



Report for:	Cabinet
Date of meeting:	30th July 2019
Part:	1
If Part II, reason:	

Title of report:	Hemel Hempstead Garden Town and Hemel Garden Communities
Contact:	<p>Cllr Graham Sutton, Portfolio Holder for Planning and Infrastructure</p> <p>Responsible Officer: James Doe, Assistant Director, Planning, Development & Regeneration</p> <p>Author: Nathalie Bateman, Team Leader Strategic Planning and Regeneration – Strategic Sites Delivery</p>
Purpose of report:	To update Cabinet with the outcome of the Garden Communities Prospectus bid submitted to the Ministry of Housing, Communities and Local Government (MHCLG) in November 2018, and to note progress made, agree spend and endorse next steps.
Recommendations	<p>That:</p> <ol style="list-style-type: none"> 1. Cabinet note the success of the bid and receipt and application of £0.75m equally shared with Dacorum Borough Council and St. Albans District and City Council for their work in 2018/19. 2. The draw down from the Local Development Framework Reserve of £0.14m in 19/20 and the residual £0.235m in 20/21 in line with Table 2 - 2 Year Spending Plan be approved and its approval recommended to Council. 3. Cabinet notes that MHCLG has given Garden Town status to Hemel Hempstead as a result of the bid. 4. Funds to progress Hemel Hempstead Garden Town and Hemel Garden Communities are allocated and spent in broad alignment with the submitted Garden Communities bid to MHCLG.

	<p>5. Delegated authority is given to the Portfolio Holder for Planning and Infrastructure and Assistant Director Planning, Development and Regeneration to agree the detail in the Operational Project Plan.</p> <p>6. Cabinet endorses the Project Plan in Appendix 6, 2 Year Spending Plan in Table 2 and Strategic Memorandum of Understanding between SADC, DBC and HCC in Appendix 4 and Indicative Governance Structure in Appendix 5.</p> <p>7. Progress on Hemel Garden Communities and next steps are noted.</p>
Corporate objectives:	The proposals for major development at north and east Hemel Hempstead through the Hemel Garden Communities proposals are wide-ranging and relate to all corporate objectives.
Implications: 'Value for money' implications	<p><u>Financial</u></p> <p>Report proposes draw down from LDF reserve. The successful bid to MHCLG has resulted in the award of substantial financial assistance for the purposes of steering and shaping the development.</p> <p><u>Value for money</u></p> <p>The award of funds through the bid will afford the local authority partners excellent value for money as it will bring additional capacity and reduce the amount of resources that would otherwise have to be allocated to the project.</p>
Risk implications	<p>A high level risk assessment was prepared as part of the Hemel Garden Communities application to MHCLG to join the Garden Communities Programme.</p> <p>Detailed risk assessments will be prepared prior to each phase of the master planning and delivery programme and will be informed by risk management workshops.</p>
Community Impact Assessment	A Community Impact Assessment for Hemel Garden Communities was prepared in October 2018 and reviewed in June 2019 (see Appendix 1).
Health and safety Implications	None arising from this report.
Consultees:	Mark Gaynor, Corporate Director (Housing & Regeneration)
Monitoring Officer/S.151 Officer Comments	<p>Monitoring Officer:</p> <p>There are no direct legal implications arising from the report at this stage, however, the legal team should continue to be consulted as the governance arrangements for the project are developed.</p>

	<p>S.151 Officer The use of the Local Development Framework (LDF) reserve to fund the HGC project is in line with the strategic purpose of this specific reserve.</p> <p>An additional £375k was allocated to the LDF reserve in 2018/19 to fund additional strategic planning for the HGC project over the next 2 years.</p>
Background papers:	<p>Reports to Cabinet on the Dacorum Borough Local Plan, 31 July 2018 and 16 October 2018</p> <p>Submitted St Albans Local Plan, SADC, 2019</p>
Glossary of acronyms and any other abbreviations used in this report:	<p>HCC – Hertfordshire County Council</p> <p>HE – Homes England</p> <p>HGC – Hemel Garden Communities</p> <p>HHGT – Hemel Hempstead Garden Town</p> <p>LDF – Local Development Framework</p> <p>LEP – Hertfordshire Local Enterprise Partnership</p> <p>MHCLG – Ministry of Housing, Communities and Local Government</p> <p>PPA - Planning Performance Agreement</p> <p>SADC – St Albans City and District Council</p> <p>TCE – The Crown Estate</p> <p>TCPA – Town and Country Planning Association</p>

