The following criteria were used to select suitable sites for the A1 Non-Food Retail weekday trip generation: • Retail park excluding food; • All regions; • All sizes.

The following criteria were used to select suitable sites for the A1 Non-Food Retail weekend peak: • Retail park excluding food; • All regions except Northern Ireland, Republic of Ireland and Greater London; • Gross floor area of 2,800sqm to 10,000sqm; • No town centre sites.

Restaurant and Café The following criteria were used to select suitable sites for the A3 restaurant and café use: • Hotel, food and drinks - restaurants; • All regions except Northern Ireland, Republic of Ireland and Greater London; • Gross floor area of 150sqm to 1,000sqm.

Office development The floorspace of the proposed office building 3,002sqm is approximately one third of the size of the existing Peoplebuilding site. As a result, the number of trips generated by the proposed office is based on one-third of the existing base trips generated by the Peoplebuilding site.

Passby, diverted and linked trips Due to the location of the proposed development on Maylands Avenue, and the close proximity to a number of employment uses, it is expected that a level of passby, diverted and linked shopping trips will occur. Therefore a reduced proportion of the total trips generated are expected to be new trips on the network. The following reductions in the number of trips have been applied to the proposed trips generated by the retail land uses and are considered to be appropriate: • Passby Trips - 30% in morning peak, 30% in evening peak, and 15% in Saturday peak; • Redistributed shoppers from other locations - 20% in morning peak, 20% in evening peak and 20% in Saturday peak; • Linked Trips - 30% in morning peak, 30% in evening peak, and 30% in Saturday peak; and • Class A3

(restaurant and café) - 50% in morning peak, 50% in evening peak, and 50% in Saturday peak

Total proposed trips Overall, the proposed development is predicted to generate 238 trips during the morning peak (134 new trips), 517 trips during the evening peak (212 new trips), and 940 trips during the Saturday peak (544 new trips). The impact of the proposed trips have been considered within the junction assessments below:

Trip distribution Based on Census 2011 data for the Hemel Hempstead ward, GIS software has been used to distribute the trips associated with both the proposed retail and office uses of the site. This approach is considered to be appropriate.

Mode share Information on the potential multi-modal trips generated by the development has been derived from the TRICS database for the retail elements of the site, and from the Census database for the office development. This approach is considered to be appropriate.

Impact on highway network The TA assesses the impact of the development on key links and junctions around the proposed development site.

Traffic surveys Manual turning and queue count traffic surveys were undertaken by an independent survey company on Friday 12th September 2014 and Saturday 13th September 2014 for the Friday morning period (07:00-10:00), Friday evening peak (16:00-19:00) and Saturday (10:00-15:00). The counts were undertaken at 7 locations within the local area of the proposed development site, as follows: 1. Wood Lane End/ A4147 Maylands Avenue junction; 2. A4147 Maylands Avenue/ Maylands Business Park junction; 3. A4147 Maylands Avenue/ A414 Breakspear Way/ St Albans Road roundabout; 4. A414 Breakspear Way eastbound / Buncefield Lane junction – taking into account the number of vehicles using this junction having exited from the petrol filling station located here; 5. A414 Breakspear Way/ Green Lane/ A414 roundabout; 6. Green Lane/ Boundary Way roundabout; and 7. Boundary Way/ Buncefield Lane/ Access Road roundabout.

Automatic Traffic Counts (ATC's) were also conducted at 7 separate locations within the same area during this time period for a full week from Friday 12th September 2014 to Friday 19th September 2014, at the following locations: - Maylands Avenue between junctions 1 and 2; - Maylands Avenue between junctions 2 and 3; - Breakspear Way between junctions 3 and 4 (on both directions of dual carriageway); - Green Lane between junctions 5 and 6; - Buncefield Lane north of junction 4; - Boundary Way between junctions 6 and 7; and - Wood Lane End.

The surveys indicate that the peak hours on the local highway network are as follows: • morning peak: 07:45-08:45; • Evening peak: 16:00-17:00; • Sat Peak: 11:15-12:15.

The proposed use of the site will be predominantly retail and the surveyed days and times are considered to provide an appropriate estimation of the peak baseline traffic volumes.

Junction assessment The following junctions have been assessed using ARCADY or LINSIG: • Wood Lane End/ A4147 Maylands Avenue junction; • A4147 Maylands Avenue/ Maylands Business Park (Peoplebuilding and proposed development access) junction; • A4147 Maylands Avenue/ A414 Breakspear Way/ St Albans Road roundabout; • A414 Breakspear Way/ Green Lane / A414 roundabout.

The following scenarios have been modelled: • Existing base situation (2014); •

Future year scenario (2021); and • Future year (2021) plus committed development situation.

The 2021 future scenario year is in excess of the typical 5 year assessment following planning submission. This has been undertaken in order to align with the future base year for the PARAMICS traffic model that HCC have produced for the Hemel Hempstead area.

Committed development The approved Heart of Maylands development (located to the north of the site) has been reviewed and the traffic flows used within that analysis have been added to the background flows in 2021 to represent a committed development scenario. Wood Lane End / A4147 Maylands Avenue

The results indicate that the junction operates at a high level of capacity and some localised queuing is observed. However, all arms are expected to operate under 90% degree of saturation during all peak periods.

A4147 Maylands Avenue / Peoplebuilding Access The results show that the proposed access junction operates with reserve capacity during all periods. There is some queuing and delay to vehicles on Maylands Avenue southbound during the morning peak and northbound during the evening peak. **A4147 Maylands Avenue / A414 Breakspear Way Roundabout** The results show that in the peak periods the junction is expected to operate over capacity on the Breakspear Way approach during all peak periods, with significant queues on this arm during the morning and evening peaks. The St Albans Road approach is also expected to be approaching capacity during the morning and evening peaks. **A414 Breakspear Way / Green Lane Roundabout**

The results show that in the peak periods that the junction is expected to operate over capacity on the A414 approach (west), with significant queues experienced on this arm particularly in the morning and evening peaks, along with Green Lane being over capacity in the morning peak. The Saturday peak operation is within preferred capacity levels on all arms.

Additional modelling The junction capacity analysis indicates that the existing road network suffers from capacity issues at peak times, particularly along the A414 corridor. As a result (in conjunction with HCC) a PARAMICS modelling assessment will be undertaken using the HCC traffic model for Hemel Hempstead. The traffic flows and distributions previously described have been provided to HCC to input into the model, along with assignment of trips into the main residential areas throughout Hemel Hempstead. This work is currently on-going, with the analysis due to be completed following the submission of the planning application, but prior to the determination of the application at Development Control committee.

Modelling summary Overall, the proposed development is expected to have an impact on the junctions on the A414. Although the predicted operation of the junctions is predicted to be better than the operation for the permitted office development, the proposal will result in an increase in congestion and queuing when compared to the baseline 2021 scenario (including committed development).

Road safety Collision data has been obtained from Hertfordshire County Council for the local highway network for a period of 5 years up to June 2014. The area reviewed was agreed within the TSR.

In the 5 year time period there were a total of 40 recorded collisions; 33 resulted in slight injuries, 6 resulted in serious injuries and there was 1 fatality. Of the 40

collisions, 7 involved bicycles and 5 involved motorcycles, the remaining 28 involved cars, vans and other goods vehicles. A fatal collision occurred on the Breakspear Way arm of the Green Lane / Breakspear Way roundabout, a motorcyclist lost control in dry, light conditions whilst approaching the roundabout from the west toward the M1 at which point he collided with the kerb, a lamppost and vehicle resulting in fatal injuries. This does not appear to indicate any deficiency in the layout of the highway. Overall, there does not appear to be any significant collision clusters on the local highway network.

Highway layout

Site access The main access for the proposed development will be the existing Maylands Avenue entrance which forms the access road to the Peoplebuilding site.

An exit-only vehicle access onto Maylands Avenue is proposed approximately 130m to the north of the Maylands Avenue/ A414 roundabout. This was previously used as an entrance and exit into the Lucas Aerospace factory site. The vehicle crossover is still in place but improvements are required in order to reinstate this point as a suitable exit-only point for HGVs. The proposed vehicle access is considered to be appropriate and the design should be conditioned to ensure that a safe access point is provided.

Parking The indicative site layout illustrates a total of 480 parking spaces will be provided for the retail element and 73 car parking spaces are to be provided for use by the B1 Office development. The number and design of the internal car parking spaces should be considered to ensure that they are consistent with the car parking standards contained in the DBC Local Plan. Secure cycle parking should also be provided (including short-term cycle parking for customers, and long-term parking for staff) in accordance with the standards set by DBC and HCC. Cycle parking provision should be secured via a condition.

Accessibility Pedestrians and cyclists The majority of Hemel Hempstead is accessible via walking and cycling from the development site.

The internal network of the site will need to provide a good safe environment for pedestrians with footway widths in excess of 2.2m, street lighting present at regular intervals on the routes and numerous safe crossing locations available to pedestrians. This should be secured via a condition.

Public transport Passenger Transport in New Developments (2008) guide states that a large commercial development (1,000sqm+) in Hemel Hempstead should be serviced by a minimum of 4 buses per hour during the daytime and a minimum of 2 buses per hour during the evening. The closest bus stops to the development site are located on Maylands Avenue and at the junction between Maylands Avenue and Wood Lane End. These bus stops serve a total of 10 routes which provide services to locations including Stevenage, Rickmansworth, London and circular routes throughout Hemel Hempstead itself.

The retail and office components of the proposed development will generate a demand for bus trips to and from the site. However, the bus stop facilities (particularly at the southbound bus stop on Maylands Avenue) are limited. Financial contributions are required to upgrade the existing bus stops and should be secured via a s106 agreement.

Delivery and servicing A service road will be provided along the western edge of the site, parallel to Maylands Avenue. The submitted tracking diagram indicates that a

maximum legal articulated vehicle can enter the proposed development via the existing signalised junction on Maylands Avenue, travel via the proposed service road and exit onto Maylands Avenue via the re-opened access. The vehicle tracking will need to be conditioned to ensure that services vehicles can adequately access the site as the design progresses. The proposed development includes multiple land uses that will generate the need for service vehicles to access the site. Due to the acknowledged congestion issues within the local network, a Delivery and Servicing Plan (DSP) is required. The DSP should coordinate the movement of service vehicles, outline the timing and routing of service vehicles, and ensure that adequate access is provided without impacting on other modes of transport. The DSP should be secured as a condition.

Construction As this is an outline application, the potential construction impacts have not been assessed. The applicant will need to demonstrate that construction vehicles can access the development via the existing (or other temporary) vehicle access without compromising the efficiency and safety of the highway network. This will need to include an outline of the routes that construction vehicles will take to avoid any impacts on local residential traffic and a plan of where parking for construction vehicles would be accommodated on-site. A Construction Management Plan should be secured by planning condition.

Travel Plan The TA states that Travel Plans will be developed for each of the proposed land uses. Green Travel Plans should be prepared in accordance with the HCC Travel Plan Guidance for Business and Residential Development (2014) and secured via a s106 agreement.

Planning Obligations / Community Infrastructure Levy (CIL) HCC's Planning Obligation Guidance (2008) implements a two-strand approach to planning obligations in order to address the immediate impacts of the new development (first strand), and the cumulative impacts of all development on non-car networks (second strand). The financial contributions required should be secured via a s106 agreement.

First Strand Financial contributions may be required to address the immediate impacts of the proposed development on the local highway network. This should be based on any required mitigation measures at adjacent junctions as a result of the outputs from the PARAMICS modelling.

