

Agenda item:

Summary

Report for:	Strategic Planning & Environment Overview and Scrutiny Committee
Date of meeting:	30 th June 2021
Part:	1
If Part II, reason:	

Title of report:	Dacorum Emerging Strategy for Growth: Summary of consultation responses and next steps
Contact:	Cllr Alan Anderson, Portfolio Holder for Planning and Infrastructure
	Responsible Officer: James Doe - Assistant Director, Planning, Development & Regeneration
	Authors: Alex Robinson - Strategic Planning Manager Ronan Leydon - Team Leader – Strategic Planning
Purpose of report:	To consult the Committee on the findings of the Local Plan consultation and to set out next steps for progressing the Plan.
Recommendations	The Committee notes the responses received to the recent Emerging Strategy for Growth consultation as set out in Appendix 1.
	The Committee notes the update provided on evidence gathering to support the Local Plan and the Government's intended reforms to the planning system.
	 The Committee notes the recommendations for progressing the Local Plan and informs Cabinet of its views on this.
Period for post project review	The Local Plan is currently being prepared. Once adopted it will be reviewed at least every five years. The document before the Committee is for note only.
Corporate objectives:	The Council's Local Plan helps support all 6 corporate objectives:
	Safe and clean environment: e.g. contains policies relating to the design and layout of new developments that promote security and safe access;

Community Capacity: e.g. provides a framework for local communities to prepare area-specific guidance such as Neighbourhood Plans, Town / Village Plans etc;

Affordable housing: e.g. sets the Borough's overall housing target and the proportion of new homes that must be affordable;

Dacorum delivers: e.g. provides a clear framework upon which planning decisions can be made; and

Regeneration: e.g. sets the planning framework for key regeneration projects, such as Hemel Hempstead Town centre, Two Waters, Hemel Hempstead and the Maylands Business Park

The Climate and Ecological Emergency: e.g. sets out the planning framework for sustainability and decarbonisation of development supported in due course by a Supplementary Planning Document

Implications:

Financial

'Value for money' implications

Funding to prepare the new Dacorum Local Plan is provided from existing base budgets. The previously agreed budget for 2021/22 is sufficient to ensure the completion of the necessary technical evidence and to support the South East Hemel Opportunity Area work but a further drawdown from the Local Development Framework (LDF) reserve may be required in future years depending on the requirement for additional evidence gathering, further public consultations and the timing and complexity of the Local Plan Examination. Any expenditure over the base budget position in 21/22 and 2022/23 will be reviewed and budget approval agreed.

Value for money

Where possible, evidence base work is undertaken jointly with other authorities to ensure cost is optimised (through economies of scale). Collaborative working with landowner consultants will continue to help extend the resources available to the Council and avoid the duplication of site specific technical information.

Risk implications

The Local Plan has its own detailed risk assessment and this is contained in the adopted Local Development Scheme (July 2020). This is regularly monitored in accordance with the Council's programme management procedures.

The key risk is that the new Local Plan is found 'unsound' by an Inspector at Public Examination. To avoid this, the Council must ensure that the Plan complies with Government policy and is founded on robust evidence, particularly on infrastructure, and follow all statutory and local requirements, including on public consultation.

	The Local Plan is critical to evidencing there is a five-year supply of housing land which is important to ensure that Council is able to control development appropriately, that planning decisions are plan-led and to assist in meeting the requirements of the Government's Housing Delivery Test. Following adoption of the Local Plan by the Council, the key risk is that the Plan does not deliver as planned. At that stage, continued close working with local communities, developers and infrastructure providers, along with consistent decision making, helps to ensure sustainable development takes place in a timely fashion.
Community Impact Assessment	A full Sustainability Appraisal/Strategic Environmental Assessment (SA/SEA) is being carried out on the Local Plan which looks at social, environmental and economic impacts in detail and is scrutinised at the Local Plan examination by an independent inspector. A Community Impact Assessment (CIA) has been prepared to support the Local Plan and will be regularly reviewed.
Health and safety Implications	No implications as a result of this report.
Consultees:	Mark Gaynor (Corporate Director for Housing and Regeneration)
Background papers:	 Appendix 1: Emerging Strategy Consultation Summary Report Appendix 2: Adopted Local Development Scheme (July 2020)
Glossary of acronyms and any other abbreviations used in this report:	AA: Appropriate Assessment under the Conservation of Habitats and Species Regulations 2017 (as amended) HRA: Habitats Regulation Assessment IDP: Infrastructure Delivery Plan LDS: Local Development Scheme MHCLG: Ministry of Housing, Communities & Local Government NPPF: National Planning Policy Framework PDR: Permitted Development Rights SA/SEA: Sustainability Appraisal / Strategic Environmental Assessment SAC: Special Area of Conservation SCI: Statement of Community Involvement