Introduction

1. Hemel Garden Communities (HGC) is a proposal for a major expansion of Hemel Hempstead to its east and north but is not limited to this area if other developments/land promoters wish to support the design and delivery principles set out in the Charter (Appendix 2). The Crown Estate is promoting the development to the north and east of Hemel Hempstead and owns significant land in this area. The map attached to the report at Appendix 3 shows the area known as Hemel Garden Communities. The land is divided roughly equally between Dacorum and St Albans' administrative areas and also includes a small amount of land owned by Homes England at Marchmont Farm and Spencers Park.
2. Recognising the exceptional need for growth, and through the respective preparation of Local Plans, Dacorum Borough Council (DBC), St Albans City

and District Council (SADC), and Hertfordshire County Council (HCC), together with The Hertfordshire LEP and Herts Innovation Quarter (Enterprise Zone) and The Crown Estate as majority land owner, are undertaking a strategic visioning approach to housing and employment growth at Hemel Hempstead.

3. The Hemel Garden Communities proposal in total would accommodate around 11,000 new homes and 10,000 jobs within a new 55 hectare business park with capacity for about 2 million sq. ft. of commercial floorspace and through the delivery of new district and local commercial centres. It should be stressed, however, that in carrying out this work it is recognised that any development would only take place in the Dacorum element if it is included in the Local Plan following proper assessment and consultation. This is dealt with in further detail in paragraphs 19-22 below.
4. The commercial development would effectively be an extension to Maylands Business Park and it comprises the major development opportunity for the Hertfordshire Innovation Quarter (Herts Enviro-Tech Enterprise Zone). The proposal would be supported by significant investment in ambitious new infrastructure and community facilities, with the intention of transforming the town as a whole and providing a great legacy.
5. Hemel Garden Communities includes close partnership working with Hertfordshire Local Enterprise Partnership and local businesses to support the delivery of the Hertfordshire Innovation Quarter. This aims to create an internationally recognised employment zone focussing on green technology at Maylands Business Park, the largest business park in Hertfordshire, in addition to the Building Research Establishment and Rothamsted Research, both of which are located in the St Albans district. The Government has expressed its support for this new employment area, which will help deliver against its clean growth agenda.
6. The Crown Estate own around 60% of the land concerned. It has begun preparing a masterplan for HGC Phase 1, Land East of Hemel Hempstead and there has been significant input from senior officers from DBC, SADC, Hertfordshire County Council, Hertfordshire Local Enterprise Partnership (LEP), Highways England and the Hertfordshire Innovation Quarter regarding the strategic masterplan approach required as a next step for HGC.
7. The Hemel Garden Communities Charter has been developed by the local authorities with input from these stakeholders at regular meetings. The Charter was endorsed by Cabinet on Tuesday, 13 November 2018.
8. The Charter sets a broad vision and framework of agreed development principles to take this proposal forward. Based on Garden City principles promoted by the Town and Country Planning Association (TCPA), nine aspirational principles have been developed to guide the design, development and delivery of the communities over the next 25 years and beyond.
9. The key principles that sets this apart from other vision documents are the principles regarding empowering communities, innovative approaches to delivery and active local stewardship. The Charter also provides an overall

aspiration to integrate the proposal with surrounding existing neighbourhoods and identifying opportunities that will help transform the wider town to ensure it meets the Garden Town Status we are aspiring to.