Second Strand The standard charge for Non-Residential development is £500 per on-site car parking space required or £1000 per peak hour two-way. Therefore the financial contribution will need to be based on the detailed plans for the proposed development. The contributions would be directed towards specific sustainable transport measures and schemes in the Hemel Hempstead Urban Transport Plan.

Summary and conclusions Hertfordshire County Council as Highway Authority does not object to the principle of the proposed development. However strategic traffic modelling (currently being undertaken by HCC) is required to assess the cumulative impacts of the development on the wider highway network in Hemel Hempstead.

S278 Agreement The proposed works within the highway boundary (including alterations to junctions and existing vehicular access) will need to be secured and approved via a s278 agreement.

S38 Agreement It is assumed that all roads within the site will remain under private control and management. No s38 agreement should therefore be required.

S106 Agreement A s106 agreement will be required to secure the Travel Plan and the financial contributions towards sustainable transport initiatives.

Comments on Amendment

Transport Assessment document added to LPA website.

<http://site.dacorum.gov.uk/planonline/AcoINetCGI.gov?ACTION=UNWRAP&RIPNAME=Root.PgeResultDetail&TheSystemkey=214477>

Decision

Notice is given under article 18 of the Town and Country Planning (Development Management Procedure) (England) Order 2015 that the Hertfordshire County Council as Highway Authority does not wish to restrict the grant of permission subject to the following conditions:

Conditions and informatives as set out in our earlier response (dated 1 May 2015).

The highway authority submitted an initial response to its consultation on this outline application by Dacorum Borough Council on 1 May 2015. This concluded 'Hertfordshire County Council as Highway Authority does not object to the principle of the proposed development. However strategic traffic modelling (currently being undertaken by HCC) is required to assess the cumulative impacts of the development on the wider highway network in Hemel Hempstead'. The outcomes of this additional modelling and the predicted impacts of the proposed development has been summarised in a Transport Assessment – Addendum Document (TAAD) dated 29 June 2015.

Following the production of the original Transport Assessment (TA) it was agreed with HCC that Jacobs would update the existing Hemel Hempstead PARAMICS computerised traffic model using traffic surveys local to the Maylands Gateway site in order to refine the replication of this part of the network. This work was completed by Jacobs, and an initial option test of the proposed retail-led traffic was undertaken on the Base (2014) model. This initial modelling did not include any highway mitigation measures, and the results indicated that the proposed development trips would cause queuing and capacity issues on the local highway network.

It was then agreed that Jacobs would produce a reference case for the 2021 scenario. This reference case would include all committed developments in Hemel Hempstead, allocated land sites and highway network changes. Completion of the reference case, along with review of journey time studies and turning count /queue information then allowed for the final option testing of the proposed development. The traffic associated with the proposed development was applied to the local highway network as agreed with HCC and Jacobs.

As it was already clear from the 2014 option test that the local highway network was at or over capacity without highway improvements, then for the 2021 proposed scenario would need to be assessed with mitigation measures in place to bring operation back to acceptable levels in terms of capacity, congestion and safety.

Three sets of mitigating measures were identified but the degree of strain that the network is and would clearly be under lead to the applicant deciding to instruct assessment the impact of all three in place as a comprehensive package of measures.

The results of the 2021 proposed PARAMICS model are being compiled in a standalone Technical Document for work being carried out on behalf of the borough

council and Local Enterprise Partnership, but the results provided to the applicant's transport consultant show that the mitigation measures successfully reduce journey times along the key corridors assessed. Queuing and congestion is also improved, with the A414 / Maylands Avenue operating in some situations better than the 2021 reference case.

Comments on Amendment

Transport Assessment document added to LPA website.

<http://site.dacorum.gov.uk/planonline/AcoINetCGI.gov?ACTION=UNWRAP&RIPNAME=Root.PgeResultDetail&TheSystemkey=214477>

Decision

Notice is given under article 18 of the Town and Country Planning (Development Management Procedure) (England) Order 2015 that the Hertfordshire County Council as Highway Authority does not wish to restrict the grant of permission subject to the following conditions:

Conditions and informatives as set out in our earlier response (dated 1 May 215).

Conservation and Design

Significant design concerns regarding the layout of the proposal since the back/servicing of the buildings will be facing Maylands Avenue which is a key frontage. In addition the turning circle for the service vehicles will be the primary focus on the corner facing the roundabout. These facades will not be 'key facades' as noted in the D&A since they will be functional service yards and not main frontages. I also have concerns regarding the cranked nature of retail unit 6 since this form may appear odd in the streetscene in particular in such a prominent location.

I would therefore suggest that a landmark focal corner building is sited closer to the roundabout and that a terrace of retail units is pulled back to the eastern boundary with servicing at the rear. The car parking could then be sited to the frontage with high quality boundary treatment (brick piers and railings) with tree planting.

Trees & Woodlands

No objection to the outline application to develop the Lucas Aerospace Ltd site in Maylands Avenue, Hemel Hempstead.

The majority of the existing site is devoid of any good or exceptional quality trees that may restrict intended site usage. Existing trees and vegetation do not offer a screening function to adjacent property and is likely to be of low wildlife value.

Alongside the access road to existing buildings that would be shared with proposed site users is an impressive double row of Pin Oaks. These trees were planted during previous site development and have a positive impact upon their immediate surroundings. They would need to be retained and protected during construction activity.

Part of the site frontage, either side of the existing access road, is already landscaped with an interesting selection of trees. This variety along the frontage could be replicated on other site boundaries and around the balancing pond (drawing no. 5266 A110, GA plan) with additional Pin Oaks forming focus points throughout the development. There is certainly space within and around the proposed development to introduce high quality interesting landscaping.

Rights of Way officer

This site is abutted on its northern boundary by Hemel Hempstead public footpath 50.

No other comments

Parks and Open Spaces

The outlined landscaping for the site looks promising and should fit in with the area it is located in. It doesn't go into any real detail to what they will be specifically planting. I have no real objections, although it would be good to see a detailed planting scheme.

Scientific Officer

The Environmental Health Division is in receipt of the following reports submitted in respect of the above planning application:

- Preliminary Environmental Risk Assessment; Document Reference: EED14757-100-R-1-2-1-GH; Waterman Energy, Environment & Design; February 2015
- Air Quality Assessment; Document Reference: EED14757-100_AQ_R2.1.1_CB; Waterman Energy, Environment & Design; February 2015

Contamination:

The report provides a satisfactory preliminary risk assessment of the site. I am in agreement with the recommendations as follows:

- *'A ground investigation should be undertaken to confirm the underlying ground conditions within the Site. The scope of this investigation should be informed following a detailed review of past ground investigation reports and remediation validation information. The scope and timing of the resultant investigation should be agreed with the local authority. The investigation should target potential sources of contamination, notably from the engineering works and waste treatment/disposal site, including previously remediated areas. In addition, soils and stockpiles should be screened for potential contaminants including asbestos. The outcome of this investigation could then be used to inform the nature and scope of potential remedial measures;*

- *The ground investigation should also allow for geotechnical assessment to assist with foundation design. This should include an assessment of the potential for settlement within any residual superficial deposits left on Site. In addition, the nature of the bedrock should be investigated if it is considered likely that foundation loads will have an impact on bedrock e.g. as a result of the use of piled foundations;*
- *As the Site is located in a groundwater Protection Zone III, the ground investigation should also include leachate and groundwater sampling to identify potential contaminants in the groundwater and the mobility of potential contaminants in the soils beneath the Site;*
- *Ground gas monitoring should be undertaken to establish the gas regime of the Site and to determine if any gas protection measures will be required in the proposed development. At this stage it is recommended that a two month programme of six gas monitoring visits will be required to comply with CIRIA C665;*
- *During any groundworks, it is recommended that all construction workers wear appropriate PPE to reduce the risk of exposure to potential contaminants in the underlying Made Ground; and*
- *The on site stockpiles and any materials excavated to facilitate the proposed development should be assessed for their potential for reuse on Site, in accordance with the requirements of the CL:AIRE waste protocol, or if excess to Site requirements the waste classification of the material assessed.'*

As further works are required, I recommend the contamination condition is applied should planning permission be granted in order to ensure that the recommended works are undertaken.

Air Quality:

An air quality assessment was undertaken in order to determine the likely effects of the proposed development on local air quality. I am in agreement with the conclusions drawn as follows:

- *'The construction of the proposed development would have the potential to generate fugitive dust from construction activities and changes in air quality as a result of exhaust emissions from plant and construction vehicles.*
- *A range of best practice environmental mitigation measures would be implemented to minimise dust generated during the construction works. With mitigation in place, the occurrence of nuisance dust would be minimised, and it is considered that the significance of effect would be negligible to minor adverse, and would be localised and temporary.*
- *Exhaust emissions from construction plant operating on the Site would be small in comparison to the emissions from the road traffic movements on the roads adjacent to the site and therefore it is considered that their effect on air quality would be negligible.*

- *It is anticipated that the effect of exhaust emissions from construction vehicles entering and leaving the Site would be minor adverse during peak construction periods and negligible at all other times, considering current background pollutant concentrations and local road traffic emissions.*
- *An assessment of the effect of the traffic associated with the proposed Development on local air quality has been undertaken using the DMRB. This predicted the effect of the proposed development on air quality at two sensitive receptors surrounding the Site.*
- *Taking into account uncertainty in future NO_x and NO₂ reductions, the effects are predicted to be of minor adverse to negligible significance at the existing sensitive receptors considered in this assessment. The effects of the proposed development are predicted to be negligible for PM₁₀ and PM_{2.5} concentrations.'*

Ensuring that appropriate dust control measures are implemented in relation to the construction phase, I am satisfied that the construction and operational stages of the development will have a negligible to minor adverse effect on air quality.

HCC Minerals and Waste

Should the district council be mindful of permitting this application, a number of detailed matters should be given careful consideration.

Government policy seeks to ensure that all planning authorities take responsibility for waste management. This is reflected in the County Council's adopted waste planning documents. In particular, the waste planning documents seek to promote the sustainable management of waste in the county and encourage Districts and Boroughs to have regard to the potential for minimising waste generated by development.

Most recently, the Department for Communities and Local Government published its *National Planning Policy for Waste (October 2014)* which sets out the following: *'When determining planning applications for non-waste development, local planning authorities should, to the extent appropriate to their responsibilities, ensure that:*

- *the likely impact of proposed, non- waste related development on existing waste management facilities, and on sites and areas allocated for waste management, is acceptable and does not prejudice the implementation of the waste hierarchy and/or the efficient operation of such facilities;*
- *new, non-waste development makes sufficient provision for waste management and promotes good design to secure the integration of waste management facilities with the rest of the development and, in less developed areas, with the local landscape. This includes providing adequate storage facilities at residential premises, for example by ensuring that there is sufficient and discrete provision for bins, to facilitate a high quality, comprehensive and frequent household collection service;*

- *the handling of waste arising from the construction and operation of development maximises reuse/recovery opportunities, and minimises off-site disposal.'*

This includes encouraging re-use of unavoidable waste where possible and the use of recycled materials where appropriate to the construction. In particular, you are referred to the following policies of the adopted Hertfordshire County Council Waste Core Strategy and Development Management Policies Development Plan Document 2012 which forms part of the Development Plan. The policies that relate to this proposal are set out below:

Policy 1: Strategy for the Provision for Waste Management Facilities. This is in regards to the penultimate paragraph of the policy;

Policy 2: Waste Prevention and Reduction: &

Policy 12: Sustainable Design, Construction and Demolition.

In determining the planning application the borough council is urged to pay due regard to these policies and ensure their objectives are met. Many of the policy requirements can be met through the imposition of planning conditions.