10. The scale of Hemel Garden Communities and the new status of Hemel Hempstead as a Garden Town is significant. It brings greater certainty for critical infrastructure funding from Government to help deliver the proposal and help transform the town as a whole, subject to further bidding processes.
11. Future bids for funding are expected to support the delivery of transport infrastructure in addition to contributions from developers. Major improvements to include junction 8 of the M1 motorway and a new link road running through the north of the development to connect to the M1 motorway at an improved junction 8, and possibly a new junction 8a or enhanced junction 9. The traffic options for enhanced connections are still being modelled.
12. HGC is expected to deliver new schools, health and community facilities and a series of local centres offering local shopping facilities and the scope for small business space, in addition to the major expansion to Maylands in Hertfordshire Innovation Quarter.
13. A strategic transport link between Maylands Business Park and Hertfordshire Innovation Quarter, the town centre and Hemel Hempstead railway station is needed to promote modal shift and improve connectivity and enhance public transport services for residents, commuters and visitors; further modelling work is required to support the sustainable transport strategy. The proposals include a new multi-modal transport interchange for Maylands and aim to incorporate innovations in public transport such as demand-responsive services.
14. The proposal also aims to provide easily accessible green infrastructure for existing and new residents of the town such as a Country Park and significant connected open space with new leisure facilities. There are also transformative opportunities to help connect the railway stations and town centre with Maylands Business Park and the new communities as well as to improve key pedestrian and cycle routes through the town and links to St. Albans.
15. As the detail of the plan develops, and as work on new Local Plans for both Dacorum and St Albans progresses, there is a need to update Members and engage Members with the project programme and governance.

Planning Status of the development area

16. Both DBC and SADC are considering Hemel Garden Communities proposals for their respective new Local Plans, which are currently under preparation. The Crown Estate, as principal landowner and promoter of the scheme has requested the allocation of the land for development from both authorities. Currently, all of the land is within the Green Belt.
17. SADC submitted its Local Plan formally in March 2019 to the Secretary of State for Housing, Communities and Local Government. This will give rise to a formal public examination of the plan's contents, which will be conducted by a Planning Inspector expected to be in autumn 2019.

18. SADC's submitted Local Plan sets out its preferred approach to meeting development needs in the St Albans District. This allocates their part of the proposal for a minimum of 5,550 new homes in three parts of the site and 55 hectares of employment land in the Enterprise Zone to deliver new jobs. A range of other uses and facilities are included in the draft Local Plan including M1 junction 8 improvements, new primary and secondary schools, new country park, multi-modal transport interchange.
19. The Crown Estate is in the process of preparing a planning application for a first phase of c.2,500 new homes and the business park element of the scheme for submission, mainly to SADC later in 2019.
20. Members will be aware that DBC carried out an initial 'issues and options' consultation for the new Dacorum Local Plan in late 2017. A further Local Plan update was reported to Cabinet on 31 July 2018 setting out the need for a Strategic Sites Design Guide (Supplementary Planning Document) to support the delivery of strategic sites, which includes HGC. This work is being progressed and a draft report is expected for Cabinet this autumn.
21. Any inclusion of the Dacorum element of the HGC proposal will need to be tested formally through the statutory Local Plan preparation process, which is ongoing, prior to deciding on its formal inclusion.
22. In this context, however, Members should note that in 2012 the Planning Inspector for the Dacorum Core Strategy highlighted the need for joint working with SADC to explore the development of land at east Hemel Hempstead, which now forms phase 1 of the HGC proposal. The work that would be resourced by grant money received by MHCLG will help strengthen the evidence base for the wider proposal.
23. For the avoidance of any doubt, formal endorsement of the HGC Charter by Cabinet in November 2018, does not allocate the site for development as this is a matter for the Local Plan alone.
24. This is made clear within the Hemel Garden Communities Charter, 2018 within the introductory text (at page 4) as follows:

"The Hemel Garden Communities proposals fall roughly equally between land in both the Borough of Dacorum and the St Albans District. The proposals in their entirety represent a major strategic urban extension to Hemel Hempstead and need to be thoroughly considered and tested by both DBC and SADC as the respective Local Planning Authorities in their emerging Local Plans"

The bid

25. The MHCLG Garden Communities Bid sought funding for the following key areas:
 - a) Resource funding
 - b) Delivery advice and support

- c) Delivery vehicles
- d) Cross-government brokerage
- e) Peer learning/networking opportunities
- f) Bespoke offer

Table 1 outlines the revenue funding sought and a summary of the expected resources required to support the project over a 5 year period.