Waste Policy 12: Sustainable Design, Construction and Demolition requires all relevant construction projects to be supported by a Site Waste Management Plan (SWMP). This aims to reduce the amount of waste produced on site and should contain information including types of waste removed from the site and where that waste is being taken to. Good practice templates for producing SWMPs can be found at: <http://www.smartwaste.co.uk/> or

http://www.wrap.org.uk/construction/tools_and_guidance/site_waste_management_planning/index.html

SWMPs should be passed onto the Waste Planning Authority to collate the data. The county council as Waste Planning Authority would be happy to assess any SWMP that is submitted as part of this development either at this stage or as a requirement by condition, and provide comment to the Borough council.

Thames Water

Waste Comments

With the information provided Thames Water, has been unable to determine the waste water infrastructure needs of this application. Should the Local Planning Authority look to approve the application ahead of further information being provided, we request that the following 'Grampian Style' condition be applied - "Development shall not commence until a drainage strategy detailing any on and/or off site drainage works, has been submitted to and approved by, the local planning authority in consultation with the sewerage undertaker. No discharge of foul or surface water from the site shall be accepted into the public system until the drainage works referred to in the strategy have been completed". Reason - The development may lead to sewage flooding; to ensure that sufficient capacity is made available to cope with the new development; and in order to avoid adverse environmental impact upon the community. Should the Local Planning Authority consider the above recommendation is inappropriate or are unable to include it in the decision notice, it is important that the Local Planning Authority liaises with Thames Water Development Control Department (telephone 0203 577 9998) prior to the Planning Application approval.

Surface Water Drainage - With regard to surface water drainage it is the responsibility of a developer to make proper provision for drainage to ground, water courses or a suitable sewer. In respect of surface water it is recommended that the applicant should ensure that storm flows are attenuated or regulated into the receiving public network through on or off site storage. When it is proposed to connect to a combined public sewer, the site drainage should be separate and combined at the final manhole nearest the boundary. Connections are not permitted for the removal of groundwater. Where the developer proposes to discharge to a public sewer, prior approval from Thames Water Developer Services will be required. They can be contacted on 0800 009 3921. Reason - to ensure that the surface water discharge from the site shall not be detrimental to the existing sewerage system.

No impact piling shall take place until a piling method statement (detailing the depth and type of piling to be undertaken and the methodology by which such piling will be carried out, including measures to prevent and minimise the potential for damage to subsurface sewerage infrastructure, and the programme for the works) has been submitted to and approved in writing by the local planning authority in consultation with Thames Water. Any piling must be undertaken in accordance with the terms of the approved piling method statement. Reason: The proposed works will be in close proximity to underground sewerage utility infrastructure. Piling has the potential to impact on local underground sewerage utility infrastructure. The applicant is advised to contact Thames Water Developer Services on 0800 009 3921 to discuss the details of the piling method statement.

Where a developer proposes to discharge groundwater into a public sewer, a groundwater discharge permit will be required. Groundwater discharges typically result from construction site dewatering, deep excavations, basement infiltration, borehole installation, testing and site remediation. Groundwater permit enquiries should be directed to Thames Water's Risk Management Team by telephoning 020 8507 4890 or by emailing wwgriskmanagement@thameswater.co.uk. Application forms should be completed on line via www.thameswater.co.uk/wastewaterquality. Any discharge made without a permit is deemed illegal and may result in prosecution under the provisions of the Water Industry Act 1991.

Thames Water would recommend that petrol / oil interceptors be fitted in all car parking/washing/repair facilities. Failure to enforce the effective use of petrol / oil interceptors could result in oil-polluted discharges entering local watercourses.

Thames Water recommends the installation of a properly maintained fat trap on all catering establishments. We further recommend, in line with best practice for the disposal of Fats, Oils and Grease, the collection of waste oil by a contractor, particularly to recycle for the production of bio diesel. Failure to implement these recommendations may result in this and other properties suffering blocked drains, sewage flooding and pollution to local watercourses.

Water Comments

With regard to water supply, this comes within the area covered by the Affinity Water Company. For your information the address to write to is - Affinity Water Company The Hub, Tamblin Way, Hatfield, Herts, AL10 9EZ - Tel - 0845 782 3333.

Supplementary Comments

We have concerns about the proposed surface water discharge rates. They appear excessive. We request that the developer contacts Thames Water Developer Services to discuss the method of calculation and the proposals for the site.

We have concerns that the development could cause detriment in the foul and surface water sewerage networks. We request that the developer submits a drainage strategy. A drainage strategy should detail the site's existing and proposed foul and surface water discharge rates, along with points of connection to the public network. The developer may also wish to detail any attenuation measures that they are planning to utilise.

We request that the developer produces their drainage strategy in consultation with Thames Water, to show that capacity exists in both the on and off-site infrastructure or that it can be provided ahead of occupation. Where additional infrastructure is required, the strategy should go on to identify what is required, where and who is to fund it.

Once an initial assessment of the proposals has been completed, if Thames Water have any concerns about the potential impact of the development, we may request that the developer funds an impact study. This involves us using a model of the network to see what the impact of the development could be. If it is found that there would be detriment, the study would provide high level solution options. The developer would be able to work with Thames Water to decide on the most appropriate way forward and could use the study to form part of the drainage strategy.

Further Comments

A Trade Effluent Consent will be required for any Effluent discharge other than a 'Domestic Discharge'. Any discharge without this consent is illegal and may result in prosecution. (Domestic usage for example includes - toilets, showers, washbasins, baths, private swimming pools and canteens). Typical Trade Effluent processes include: - Laundrette/Laundry, PCB manufacture, commercial swimming pools, photographic/printing, food preparation, abattoir, farm wastes, vehicle washing, metal plating/finishing, cattle market wash down, chemical manufacture, treated cooling water and any other process which produces contaminated water. Pre-treatment, separate metering, sampling access etc, may be required before the Company can give its consent. Applications should be made at <http://www.thameswater.co.uk/business/9993.htm> or alternatively to Waste Water Quality, Crossness STW, Belvedere Road, Abbeywood, London. SE2 9AQ. Telephone: 020 3577 9200.

'We would expect the developer to demonstrate what measures he will undertake to minimise groundwater discharges into the public sewer. Groundwater discharges typically result from construction site dewatering, deep excavations, basement infiltration, borehole installation, testing and site remediation. Any discharge made without a permit is deemed illegal and may result in prosecution under the provisions

of the Water Industry Act 1991. Should the Local Planning Authority be minded to approve the planning application, Thames Water would like the following informative attached to the planning permission: "A Groundwater Risk Management Permit from Thames Water will be required for discharging groundwater into a public sewer. Any discharge made without a permit is deemed illegal and may result in prosecution under the provisions of the Water Industry Act 1991. We would expect the developer to demonstrate what measures he will undertake to minimise groundwater discharges into the public sewer. Permit enquiries should be directed to Thames Water's Risk Management Team by telephoning 02035779483 or by emailing wwqriskmanagement@thameswater.co.uk. Application forms should be completed on line via www.thameswater.co.uk/wastewaterquality."

Supplementary Comments

Please supply the points of connection for foul water to the public sewerage system. Regarding Surface Water Drainage after reviewing Strategy 6011-SK006 (dated 21/07/2015) we have no objection to surface water proposal.

Further further comments

Waste Comments

Surface Water Drainage - With regard to surface water drainage it is the responsibility of a developer to make proper provision for drainage to ground, water courses or a suitable sewer. In respect of surface water it is recommended that the applicant should ensure that storm flows are attenuated or regulated into the receiving public network through on or off site storage. When it is proposed to connect to a combined public sewer, the site drainage should be separate and combined at the final manhole nearest the boundary. Connections are not permitted for the removal of groundwater. Where the developer proposes to discharge to a public sewer, prior approval from Thames Water Developer Services will be required. They can be contacted on 0800 009 3921. Reason - to ensure that the surface water discharge from the site shall not be detrimental to the existing sewerage system.

We would expect the developer to demonstrate what measures he will undertake to minimise groundwater discharges into the public sewer. Groundwater discharges typically result from construction site dewatering, deep excavations, basement infiltration, borehole installation, testing and site remediation. Any discharge made without a permit is deemed illegal and may result in prosecution under the provisions of the Water Industry Act 1991. Should the Local Planning Authority be minded to approve the planning application, Thames Water would like the following informative attached to the planning permission: "A Groundwater Risk Management Permit from Thames Water will be required for discharging groundwater into a public sewer. Any discharge made without a permit is deemed illegal and may result in prosecution under the provisions of the Water Industry Act 1991. We would expect the developer to demonstrate what measures he will undertake to minimise groundwater discharges into the public sewer. Permit enquiries should be directed to Thames Water's Risk Management Team by telephoning 02035779483 or by emailing wwqriskmanagement@thameswater.co.uk. Application forms should be completed on line via www.thameswater.co.uk/wastewaterquality."

Final comments

Waste Comments

Thames Water would advise that with regard to sewerage infrastructure capacity, we would not have any objection to the above planning application.

Supplementary Comments

Due to correspondence received from MJM Consulting Engineers on 14th October 2015 confirming proposals for foul water discharge from this development are now to make a single connection into Thames Water manhole reference 1201, based on a proposed flow rate of 16 litres per second for the site as a whole, our previous request to add a Grampian condition due to capacity concerns is no longer necessary.

Environment Agency

In the absence of an acceptable Flood Risk Assessment (FRA) we object to the grant of planning permission and recommend refusal.

Reason The FRA submitted with this application does not comply with the requirements set out in paragraph 10 of the National Planning Practice Guide to the National Planning Policy Framework. The submitted FRA does not therefore, provide a suitable basis for assessment to be made of the flood risks arising from the proposed development. In particular, the submitted FRA fails to:

1. Make an appropriate assessment of the existing surface water run-off rates and provide appropriately sized on-site rainfall run-off storage arrangements.
2. Consider the full range of Sustainable Drainage System (SuDS) options.
3. Consider the future management of the sustainable drainage system.

Overcoming our objection You can overcome our objection by submitting an FRA which covers the deficiencies highlighted above and demonstrates that the development will not increase risk elsewhere and where possible reduces flood risk overall. This objection is supported by your policy CS31: Water Management.

Advice SuDS involve a range of techniques including soakaways, infiltration trenches, permeable pavements, grassed swales, ponds and wetlands. The SuDS hierarchy should be followed in descending order, with any obstacle to the use of each technique fully justified. SuDS offer significant advantages over conventional piped drainage systems in reducing flood risk by attenuating the rate and quantity of surface water run-off from a site, promoting groundwater recharge, and improving water quality and amenity. The variety of SuDS techniques available means that virtually any development should be able to include a scheme based around these principles. Further information on SuDS can be found in:

- 'Planning Practice Guidance: Flood Risk and Coastal Change': Flood Risk and Coastal Change'
- CIRIA C522 document Sustainable Drainage Systems – design manual for England and Wales
- CIRIA C697 document SuDS manual.

Lead Local Flood Authority

In the absence of an acceptable FRA we object to the grant of planning permission and recommend refusal on this basis for the following reasons:

The FRA carried out by MJM Consulting Engineers dated March 2015 reference 6011-001 Rev A submitted with this application does not comply with the requirements set out in the Planning Practice Guide (as revised 6 April 2015) to the National Planning Policy Framework. The submitted FRA does not therefore provide a suitable basis for assessment to be made of the flood risks arising from the proposed development.