Table 1: MHCLG 2018 Garden Communities Funding Bid:

Purpose	Financial year/funding request to MHCLG (in £000.00s)						Total
	18/19	19/20	20/21	21/22	22/23	23/24	
Resources							
Staff	110	470	480	490	500	375	£2,425,000
Studies/ Expert Support	340	330	200	260			£1,130,000
Total	450	800	680	750	500	375	£3,555,000

26. Funding through the bid expected to enable public sector partners to deliver a better development. Primarily, by reducing pressure on constrained budgets to enable the public sector to steer the project effectively, and help provide access to other Government funding schemes such as the Housing Infrastructure Fund. Currently DBC is using already busy staff with a range of other demands on their time to work on the project. Workload on HGC and HHGT are only going to increase as the project develops, and if the local authorities are to lead the project to deliver outcomes in the public interest there will be additional costs to Dacorum and the two other Councils. The alternative would be a developer-led scheme with less public engagement and fewer public benefits.

27. In the submitted bid, the DBC and SADC asked for £3.55m for a period of 5 years. The bid expected the Charter principles to be further developed through strategic visioning for HGC and Hemel Hempstead and through key studies: the Hemel Hempstead Transformational Plan SPD; the Sustainable Transport Strategy and Housing Delivery Strategy. The bid asked for

resource funding for posts including those outlined in paragraph 31, and a bespoke offer to cover some masterplanning costs of HGC and legal work to support delivery.

28. A fundamental requirement of the bid, asked how the LPAs would address the transformation of Hemel Hempstead into a Garden Town. The bid expected key proposals outlined throughout and the Hemel Hempstead Transformational Plan SPD to address these requirements. Key strategies supporting the plan, including the sustainable transport strategy aim to identify key infrastructural opportunities for improvements, strengthen the built and natural environment of the town. Strategies will also maximise connectivity between HGC and the wider town and identifying community focused leisure and social requirements. Key projects will be identified in the plan with costings to support this transformation and Applicants will be expected to help deliver or contribute to some of these improvements where appropriate.

Funds received

29. At the end of March 2019, MHCLG announced the success of the bid and awarded Hemel Hempstead, Garden Town status. As a result, DBC and SADC received £0.75m to support expenditure on the development of Hemel Garden Communities and Hemel Hempstead Garden Town project in 2018/19. The funding has been allocated equally between DBC and SADC and was spent in 2018/19. There is also potential for further revenue funding subject to progress and further bids going forward and opportunities for capital funding/loans to support the project.
30. At its meeting on 21 May 2019, Cabinet approved a recommendation to Council to transfer £0.375m to the Council's Local Development Framework reserve to support the Hemel Garden Communities development. Draw down of funding from the LDF reserve to support the project is subject to Cabinet and Council approval.
31. DBC and SADC are expected to set up a core independent HGC team to programme manage the project outlined in the bid. Expenditure proposals for the project are set out in the Table 2.

Table 2: 2 Year Spending Plan

Expenditure Items for MHCLG Funding (2019-2021)	19/20 Year 1	20/21 Year 2	Est. Cost
Staffing			
Programme Director, Urban Design Officer and 2 x Senior Project Officers	155	255	£410k
Sub-total	155	255	£410k
Study/Consultancy/Expenses			
Key Studies:	120	220	

HGC Strategic Masterplan Guidance SPD HH Transformational Plan SPD			
Sub-total	120	220	
Total	275	445	£750k
DBC draw down from £375k	140	235	MHCLG Funding (- £750k)
SADC draw down from £375k	135	240	

32. To help guide and focus the project, a Strategic Memorandum of Understanding (MoU) and Indicative Governance Structure has been drafted between DBC, SADC and HCC (Appendix 4 and 5), and is recommended for endorsement.