In order for the Lead Local Flood Authority to advise the relevant local planning authority that the site will not increase flood risk to the site and elsewhere and can provide appropriate sustainable drainage techniques, the following information is required as part of the flood risk assessment;

1. Compliance with an overall drainage strategy
2. Demonstrate there will be no increase in surface water run-off rates
3. Demonstrate there will be no increase in surface water volumes
4. No increase in flood risk within the site
5. Justification for implementation of SuDS following the SuDS hierarchy, management and treatment train.
6. Demonstrate the location of exceedance routes
7. Existing ground conditions in relation to feasibility of proposed SuDS

In response to the FRA referred to above, we acknowledge within the report it is the intention of the applicant to reduce the overall existing surface water run-off rates by 30%. However, the FRA lacks evidence in relation to the existing site to demonstrate that there will be no increase in surface water flood risk and how the site can be drained in accordance with current best practice by implementing the most appropriate SuDS.

We note the application is referred to as Phase 1 inferring that this site is part of a larger development. The FRA should therefore take into account the wider development and how the drainage relates to the other phases of the development in relation to the overall catchment area.

The FRA clearly sets out the proposed discharge run-off rates and states that the site will discharge at 2 drainage outfalls into a public sewer, however no information has been provided to demonstrate the existing surface water run-off rates and volumes and existing overland flow paths in order to determine the appropriate location for any new drainage systems and attenuation features. This information is required in order for it to be determined how much betterment is feasible and whether, based on the amount of space within the site, additional surface water storage can be required to accommodate the pre-development greenfield run-off rates and volumes. The existing run-off rates and volumes should also take into account the existing greenfield area to the south of the site.

The FRA mentions areas that could potentially be used as informal flood storage for rainfall events above the 1 in 30 year event. A plan should be provided showing where these areas are located, the extent of the flooding and the depth of flooding to determine if these areas can be safely contained within the site. The FRA should also identify any exceedance routes for extreme rainfall events above the design rainfall event showing that these flows can be maintained within the site and no increase flood risk off site to the surrounding area.

We note the FRA states that no information is currently available on ground conditions including geology, contamination etc. and has therefore provided a drainage scheme based on attenuation. However the scheme based on attenuation, only includes two surface water treatment stages, one of those methods is an underground tank which will not provide any water quality benefit. As the site is proposing a 750 space car park, there is an opportunity to provide permeable paving which will not take up any additional space, can be provided using an artificial sub base if ground conditions are not suitable, providing a water quality benefit to the site. This will then catch any hydrocarbons and particulates before it is drained to the proposed open pond as the second stage of treatment reducing the amount of silt etc. entering the pond thus reducing the pond's maintenance. Within this scheme there is potential to utilise above ground swales instead of extensive lengths of pipe which will allow conveyance between systems, reduce the requirement for maintenance and the risk of blockage.

As the pond will require excavation of the ground, it is important to understand what the condition of the underlying ground is in order to know whether there is any risk of contamination and level of the underlying ground water, determining the feasibility of the pond.

As this is for a full application which sets out the layout of the development, it is important that all of the above information is provided to determine the feasibility of the proposed drainage scheme including the location of drainage features to ensure they are appropriate located to manage the risk of surface water within the site and the surrounding area for the development's lifetime.

For further guidance on HCC's policies on SuDS, HCC Developers Guide and Checklist and links to national policy and industry best practice guidance please refer to our surface water drainage webpage

<http://www.hertsdirect.org/services/envplan/water/floods/surfacewaterdrainage/>

Informative to the LPA

The LPA will need to satisfy itself that any proposed drainage system will be adopted and can be adequately maintained for its lifetime.

The applicant can overcome our objection by submitting an FRA which covers the deficiencies highlighted above and demonstrates that the development will not increase risk elsewhere and where possible reduces flood risk overall. If this cannot be achieved we are likely to maintain our objection to the application. Production of an FRA will not in itself result in the removal of an objection.

We ask to be re-consulted with the results of the FRA. We will provide you with bespoke comments within 21 days of receiving formal re-consultation. Our objection will be maintained until an adequate FRA has been submitted.

Further Comments

In response to the letter from MJM Consulting Engineers dated April 30th 2015 submitted to the LPA in response to our previous letter dated June 4th 2015, we maintain our objection on flood risk grounds due to insufficient information to address the following points:

- Confirmation from Thames Water that the applicant can connect into the existing public surface water sewer.
- Supporting calculations for the required attenuation volumes, these will determine the size and number of SuDS attenuation methods required.
- A technical justification for the proposed SuDS measures, including why alternative sustainable options have been discounted.

The information provided by the applicant to address the concerns set out in our letter of the June 4th 2015 have not been satisfactorily addressed and does not provide sufficient information to demonstrate there will be no flood risk within the site and to the surrounding area. Therefore an appropriate SuDS scheme has not been provided.

In order for the drainage scheme to be feasible, agreement from Thames Water should be established up front. We appreciate that there is a proposal to reduce the overall surface water run-off rate by 30%, and that the letter from the applicant states that they are in conversation with Thames Water to secure their acceptance of the proposed discharge rates. However, this does not guarantee Thames Waters approval. If this information were to be conditioned and it was then determined that Thames Water will not agree to the proposed rates the drainage scheme would be unviable.

It was mentioned in our first response that we noted the application is referred to as Phase 1 inferring that this site is part of a larger development. The FRA should therefore take into account the wider development and how the proposed drainage scheme relates to the other phases of development in relation to the overall catchment area. No further information on this issue has been presented in the letter sent by MJM Consulting Engineers.

The new information submitted by MJM Consulting Engineers does not include any new points regarding the geological conditions of the site. It was pointed out in the previous letter that as the pond will require excavation it is important to understand what the condition of the underlying ground is. This is to determine whether there is any risk of contamination and what level the underlying ground water is at, as both of these will influence any determination on the feasibility of the pond.

Based upon the information provided by MJM Consulting Engineers the proposed drainage scheme is not significantly different from that presented originally. However opportunities may have been missed. As the development is proposing a 750 space car park, there is an opportunity to provide permeable paving which will not take up any additional space. This could be provided using an artificial sub base if ground conditions are not suitable and will provide a water quality benefit to the site. This will catch any hydrocarbons and particulates before it is drained to the proposed open pond, acting as the second stage of treatment and reducing the amount of silt etc. entering the pond and potentially reducing the pond's maintenance. Within the proposed scheme there is potential to utilise above ground swales instead of extensive lengths of pipe which will allow conveyance between systems, reduce the requirement for maintenance and the risk of blockage.

It is important that all of the highlighted information in points 1-4 is provided to enable effective assessment of the scheme and determine the feasibility of the proposed drainage scheme. This must include the location of any drainage features to ensure they are appropriately located to manage surface water flood risk within the site and the surrounding area for the development's lifetime.

Further further comments

In response to the letter from MJM Consulting Engineers dated August 20th, 2015 submitted to the LPA in response to our previous letter dated August 17th, 2015, we maintain our objection on flood risk grounds due to insufficient information to address the following points:

- Supporting calculations of the required attenuation volumes which will determine the size and number of SuDS attenuation methods
- Confirmation of underlying ground conditions in relation to the feasibility of the attenuation pond

The information provided to address our previous concerns has not been satisfactorily addressed in order to demonstrate there will be no flood risk within the site and to the surrounding area and does not provide an acceptable SuDS scheme.

We note that the introduction of permeable pavements and swales is a significant improvement from the original FRA. However, and in spite of this being an outline application, it is important that the storage volumes required to drain the site effectively are provided, so that the feasibility of the proposed drainage scheme including the location of drainage features is ensured.

The new information submitted by MJM Consulting Engineers does not include any new points regarding the geological conditions of the site. It was pointed out in the previous letter that as the pond will require excavation of the ground, it is important to understand what the condition of the underlying ground is in order to know whether there is any risk of contamination and level of the underlying ground water, determining the feasibility of the pond. Even at the outline application stage, it is important to ensure that the pond will be feasible to ensure sufficient space can be allocated to provide the required attenuation volume above ground.

Final Comments

In response to the letter sent by MJM Consulting Engineers dated September 3rd, 2015 submitted to the LPA in response to our previous letter dated September 2nd, 2015, we remove our objection on flood risk grounds.

At this outline stage the applicant has provided sufficient detail to demonstrate that there is a feasible drainage scheme that can provide a significant betterment from current surface water run-off rates. The proposed discharge into the public sewer network has been accepted by Thames Water. The drainage scheme also includes sufficient attenuation of the required surface water volumes and has proposed the most appropriate sustainable drainage methods such as ponds, swales and permeable paving.

However as this is an Outline Planning application, we will require more detail as part of any reserved matters application particularly in relation to the proposed layout to ensure the principles set out in the outline drainage strategy are implemented and the space identified for the strategic SuDS features is allocated to ensure there will be no increase in flood risk within the development site.

We therefore recommend the following conditions to the local planning authority should planning permission be granted:

Condition 1

The proposed development will only meet the requirements of the National Planning Policy Framework if the following measures as detailed in the FRA submitted with this application are implemented and secured by way of a planning condition on any planning permission.

The development permitted by this planning permission shall be carried out in accordance with the FRA carried out by MJM Consulting Engineers dated March 2015 reference 6011-001 Rev A, all supporting documents (letters by Rebecca High dated August 18th, 2015 and September 3rd, 2015 and drainage map referenced SK006 named "Maylands Gateway – Surface water drainage strategy – greenfield with SUDS"); mitigation measures detailed within the FRA as follows:

- Limiting the surface water run-off generated by the critical storm event so that it will not exceed a the rate of 3.3 l/s from the North of the site and 32.9 l/s from the South of the site, in order not to exceed a total discharge rate of 36.2 l/s.
- Implementing appropriate SuDS features giving priority to above ground measures such as permeable pavements, ponds and swales, as stated in the

email and shown in the map referenced SK 006 that was received from the LPA on August 20th, 2015.

- Providing attenuation to ensure no increase in surface water run-off volumes for all rainfall events up to and including the 1 in 100 year + climate change event providing a minimum of 215 m³ of attenuation volume in a swale in the North site, a total of 2109 m³ of attenuation volume in the South site. 1320 m³ of the overall storage will be attenuated in one pond and the remaining 789 m³ is to be provided in a swale and permeable pavements as outlined in the letter sent by Rebecca High the 3rd of September, 2015.
- Discharge of surface water to the Thames Water sewer network.

The mitigation measures shall be fully implemented prior to occupation and subsequently in accordance with the timing / phasing arrangements embodied within the scheme, or within any other period as may subsequently be agreed, in writing, by the local planning authority.

Reason

1. To prevent flooding by ensuring the satisfactory disposal of surface water from the site.
2. To prevent flooding by ensuring the satisfactory storage of surface water from the site.
3. To ensure there will be no risk of flooding from surface water to the proposed properties within the development site
4. To ensure surface water can be managed in a sustainable manner
5. To provide a betterment from the current brownfield runoff rates.

Condition 2

The proposed development will be acceptable if a planning condition is included requiring the following drainage details.

No development shall take place until a surface water drainage scheme for the site, based on sustainable drainage principles and an assessment of the hydrological and hydro geological context of the development, has been submitted to and approved in writing by the local planning authority. The drainage strategy should demonstrate the surface water run-off generated up to and including the 1 in 100 year + climate change critical storm will not exceed the run-off from the undeveloped site following the corresponding rainfall event. The scheme shall subsequently be implemented in

accordance with the approved details before the development is completed.

The scheme shall also include:

- Details of how the scheme shall be maintained and managed after completion
- Details of the proposed drainage scheme providing a drainage plan showing the location of any proposed SuDS, pipe runs and any areas of proposed informal flooding.
- Detailed assessment of the existing surface water flood risk as shown on the EA National surface water flood maps, ensuring the development layout does not place any proposed properties at risk from surface water flooding.
- Justification of SuDS selection giving priority to above ground methods, reducing the requirement for an underground piped system, reducing the requirement for overly deep attenuation ponds.
- Detailed engineering details of the design of the proposed SuDS features
- Detailed surface water drainage calculations for all rainfall events up to and including the 1 in 100 year + climate change event.

Reason

To prevent the increased risk of flooding, both on and off site.

Hertfordshire Constabulary

Public Parking areas:

a. Youths and vehicles: There is currently a problem with youths and vehicles (doing wheelies, etc) at the nearby Jarman Park. The car park for this proposed development should be designed to deter such activity.

b. Safer Parking Award: The Safer Parking Scheme is aimed at the management of criminal behaviour within the parking environment. Parking facilities that have achieved the award mean the parking operator has in place measures that help to deter criminal activity and anti social behaviour, thereby doing everything they can to prevent crime and anti social behaviour in their parking area. I therefore ask for the following condition:

Condition: No development shall commence until details to demonstrate how the car parks on site will achieve and maintain 'Park Mark,' Safer Parking Award status, have been submitted to and approved in writing by the Local Planning Authority in agreement with Hertfordshire Police. The car park shall not be brought into use until the approved measures have been implemented in full and shall thereafter be retained.

Reason: To prevent crime and protect those people using the car park in accordance with paragraph 69 of the NPPF

CCTV & site Security:

a. Site CCTV & Security: To help prevent crime at such sites, whether it be vehicle crime or crime directed at the retail premises, it will be important to have good quality CCTV of the public realm on site as well as appropriate security. I have already mentioned the nearby Jarman Park site which currently has issues with youths in vehicles. That site also suffers from crime directed at the various premises on that site. The whole of the proposed site at Maylands will be private premises to which the public are invited. The Police do not patrol private sites to deter crime, so the duty of care for members of the public and site security will fall to the site owners / management.

b. Maylands area CCTV: At the present time the area is an industrial / office / commercial area. If permission is granted then it will attract members of the public into the area as a site of destination, and this could lead to an increase in casual crime in the Maylands area. There is already a problem with theft of diesel from lorries and theft of goods from lorries in the area. Therefore I would support the addition of public realm CCTV for the area, to help deter crime in the Maylands area.

I hope the above is of use to you in your deliberations and will help the development achieve the aims of the National Planning Policy Framework (NPPF).

- 58 – re safe and accessible environments where crime and disorder, and the fear of crime, do not undermine quality of life or community cohesion.
& the National Planning Practice Guidance (NPPG)
- 010 – re Sec 17 of the Crime and Disorder Act 1984 – to prevent crime & disorder.
- 011 – re planning promoting appropriate security measures.
& Dacorum Core Strategy policies:
- CS12 – re safe access, layout and security
- CS13 – re pedestrian friendly, shared spaces in appropriate places

Herts Ecology

1. We have no ecological information on record from this former industrial site, although bats and badgers have been recorded from the general area.

2. Within the Environmental Risk Assessment Former buildings are noted as being demolished by 2006. With a lack of other activity, the site has now developed ecologically for nearly ten years. Photographs of stockpiles and developing vegetation are provided in a number of the submitted documents and clearly show potential habitat opportunities for reptiles and other wildlife. The ephemeral nature of these – colonising vegetation and bare, friable ground are typical of such brownfield sites and these could have developed a locally significant biodiversity, particularly for invertebrates and reptiles. However these habitats are relatively recent and isolated (other than areas at Buncefield) which may reduce their full potential.

3. Whilst I have no reason to consider there is any significant biodiversity interest on the site, its nature is such that it requires an assessment of its biodiversity and any appropriate recommendations.

4. In this respect I note the Ecological Appraisal which has been prepared in support of the application. This has provided an extended Phase 1 map of the site and identified potential reptile interest which will require further surveys to properly take these into account.

5. Previous discussion with HE on this issue concluded that reptile surveys could be undertaken by Condition if this outline application is approved or at the detailed phase of proposals. The reptile species most likely to be present (slow worms or common lizards) are not EPS and there is no requirement to consider these fully prior to determination. However as a material consideration further survey and advice is needed under the control of planning to ensure the protected species are properly taken into consideration as part of the planning process. Survey work can take place at any appropriate time to inform this.

6. A building inspection for bats was undertaken – bats are European Protected Species and information is required prior to determination.

7. The evidence from the surveys provided within the Appraisal is consistent with the interpretation of significance. Whilst the species-poor semi-improved grassland does include some indicator plants, I acknowledge the interest to be limited to the level of the site itself. The same follows for the other major habitat features on the site, such as hedgerows. Any role the site plays in contributing to a corridor will be of wider significance.

8. I consider the habitat enhancements as outlined in 5.4 are appropriate, and further details will be provided with a more detailed scheme of suitable landscaping proposals.

9. In this context, I note that the Site Strategy Masterplan (02.01) states:

A green and sustainable place

- *Promote the use of green energy*
- *Create new and improved existing habitats*
- *Incorporate green infrastructure*
- *Create wildlife corridors and landscape linkages*

Within the Landscaping Section (02.08) it states: *The landscape scheme seeks to retain key trees in and around the site which contribute to the amenity of the local area as well as forming an established landscape setting for the proposed built form.*

It is anticipated that a comprehensive scheme of landscaping will be conditioned as part of the proposed development. This will complement the existing retained vegetation and create a high quality setting for the proposals. The proposed planting will incorporate an appropriate mix of native and ornamental species to ensure a varied scheme which contributes positively to biodiversity is achieved. Species which

are beneficial to pollinators as well as other fauna will be incorporated as part of this mix.

10. I would expect the process outlined above to be followed. The balancing pond is shown as a wildflower meadow – the extent to which any such ecological gain can be achieved will be dependent upon the feature's role as temporary water storage – which will limit its function as both dry grassland or a wetland depending upon its design and function.

11. Historically there were numerous orchards within this area of what is now Hemel Hempstead, and this habitat should also be considered as an objective of landscaping if there is sufficient opportunity. Orchards provide an amenity, pollination and a water management role as well as being productive.

12. In respect of species, bats are not considered to be present in buildings or trees, birds will be covered by the usual provisions re disturbance to nests if vegetation is cleared, and reptiles dealt with as outlined above. Methods of dealing with any issues are outlined and follow Best Practice.

13. The presence of Little Ringed Plover is a possibility in some parts of the site (e.g. Plates 2 and 5) if the vegetation remains open enough and undisturbed, as a pair showed signs of breeding in similar habitat at Buncefield. In any event this is likely to be a temporary exploitation of this habitat, and could be considered in the event of more detailed reptile surveys being undertaken.

14. On the basis of the above, I consider there are no fundamental ecological constraints associated with the proposals. Some further reptile surveys are required but can be provided as necessary to ensure they are fully considered. Otherwise there appears to be limited ecological interest associated with the site. Whilst detailed invertebrate surveys have not been undertaken, in terms of habitat quality, there is nothing to suggest there is anything other than perhaps local interest.

15. I have no reason to consider there are any other ecological issues associated with this proposal. Consequently I have no objections to raise regarding these proposals.

Herts Fire and Rescue

Having examined the drawings it is noted that the access for fire appliances and provision of water supplies appears to be adequate.

Further comments will be made when we receive details of the Building Regulations application.

The drawing is retained for our records.

National Grid

An assessment has been carried out with respect to National Grid Electricity Transmission plc's and National Grid Gas plc's apparatus. Please note it does not cover the items listed in the section "Your Responsibilities and Obligations", including gas service pipes and related apparatus.

For details of National Grid's network areas please see the National Grid website (<http://www.nationalgrid.com/uk/Gas/Safety/work/>) or the enclosed documentation.

National Grid has identified that it has apparatus in the vicinity of the enquiry which may be affected by the activities specified. Can you please inform National Grid, as soon as possible, the decision your authority is likely to make regarding this application. If the application is refused for any other reason than the presence of National Grid apparatus, we will not take any further action.

Due to the presence of National Grid apparatus in proximity to the specified area, the contractor should contact National Grid before any works are carried out to ensure our apparatus is not affected by any of the proposed works.

Responsibilities and obligations

The "Assessment" Section above outlines the detailed requirements that must be followed when planning or undertaking scheduled activities at this location. It is your responsibility to ensure that the information you have submitted is accurate and that all relevant documents including links are provided to all persons (either direct labour or contractors) working for you near National Grid's apparatus, e.g. as contained within the Construction (Design and Management) Regulations.

This assessment solely relates to National Grid Electricity Transmission plc (NGET) and National Grid Gas plc (NGG) apparatus. This assessment does NOT include:

1. National Grid's legal interest (easements or wayleaves) in the land which restricts activity in proximity to National Grid's assets in private land. You must obtain details of any such restrictions from the landowner in the first instance and if in doubt contact National Grid.
2. Gas service pipes and related apparatus
3. Recently installed apparatus
 - Apparatus owned by other organisations, e.g. other gas distribution operators, local electricity companies, other utilities, etc.

It is YOUR responsibility to take into account whether the items listed above may be present and if they could be affected by your proposed activities. Further "Essential Guidance" in respect of these items can be found on the National Grid Website (<http://www.nationalgrid.com/NR/rdonlyres/6D6525F9-59EB-4825-BA89-BD7E68882C7/51319/EssentialGuidance.pdf>).

This communication does not constitute any formal agreement or consent for any proposed development work; either generally or with regard to National Grid's easements or wayleaves nor any planning or building regulations applications. NGG and NGET or their agents, servants or contractors do not accept any liability for any losses arising under or in connection with this information. This limit on liability applies to all and any claims in contract, tort (including negligence), misrepresentation (excluding fraudulent misrepresentation), breach of statutory duty or otherwise. This limit on liability does not exclude or restrict liability where prohibited by the law nor does it supersede the express terms of any related

agreements.

ASSESSMENT

Affected Apparatus

The National Grid apparatus that has been identified as being in the vicinity of your proposed works is:

- Low or Medium pressure (below 2 bar) gas pipes and associated equipment. (As a result it is highly likely that there are gas services and associated apparatus in the vicinity)
- Above ground gas sites and equipment

Requirements

BEFORE carrying out any work you must:

- Note the presence of an Above Ground Installation (AGI) in proximity to your site. You must ensure that you have been contacted by National Grid prior to undertaking any works within 10m of this site.
- Carefully read these requirements including the attached guidance documents and maps showing the location of National Grid apparatus.
- Contact the landowner and ensure any proposed works in private land do not infringe National Grid's legal rights (i.e. easements or wayleaves). If the works are in the road or footpath the relevant local authority should be contacted.
- Ensure that all persons, including direct labour and contractors, working for you on or near National Grid's apparatus follow the requirements of the HSE Guidance Notes HSG47 - 'Avoiding Danger from Underground Services' and GS6 – 'Avoidance of danger from overhead electric power lines'. This guidance can be downloaded free of charge at <http://www.hse.gov.uk>
- In line with the above guidance, verify and establish the actual position of mains, pipes, cables, services and other apparatus on site before any activities are undertaken.

St. Albans City and District Council

This Council is concerned about the potential impact on St Albans City Centre. As stated in NPPF at paras 24-27:

“ Local planning authorities should apply a sequential test to planning applications for main town centre uses that are not in an existing centre and are not in accordance with an up-to-date Local Plan. They should require applications for main town centre uses to be located in town centres, then in edge of centre locations and only if suitable sites are not available should out of centre sites be considered. When considering edge of centre and out of centre proposals, preference should be given to accessible sites that are well connected to the town centre. Applicants and local planning authorities should demonstrate flexibility on issues such as format and scale.