33. A Project Plan has been developed in two parts; Part 1 is a Strategic Project Plan and is recommended for endorsement, see Appendix 6 for full details. This includes the following:

1. Purpose
2. Mission statements
3. Aim
4. Strategic priorities
5. Short-term work programme
6. Operational Project Plan scope

34. Part 2 of the Project Plan is the Operational Project Plan shown below; the detail will need to be agreed within the next couple of months by the Portfolio Holder in the first instance and reviewed by HGC Board regularly.

1. The Strategic Priorities and short term work programme.
2. Governance – full structure and terms of reference for all reporting groups, sub-groups and the board are necessary to ensure the project is managed effectively and responsibilities and relationships understood including relevant sub-regional planning groups.
3. Partner responsibilities and roles – information on all key posts and reporting structures for key partners.
4. Resource management – funding, budgets and finance management; staff management.
5. Project work streams and programme – evidence needed to support project; studies progressing; tender briefs; short to long term programme.

6. Monthly monitoring and progress management – monthly progress reports and meetings with clear structure are needed to monitor the project going forward.
7. Communications management – sub-group started; a community engagement strategy being drafted; branding for HHGT/HGC with some alignment to emerging LPs.
8. Quality and standard management – workshop required.
9. Constraint and risk management – workshop required.
10. Other work stream areas as required.

Next Steps

35. Continued joint working between officers and CEOs of both DBC and SADC are essential in taking this project forward, as well as joint working with officers and senior managers at HCC. HCC officers for growth and infrastructure, and highways are currently committing 1 day a fortnight working with DBC and SADC officers based at the Forum.

36. Other key matters include:

Governance arrangements – An Indicative Governance Structure is appended to this report for endorsement prior to the first HGC Board meeting. This is expected to take place in September, alongside monthly Stakeholder Steering Groups and other sub-group meetings.

Developing a Vision for HGC and Hemel Hempstead - This will respond to the requirements of the bid, and provide the basis on which all future work on evidence and any pre-application engagement.

Resourcing a HGC project team – A dedicated independent team needs to be led by a programme director/manager who will prepare a detailed project plan and programme. The team will also be responsible for progressing key evidence base studies and strategies which will in turn inform the Transformational Plan SPD.

Preparation of evidence base studies – Work is already underway to identify the key evidence necessary to inform the Transformational Plan SPD and HGC high level Masterplan Guidance SPD. The project team will lead on the delivery of these new strategies, working with other teams to ensure consistency with the emerging Local Plan.

Preparation of a Community Engagement Strategy – Public engagement is expected to be at the heart of any future work for HGC and the Garden Town. The strategy will look at existing, as well as new and innovative ways of engaging with the public, elected members and key stakeholders to ensure everyone has a meaningful say on proposals as they emerge. Engagement with the Local Plans team to ensure the strategy benefits the emerging LP is also essential.

Local Plan – The project team will work with the Local Plan teams at both LPAs to ensure any emerging work on HGC is aligned by means of a

strategic policy. Careful consideration will be needed to ensure that the policy meets the test of soundness and is sufficiently effective that it will be able to influence future development proposals across the town.

HGC Phase 1 – The Crown Estate (TCE) as majority landowners for the initial phase of development on land to the east of Hemel Hempstead (predominantly in the administrative area of SADC) are working with DBC and SADC on developing evidence to inform a future planning application. Planning Performance Agreements are being developed between DBC, SADC, HCC and TCE. This will set out how each of the parties will work together to ensure that any future application responds to the vision for Hemel Hempstead Garden Town, HGC, and the HGC Charter and emerging evidence.

Future bidding for funding - A key element moving forward is to use established and new dedicated resources to devote time to identifying and applying for new sources of funding to deliver and enhance the scheme as a whole.