When assessing applications for retail, leisure and office development outside of town centres, which are not in accordance with an up-to-date Local Plan, local planning authorities should require an impact assessment if the development is over a proportionate, locally set floorspace threshold (if there is no locally set threshold, the default threshold is 2,500 sq m). This should include assessment of:

the impact of the proposal on existing, committed and planned public and private investment in a centre or centres in the catchment area of the proposal; and
the impact of the proposal on town centre vitality and viability, including local consumer choice and trade in the town centre and wider area, up to five years from the time the application is made. For major schemes where the full impact will not be realised in five years, the impact should also be assessed up to ten years from the time the application is made.

Where an application fails to satisfy the sequential test or is likely to have significant adverse impact on one or more of the above factors, it should be refused.”

We consider that the issues identified in the NPPF need to be addressed fully including how they relate to St Albans City Centre. Comprehensive assessment of impact on St Albans City Centre is needed. This includes assessment of spend originating in St Albans district and further afield. We think this would be necessary for you to understand the full impact of the proposed development.

In addition, there may also be a cumulative impact on St Albans from proposed retail development at Jarman Park. It is considered that this should also be taken into account.

We also note the potential impact on Hemel Hempstead Town Centre.

Local Residents/Businesses

Supporting application

161 signature cards stating:

I support the application as it will bring a derelict site back into positive economic use, creating approximately 560 FTE jobs and enhance the shopping facilities in Hemel.

Email from Graham Taylor

With regard to proposal for the planning application on behalf of Trilogy/Aviva I feel this is a much better option than having housing especially as it is an industrial estate. Aviva's other buildings on the industrial estate are a pleasure to drive past as they are immaculately kept and i feel the new development would be in the same vein. It would bring jobs and people to the area. This should not affect the town centre as the proposed shops shouldn't conflict with the brilliant town centre that we have. I hope you take this into consideration when making your decision.

Email from Julie Taylor

We consider putting some retail outlets would bring in more money to Hemel Hempstead and not affect our brilliant town centre shops. No retail park would stop us ever using our town centre shops as they are completely different shopping experience. At the moment the Industrial Estate looks untidy where there is hoarding up and old offices sitting empty. The people building and the virgin health club's land always look fantastically manicured and impeccably tidy it is always a pleasure to drive or walk past this part. So we feel if they would like to redevelop more of the land they could only do it justice. We feel certain there is room in our town for the right retail outlets and welcome it to happen.

Email from Sharon Morton

I fully support plans for shops and development in this area but not too many so that our nice green areas become over populated with housing and people.

I am a member at virgin active in Maylands Ave and the derelict areas surrounding this building could certainly be improved with some smaller shops, but good ones, like Next home store, M & S small store, and a small Morrisons and maybe a Lidl store too.

I personally don't see the need for a petrol station as there are already three nearby.

No more restaurants please as Jarman Park is adequate. A nice coffee shop would bring people into the area but we don't want the area to be spoiled too much and we don't want to encourage kids /teenagers to hang around the area causing trouble.

Please don't spoil the area with too many concrete buildings that all look the same....

Email from June Street

I am pleased to see that the former Lucas Aerospace site is about to be developed with a view to providing extra shopping facilities which will serve several neighbourhoods on this side of the town.

I am delighted that it will be a multi purpose site, with retail services providing more choice , employment, and lunchtime opportunities for existing employees on our industrial site , for shopping and hopefully eating a light lunch away from their desks and PC's.

This will benefit many employees.

The houses which are planned to be built opposite Hightown Housing Associations Head office will also benefit from this shopping resource as for years it has been known that many employees have requested a regular lunchtime bus to the Town Centre for shopping in their lunch hour. Now the new facility will make it easier and is within walking distance if necessary.

I am sure that the residents of Adeyfield , Bennetts End and Leverstock Green will make the most of this new retail development . Traffic may be a problem as is obvious and I feel I don't need to comment on this as I am not a traffic experts.

**Email from Miss S Waye
(long term resident, Wood End Close)**

I want to add that I am not in support of any commercial site on the application from being used for residential purposes (as I understand that recent government legislation now makes that easier to do).

Councillor William Wyatt- Lowe

I have spent a lot of time considering the pros and cons of this application. I think that it is time to make you aware of some of the reasons why, on balance, I support the application to allow use of the site for specific retail purposes.

- 1) The residents of the east of 'Maylands' (plus many living between Leverstock Green Road and Maylands) have long felt isolated, and would value a food outlet within walking distance.
- 2) Although the Dacorum Core Strategy identifies the area as being for business, I believe that the current levels of road congestion mean that more 9-5 business would be a disaster for traffic in the area. I am aware (through attendance at the Maylands Partnership) that businesses considering coming to Hemel may have been led to expect that this site would be reserved for business use. Nevertheless I would be surprised if a change to retail for this small area was seen as a disincentive.
- 3) Workers in the Maylands business area are cut off from lunch time options by their distance from the town centre. Attempts to provide a 'shopper service' to the town centre (the ML2 and Christmas shopping specials) have failed dismally because the journey time was too great. For public health benefits the more options available in walking distance, the better.
- 4) A significant majority of the residents with whom I have discussed possible developments have supported the idea of retail on the site. Of the minority, several were opposed to all development – whether light industry, office, or retail.
- 5) There is a growing emphasis on Public Health issues in planning (such as the recent announcement of the "Healthy Towns" initiative). This was not true at the time of defining the Core Strategy. Planning should encourage active travel, healthy eating, and working environments which promote less sedentary lifestyles. I would support restrictions on the type of retail outlets in the area that supported these objectives.
- 6) As County Councillor for the town centre, I have not yet seen anything in this application which is competitive with the Town Centre retail offer (nor with The Queen's Square). I would, of course, support restrictions which ensure that this continues to be so.

Councillor Graham Adshead

I support this application

Objections

On behalf of Maylands Partnership

This subject has been discussed at length with the various businesses based on Maylands and who form part of the Maylands Partnership which I represent. It is the combined view of the group that this proposed development is not appropriate for the site and as such we would like to register an objection. We have several concerns, the key ones I summarise below:

1. We are very concerned that the proposal is not aligned with the original Master plan for Maylands which was defined via a lengthy and thorough consultation process and approved as the Maylands Local Development order, 4th March 2011. This planning application for retail falls into the area defined as 'The Gateway' which was expected to be the locations for: 'A series of high quality, sustainable buildings set within a green landscape focused around a central lake. It will provide a range of building sizes suitable for key tenants in landmark buildings, including a Higher Education presence, HQ offices, conference facilities and a hotel.' [taken directly from the Master plan document].

It should be noted that several major businesses have invested into Maylands based on the principle set out in the Master plan, so to ignore this, we believe, goes against the whole drive for regeneration in Maylands and undermines the long term direction for the park.

2. One of the major issues with Maylands Business park is the traffic especially during the rush hour periods in the morning & evening. The road layout & infrastructure struggles to cope with the current level of business commuters which leads to long queues and waiting times for those leaving and entering the business park. Particular problem areas are at the Leverstock Green roundabout. It is our view that this proposed retail application would generate significantly more traffic, leading to even more serious traffic issues. As an example we have experienced major problems caused by the new Aldi site in recent months which if replicated at the Leverstock Green roundabout would be a major issue for commuters into the business park. Traffic has been sighted as one of the reasons why new businesses would not move to Maylands and we are concerned this application would hinder our drive to attract more inward investment to the area.

3. With the major investments into the town centre's regeneration which The Maylands Partnership support, we believe adding retail units on Maylands would be a distraction to the town centre and lead to a dilution of trade there. We believe that the heart of retail should be at the town centre and not be split across many separate sites. May lands is not suitable for the creation of an out of town retail park.

Hightown Praetorian & Churches Housing Association

On behalf of Hightown Housing Association, I hereby object to the application for extensive retail floorspace in the Maylands Gateway.

Hightown is a local charity, which continues to invest heavily in the regeneration of Hemel Hempstead. In the Heart of Maylands, Hightown has worked closely with Dacorum Borough Council to bring forward a deliverable mixed use scheme which complies with local planning policy. In line with the Maylands Masterplan and 2010 Heart of Maylands Development Brief, the scheme will create an attractive centre for businesses and employees working in Maylands, providing shops, cafes, business

services and community facilities, focussed on a new public square. The clear function here is as an enabling development to draw in further business users.

Our understanding is that the Maylands gateway is intended to be a "visible sign of regeneration of Maylands and emphasise the role of the area as a high quality environment in which to invest, do business and work." The Gateway development brief was reviewed relatively recently in 2013 and while this introduced some flexibility to enable development, out of town retail stores did not feature in the description of acceptable uses.

Approval of the proposed scheme would run contrary to local policy and undermine the principle of regulating development and land use through strategic planning. This would set a dangerous precedent for other sites within the Borough.

We would encourage the Council to press for a policy compliant development on the former Lucas Aerospace site, which genuinely embraces Maylands as a growing and thriving business park.

GR Planning Consultancy on behalf of the leasehold owners of the Riverside Shopping Centre (RSC)

1. Background to Objections

RSC together with the Marlowes Shopping Centre (MSC) represents the main retail 'core' of the Town Centre. My clients have invested heavily within the RSC and continue to work closely with the Council and other local stakeholders in promoting RSC as well as the wider Town Centre, ensuring that any new investment undertaken within the 'public realm' and shopping environment realises positive improvements for the Town Centre.

My clients consider it essential to the continuing success of the Town Centre that its health is protected and enhanced and that new investment is positively encouraged so as to increase footfall and build on the success of recent developments and new investment within the Town Centre.

2. Refusal of Jarman Park Application (ref: 4/00424/15/MOA)

The Minutes of the Development Control Committee on the 28th May 2015 confirm that Members resolved to refuse planning permission for this development as the proposal would have a 'substantially harmful impact' on the Town Centre and would adversely affect the Council's aims as set out in the adopted Town Centre Master Plan. At the time of writing that refusal had still to be issued. Nevertheless, this decision establishes a number of important principles:

- That even with the recommended restrictions on the sale of clothing & footwear the Council (Members) concluded that a development of 10,102sqm of A1 floorspace (6,700sqm of which was the subject of an extant consent) would result in a 'significant adverse impact' on the Town Centre contrary to Policy CS16 of the Core Strategy

- The development would adversely affect the aims of the Town Centre Master Plan which includes proposals for a new foodstore and the consolidation of comparison floorspace within the Gade Zone - a central driver in the regeneration of the Town Centre and in generating value to fund various environmental improvements (paragraph 5.2.4 of the Master Plan)

That the Council (Members) concluded that the Town Centre was vulnerable to further out-of-centre retail development and that the benefits of the proposed scheme did not outweigh the adverse impact on the Town Centre

In relation to the latter point, this conclusion was, in part, based on the advice provided by the Strategic Planning Team (in turn based on the independent retail advice from the Council's retained retail consultants, PBA). These established principles provide the context for determining the outstanding application on the Former Lucas site.

3. Objections to Former Lucas Site Application (ref: 4/01132/MOA)

In view of my clients significant interests within the Town Centre we have concentrated our objections on the retail implications of this application and specifically the Planning Statement (dated March 2015) submitted in support by Savills ('Savills Statement'). In doing so, we have been mindful that the Council's retail consultants, PBA, are undertaking a detailed critique of this retail assessment. We have therefore sought to provide, from the perspective of our clients, a further independent analysis of some of the main points that arise from the Savills Statement.

The application seeks consent for 12,503sqm of A1 retail space – the clear implication is that an open A1 use is sought. However, there is no existing retail development on the application site and it does not benefit from any extant consent for A1 use. Similarly, it is not allocated for retail use and is not one of the recognised 'Out-of-Centre Retail Locations' referred to in Table 6 of the Core Strategy. It is therefore seeking consent for a completely new out-of-centre retail destination on a scale that well exceeds the proposals refused on Jarman Park. The immediate conclusion that can be drawn from this is that the development is contrary to the development plan and that by applying the principles established through the Jarman Park refusal, the development will result in a "*significant adverse impact*" on the Town Centre contrary to Policy CS16 of the Core Strategy and paragraph 27 of the National Planning Policy Framework (NPPF) (March 2012).

Conflict with Development Plan

As with the Jarman Park proposals the development is contrary to Policy CS16 of the Core Strategy in that it will not result in a "*positive overall outcome*" for the Town Centre and will in fact result in a "*significant adverse impact*", a conclusion supported by the refusal of the Jarman Park application.

Paragraph 4.17 of the Savills Statement suggests that Policy CS16 is "*explicit*" in its support for new retail development outside existing centres, subject to the retail impact and sequential tests being satisfied (a statement repeated at paragraph 6.37). This is plainly wrong. The definition of "*explicit*" is something that is stated clearly or leaving no room for doubt or confusion. The wording in Policy CS16 is the opposite in that it is guarded in confirming that new retail development in out-of-

centre locations “*will only be permitted*” if it complies with the sequential and retail impact tests – consistent with the ‘town centre first’ approach advocated in the NPPF and the tests set out in paragraphs 24 – 27 (inclusive) of the NPPF.

Paragraph 4.17 of Savills Statement is also incorrect in that it contends that the impact test within Policy CS16 requires an Applicant to demonstrate that there will be “*no unacceptable impact*”. The Policy in fact requires that any impact assessment “*demonstrates a positive overall outcome*” for existing centres.

Paragraph 6.37 of Savills Statement implies that Policy CS16 identifies future capacity for 15,500sqm of non-food floorspace by 2021 within Hemel Hempstead (a statement again repeated elsewhere). Whilst the floorspace projection is correct, the (misleading) implication is that this capacity is for Hemel Hempstead as a whole, which it is not. Policy CS16 is clear in that this capacity relates only to the Town Centre. The Policy contains no allocation for new retail floorspace within either existing or new edge/out-of-centre locations. In addition, Savills imply that the figure of 15,500sqm reflects operator demand which is again incorrect in that it is simply an indication of theoretical capacity based on future growth in population and per capita spend on comparison goods.

Proposed Retail Units & Potential Operators

Paragraph 3.7 of the Savills Statement indicates that the proposed ‘anchor’ unit is intended for a high quality national multiple selling furniture, homewares, electrical goods and clothing & footwear, but does not name that operator. Next, Debenhams, Marks & Spencer and John Lewis all operate a similar type of format, with in most cases an extensive range of clothing & footwear. Savills acceptance that the proposed ‘anchor’ unit and potentially the other new units will sell clothing & footwear directly contradicts their assertion that the new units will complement the Town Centre. It also reinforces the conclusions of Strategic Planning and PBA, on the Jarman Park proposals, that this development will similarly create units that could encourage existing Town Centre retailers to relocate to the Former Lucas site – retailers which Savills themselves acknowledge in paragraph 7.12 are ‘key attractors’ or ‘anchors’ of the Town Centre.

The proposal is for an open A1 use which will compete directly with the Town Centre - it will not only draw significant trade, footfall and the spin-off benefits associated with linked trips, but also potentially the Town Centre’s ‘key attractors’ or ‘key anchors’.

GL Hearn Retail Study Update 2011 (RSU)

The Savills Statement’s references to the RSU (see Sections 4 & 7) are selective and in a number of respects by implication incorrect and misleading. Contrary to what Savills state, the RSU does not conclude that existing stores within the Town Centre are overtrading. Paragraph 3.37 of the RSU does confirm that by 2016 out-of-centre comparison stores will be overtrading, but that this is not a reflection of ‘need’ and merely the fact that those stores are trading well in relation to their benchmark turnovers. The RSU confirms that this overtrading is likely to be addressed through the implementation of the extant consent at Jarman Park. Also, that new retail development within the Town Centre could similarly assist in reducing overtrading in out-of-centre locations and in doing so would result in a far more sustainable pattern of development as well as reinforcing the Town Centre’s role and health.

Savills ignore completely the findings in paragraphs 4.7 and 5.4 of the RSU, that whilst the Town Centre stores (particularly on the non-food side) trade at viable levels there remains significant scope for existing floorspace to trade more intensively. Also, that whilst, in the future, there may be a theoretical capacity for more non-food retail floorspace, there is no need in the short to medium term to allocate sites as there was vacant floorspace within the RSC and MSC and existing floorspace within the Town Centre was capable of showing a marked improvement compared to its existing trading performance - it is notable that paragraph 7.14 of Savills Statement suggests existing vacant units within the Town Centre are in secondary or tertiary locations, which is again incorrect as a number of vacancies exist within its 'core' retail area.

Strategic Planning (and PBA), in advising on the refused Jarman Park application, confirmed that there remained vacant floorspace within the RSC and MSC. Also, that parts of the Town Centre continued to fail to meet their full potential in trading terms and that there was a large number of 'low-end' units and units occupied on short-term leases.

Town Centre Overtrading

A constant contention throughout Savills Statement is that the Town Centre non-food stores are overtrading and that this will increase in the future. Even so and leaving aside the fact that they misinterpret and misapply this issue, they offer no survey or empirical evidence to demonstrate, if this was the case, what harm arises from it – various authorities have accepted that where town centre stores are trading above benchmark levels that this can only be a positive benefit for that centre in that it indicates the centre is trading healthily and is generating high levels of footfall and linkages from which the whole centre will benefit.

The issue of overtrading is often adopted by Applicants to justify out-of-centre proposals. The now cancelled Planning Guidance to PPS4 made it clear that the issue of overtrading was regularly misunderstood and misapplied. It also warned against placing too much weight on assessments that simply compared survey derived turnovers with an average benchmark turnover for the whole of a town centre as the latter was likely to be unreliable compared to actual sales data from individual businesses. These criticisms apply here.

This part of the Savills assessment is also flawed. This emanates from paragraph 7.16 of the Savills Statement which contends that in 2015 the Town Centre will be overtrading by £22.1Million. Table 3 to Appendix 8 to Savills Statement confirms that this is based on comparing survey derived turnovers (Savills estimate £223.0Million) with a benchmark turnover for the whole of the Town Centre (Savills estimate £203.0Million). To calculate the latter, Savills simply adopt the benchmark figure from Table 5 to the RSU, of £5,000.00 per sqm in 2009. The flaw arises from the fact that Savills then use this exact same benchmark figure for 2015, i.e. they do not project the 2009 benchmark figure forward to take account of floorspace efficiency. Incorporating the latter gives a benchmark (non-food) turnover for the Town Centre in 2016 of around £223.0Million (as per Table G of the RSU), i.e. exactly the same as the Savills survey derived turnover in 2015 of £223.0Million – the Town Centre's non-food stores are not therefore overtrading but achieving benchmark levels indicating that there remains scope for existing floorspace to trade more intensively and higher than current trading levels.

A further flaw is the comparisons made by Savills in Table 4 of Appendix 8 for 2020

and 2022. Leaving aside the fact that the benchmark levels are all now incorrect given the error made with the 2015 figure, Savills then suggest that overtrading will still occur within the Town Centre in 2020 and 2022. Whilst it's appropriate to project forward the survey derived turnovers to reflect growth in floorspace efficiency, Savills have, wrongly in our view, assumed that all growth in future comparison spend (from population and per capita spend) will be taken up by existing Town Centre non-food businesses. This assumption is simply unrealistic and flawed and paints a completely distorted picture through misapplying the implications of future growth in per capita comparison spend.

Impact on Town Centre

The Savills retail assessment underestimates the trade diversion and impact on the Town Centre. Their conclusions on the health of the Town Centre are also unsubstantiated by direct evidence. Paragraph 7.17 of the Savills Statement suggests the Town Centre is performing well and that it has improved since the RSU (a view repeated in paragraph 7.50). These conclusions are based on Savills flawed analysis (as we showed above) that the Town Centres non-food stores are overtrading in 2015, which they are clearly not. It also contradicts the findings of the Council in refusing the Jarman Park application.

Table 6 to Appendix 8 of the Savills Statement outlines their estimates of the likely turnover of the proposed development. However, given the absence of any named operators and as consent is sought for open A1 use, other scenarios must be considered based on the wide variety of operators that could be accommodated. A sensitivity test should be applied to assess the implications of the new stores trading at a higher density than that adopted – consistent with the advice in paragraph 17 of the National Planning Practice Guidance (NPPG) (March 2014) 'Ensuring the vitality of town centres'.

Paragraph 7.39 of the Savills Statement contends that the proposed units will compete on a 'like for like' basis with similar large format units on the London Road. Table 6 to the Core Strategy confirms that the latter are predominantly bulky goods operators. There are of course no details with this application of the potential occupiers and consent is sought for an open A1 use. The proposed units would be suitable, therefore, in scale and layout, for existing Town Centre retailers who also operate from large out-of-centre formats. Savills themselves confirm that the proposed 'anchor' unit will sell clothing & footwear in direct competition with the Town Centre. A 'like for like' approach is therefore plainly not justified.

Table 7 to Appendix 8 of the Savills Statement outlines their estimates of trade draw from the proposed development. The Savills estimate, that 20% of the proposed non-food turnover will be drawn from the Town Centre, is not corroborated by survey evidence or comparable case studies. The retail consultants acting for the Jarman Park application estimated that 45% of that proposals non-food turnover would be drawn from the Town Centre. The latter is, in our experience, a more realistic estimate of the trade draw in this case, bearing in mind that the application is also seeking an open A1 use and involves significantly more retail space than proposed at Jarman Park. It is also supported by the fact that the Savills estimate, of a 15% draw from the extant Jarman Park consent, is completely unrealistic and unjustified. This consent has not been implemented and the owners of Jarman Park, through their recent application, have made it very clear that in its current form the consent

will not be implemented as there is no demand. It cannot therefore be included in Table 7.

Assuming all the proposed floorspace on the application site traded at a density of £5,000.00 per sqm would equate to a potential non-food turnover of £37.3Million. Adopting a trade draw of 45% would result in just under £17.0Million being drawn from the Town Centre. This draw would increase if other scenarios and sensitivity testing were applied. This only represents of course the non-food trade draw.

The combined effect of all the above is that the trade draw and impact on the Town Centre will be significantly higher than Savills estimate.

Given the consensus amongst Officers, Members and PBA, any material trade draw from the Town Centre is likely to amount to a 'significant adverse impact'. The loss of a minimum of £17.0Million of non-food trade from the Town Centre is very significant and material. The figure does not of course include any allowance for the loss of trade that will occur from reducing footfall within the Town Centre and consequently the spin-off benefits from linked trips.

Paragraph 17 of the NPPG confirms that the judgment of whether the proposed trade draw/impact will be significant "*can only be reached in the light of local circumstances*" and that where there are high levels of vacancies and/or limited demand even a "*very modest trade diversion*" can lead to 'significant adverse impact'. The advice is clear in confirming that any assessment should be based on a number of factors and not simply, as is often the case, through concentrating on the likely impact in percentage terms. A recent appeal decision supports this view and relates to an application to widen a goods restriction (and subdivide the unit) on the Homebase store on Myton Road in Leamington Spa.

(Appeal reference APP/T3725/A/14/2218334 – decision dated the 16th February 2015 – see attached copy). In dismissing the appeal the Inspector concluded that: "*I have studied the evidence with regard to the dynamic nature of the town centre, the move towards leisure activities and the changing focus of Regent Court towards restaurant uses. However, the fact that Regent Court has struggled to find fashion operators only reinforces my concern that conventional retailing is in decline and that the town centre is more fragile than is readily apparent. I accept that the proposed change of use would be small compared with those continuing to take place at LSP. However, to my mind this makes the likely impact of any further changes more rather than less critical. I have considered the appellant's argument that the PPG reference to modest trade diversion should only apply to weak centres but even if this were the case it would remain a matter of judgement...*

Against the above background, I consider that any significant unavoidable diversion of trade or traders from the town centre would pose a high risk of tipping the centre from its apparently high level of activity over an extensive area into one suffering from more obvious decline. On this issue I conclude that the appellant's proposed condition would be likely to lead to occupation by retailers that might otherwise have located within the town centre or by those already present. The effect of this on investor confidence, vitality and viability would then amount to significant harm. The site is readily accessible by road but, at a distance of around a mile away, is unlikely to foster many linked trips with the town centre, contrary to criteria in LP policy UAP3 which aim to reduce travel by car and promote a choice of means of transport, matters that are repeated in NPPF 24. On the other hand, more visits to the appeal site could well encourage combined trips with the much closer retail

outlets, including those at LSP. This would have the effect of making the area around the appeal site and the nearby LSP more attractive as an alternative shopping destination and, cumulatively, this would further harm the town centre”

This decision confirms that proposals which result in a significant diversion of trade even from centres that are healthy must be critically and closely assessed, given the high risk that any significant trade draw may tip the balance towards a centre in decline. This approach must be applied here as the Town Centre (Hemel Hempstead) has only recently emerged from a long recession and whilst it is showing signs of good health it continues to need both public and private investment to ensure that that success continues. Whilst, therefore, no two town centres are the same, there are a number of similarities between this appeal decision and the current application. The decision is also of importance in that it confirms the criteria that should be considered in determining ‘significant adverse impact’ in the context of the advice within the NPPF and NPPG and supports, in our view, the conclusion that the current application will result in a ‘significant adverse impact’ on the Town Centre.

Impact on Committed & Proposed Investment

As Strategic Planning advised in the context of the Jarman Park application, there remain vacant units within the RSC and the MSC, the ‘core’ areas of the Town Centre. They also indentified a large number of ‘low end’ shops within parts of the Town Centre and stores trading on very short-term leases. The loss of a significant amount of comparison trade from the Town Centre to the proposed development will only compound the problems identified by Strategic Planning and prejudice the investment that has already taken place, as well as future Investment (both public and private). The latter includes current investment being undertaken by the Council in the ‘public realm’ (as envisaged within the Town Centre Master Plan) - required to enhance the shopping environment and drive improvements in footfall and trips to the Town Centre.

The loss of a minimum of £17.0Million of non-food trade (as well as a sizeable level of food trade from the proposed foodstore) will bring with it a significant reduction in footfall and linked trips, undermining current and future investment that is seeking to achieve the complete opposite. This would on its own amount to ‘significant adverse impact’.

The proposed development will create units sizes and formats that could encourage existing ‘anchor’ retailers within the Town Centre to relocate to the application site or new fashion retailers not currently represented to choose an out-of-centre location in preference to the Town Centre - given the lower commercial costs and other benefits of the former such as free parking.

The Applicants for the Jarman Park application confirmed that there is no demand from bulky retail warehouse operators, given existing provision within Hemel Hempstead and the depressed nature of the retail warehouse market. This would leave only potential demand from traditional high street operators, some of which will already be trading from the Town Centre. The loss of these retailers would severely undermine investment that has already taken place within the RSC and MSC and seriously impact on future investor confidence and operator demand within the Town

Summary & Conclusions

In summary, the proposed development would result in a 'significant adverse impact' on the Town Centre contrary to Policy CS16 of the Core Strategy, the Town Centre Master Plan and paragraph 26-27 of the NPPF. There are no material considerations or other benefits of the proposed scheme that would in any way outweigh the adverse impact on the Town Centre. Consistent with the Council's decision on the smaller Jarman Park development, planning permission must be refused.

Further Comments

The Savills response primarily deals with queries raised by the Council's retail consultants, PBA.

As the Savills submission does not respond to or address any of the objections we submitted, there is clearly no need for us to respond further and I can confirm that the objections detailed in our letter of the 10th June 2015 therefore remain outstanding. These objections include:

- The fact that the application conflicts with the development plan and specifically policy CS16 of the Core Strategy
- The failure of the application to address the findings of the 2011 Retail Study Update in relation to the future performance of Hemel Hempstead Town Centre (HHTC) and the need to allow its businesses to grow and meet their full potential
- The various flaws and errors within the supporting retail assessment including the fact that HHTC's retail businesses are not overtrading at present
- The underestimation of impact and trade draw from HHTC – adopting the principles agreed in determining the Jarman Park application the Lucas development is likely to result in the loss of £17.0Million of comparison turnover from HHTC (as well as the loss of convenience turnover) leading to the loss of footfall and linked trips and resulting in "*significant adverse impact*" on HHTC and current/planned investment
- The clear similarities with the appeal proposals on the Leamington Spa Homebase site where the Inspector dismissed a significantly smaller retail development given the risks that even a small amount of trade diversion can have on centres that even though are showing signs of improved health and are in need of both public and private investment and not further out-of-centre competition to ensure that those improvements continue.

Intu Watford

We write on behalf of our client, intu Watford Ltd ('intu') to object to the above planning application. Intu is the owner and operator of the intu Watford Shopping Centre, previously known as the Harlequin Centre in Watford town centre.

The planning application proposes a major out-of-town centre retail development at Lucas Aerospace Ltd, Maylands Avenue, which, if planning permission is granted, would provide 12,503 sq m of Class A1 floorspace for the sale of comparison and

convenience goods. This floorspace is split into 2,563 sq m of convenience floorspace and 10,147 sq m of comparison goods floorspace.

The reasons for our objection are set out in this letter. Our concerns relate primarily to the comparison goods element of the proposed development.

Principle of Development

The Dacorum Core Strategy (adopted 2013) allocates the application site and the wider Maylands Avenue area as a 'Core Office Location'. Policy 31 of the Dacorum Local Plan 2004 (saved policies) relates to general employment areas and states that the Maylands Avenue area is a 'prestigious business area' and should be 'enhanced'. It states that small scale retail uses are acceptable if needed to serve the area.

Policy 44 of the Local Plan relates to retail floorspace outside of defined centres and states that "shopping proposals outside defined centres will be required to demonstrate that a sequential approach to site selection has been followed". Policy CS16 of the Core Strategy is consistent with this and states that "new retail floorspace will only be permitted outside of defined centres if the proposal complies with the sequential approach and demonstrates a positive overall outcome in terms of impact assessment."

The proposed development is contrary to the Core Strategy and Local Plan because the substantial amount of floorspace would undermine the designated 'Core Office Location' and impact upon the local retail hierarchy. The scale of development proposed will create a major shopping destination that is likely to change shopping patterns within the Borough and further afield.

Our client is concerned that the proposed development will have an adverse impact on Watford town centre. The applicant's retail assessment assumes that 10% of the proposed development's turnover will be diverted from Watford town centre but does not quantify the impact on this location. Retail development proposals in out-of-centre locations should complement, rather than compete with the existing retail offer and planned investment within town centres. Out of centre developments should not divert planned investment away from any defined centre within the catchment. As a regional shopping destination, Watford is expected to continue to strengthen its retail offer irrespective of neighbouring proposals. In order to do this, it needs to attract retailers to ensure town centre investment is deliverable. Intu recently obtained planning permission for the redevelopment of Charter Place, adjacent to Intu Watford Shopping Centre. The applicants have not considered the impact of the proposed development on investment within Watford town centre.

The application is applying for Class A1 floorspace, with approximately 40% of the comparison retail floorspace to be occupied by a "national multiple retailer selling a mix of furniture, homewares, garden and electrical goods and clothing and footwear". This could have a significant adverse impact on planned investment in Watford town centre. Intu are delivering 10,000 sq m of open A1 use in Watford town centre as part of the Charter Place redevelopment, providing large modern retail units in a sequentially preferable location. If planning permission is granted for the Maylands Avenue proposal, the delivery of this planned investment within Watford will be threatened and potential retail tenants could be diverted away from Watford town centre to the Maylands Avenue scheme. This could reduce the prospects for letting

space within the development and consequently reduce the ability to attract new retailers to Watford town centre.

This would impact more widely on the vitality and viability of the centre. The potential loss of customers in the centre could jeopardise or delay planned investment in Watford. We therefore request that the Council refuse permission for this application due to it being contrary to local planning policy and having the potential to undermine the retail hierarchy and shopping patterns within the borough and further afield. The applicants failed to fully address the impact of the proposed development, and in particular have not demonstrated the implications for planned investment within Watford town centre.

Suggested Condition

Should the Council be minded to recommend this application for approval, it is paramount that restrictions are imposed by way of Planning Conditions to ensure investment and regeneration in Watford Town Centre is not diverted to an unsustainable out of centre location. Conditions should ensure that the nature of the retail offer is properly controlled, appropriate to the role of the area in the retail hierarchy and does not adversely impact on Watford town centre or other centres in the catchment area.

Intu therefore requests as a minimum that the Council impose the following Condition

“The use of the approved retail units shall be limited to the sale of DIY, home improvement and garden products, furniture and for no other purposes including any other purpose within Use Class A1 of the Town and Country Planning (Use Classes) Order 1987 as amended”.

Reason: To control the range of goods sold within the approved development in the interest of safeguarding the vitality and viability of existing town centres. To ensure that the development complies with the terms of the planning application and that the retail impacts of the development are not greater than is anticipated in the retail impact assessment accompanying the application. To comply with Policy CS16 of the Core Strategy (2013). To comply with the National Planning Policy Framework.

In accordance with the NPPF, this condition is necessary to ensure that in future the proposed retail units cannot be occupied by a retailer selling a wide range of comparison good which should be offered in a town centre location. This is important to protect the vitality and viability of town centres.

NGK Spark Plugs (UK) Ltd

Object on grounds of peak traffic flows. Consider that the current traffic is already too great for the existing road network. It is stated in the documents submitted to be " Known to operate close to capacity in peak period and the extant office scheme could be implemented without any further highway improvements". We believe that the capacity assessments for the extant office scheme"are no longer valid. I can not be sure because the document is so long , but I assume that the assessments date

from 2003 or earlier. Since then, traffic has increased significantly and journeys take a lot longer at peak weekday times. The document accepts that " a number of junctions would be over capacity in the future year scenario" and the traffic will be above capacity levels, though " not to the same extent as the extant office scheme scenarios", yet concludes that "the scheme should receive planning approval" because the proposals provide a betterment in comparison with the extant office scheme". We believe that this conclusion does not follow from the reasoning, in that one flawed scheme does not justify a less flawed scheme.

Resident of Nordest, Leverstock Green Road

The Council is investing considerable sums developing the town centre and trying to fill the significant number of vacant retail outlets, hence these retail units could easily be located in the town centre. If we allow retail to move into the 'Industrial Area' we will reduce the space available for future 'Industrial development' with the jobs they will bring, which will be far in excess of those brought by retail. The overall effect would be to fragment the retail in the town centre, wasting the potential of the current development taking place there.

Resident of 110 Wood Lane End

While Hemel Hempstead needs jobs, shops, and a more pleasant environment, the only cause for concern is the level of traffic coming into Wood Lane End from both ends in the peak periods. Has a traffic plan been devised to allay the fears of residents concerning extra traffic flow in the lane itself? As you know there is a children's nursery / school at the junction at the top of lane. Also many workers access the factories to rear of Wood Lane End via pavements which could be improved to assist them going to work, many have to walk in the road now because of the narrow pavement, would Wood Lane End become one way for vehicle traffic? maybe an option. Also the fields at the cemetery side needs to be protected from the wild life point of view.