1. Background

1.1 Dacorum Borough Council is preparing a new Local Plan which will replace the Site Allocations Development Plan Document (adopted July 2017), the Core Strategy Development Plan Document (adopted September 2013) and those 'saved' parts of the Dacorum Borough Local Plan (adopted April 2004).

- 1.2 The Council recently consulted on the Emerging Strategy for Growth (2020 2038) which is a key stage in preparing the Plan. This was approved for consultation by Full Council in November 2020.
- 1.3 The consultation ran for a total of 13 weeks, more than twice the statutory requirement. A total of 3,445 individuals and organisations responded to the consultation producing over 15,573 separate responses. In addition, a further 549 individuals wrote in support of the Grove Fields Residents Association response. During the consultation the Local Plan pages of the website were visited 40,852 times and the Council's dedicated 24/7 virtual exhibition attracted 4,674 users visiting the exhibition 5,867 times.
- 1.4 Officers have produced a Consultation Summary Report (Appendix 1) which summarises the main issues arising from the consultation. The Consultation Summary Report is structured as follows:
 - Section 2 This is an overview of how the Council carried out the consultation in line with prescribed regulations and the Council's adopted Statement of Community Involvement.
 - Section 3 Provides a summary of the main issues that were raised. Officers have grouped the issues raised by key organisations, residents and developers.
 - Appendix 1 contains copies of the consultation material used by the Council to engage with the public.
 - Appendix 2 contains full details of all responses received. These have been attached as a separate appendix to the Emerging Strategy Consultation Summary report.
- 1.5 The purpose of this report is to provide an overview of the main issues raised in the consultation, to update Members on the latest position in relation to wider planning reforms and to recommend to Members the next steps for the Local Plan.

2. Main Themes arising from the Consultation

- 2.1 Appendix 1 of this report details the responses to the consultation. The consultation attracted a large number of views from individuals, statutory bodies, developers and other interest groups. A diverse range of views were expressed from those strongly objecting to the Plan to others strongly supporting it.
- 2.2 The following sets out some of the general themes emerging, in no particular order. This is not an exhaustive list. Please refer to Appendix 1 for more details.
 - A substantial number of objections were received to the overall level of growth in the Borough with many feeling that the Standard Method for calculating housing need was flawed because it was based on outdated 2014-based Household projections and not the more recent 2018 figures.
 - A large number of residents opposed the overall level of growth earmarked for Tring and Berkhamsted, in particular on the basis that this level growth would be disproportionate to these settlements.
 - A number of residents felt that the Council should be looking to justify lower numbers based on the constraints in the Borough including the Green Belt,

- the Chilterns Area of Outstanding Natural Beauty and the presence of the Chilterns Beechwoods Special Area of Conservation (SAC).
- A substantial number of people felt that the Council had not maximised urban capacity in the Borough before releasing land in the Green Belt.
- A large number of people felt that Covid-19 had fundamentally altered how people will live and work and felt that opportunities for further conversions of offices, retail and other employment spaces to housing should be reexamined
- Many residents questioned the ability of infrastructure to accommodate the proposed growth.
- Detailed representations were made to the Council from those landowners/developers included in the consultation and from those sites that were not included in the consultation. These representations raise a number of conflicting issues and further evidence gathering may be required to examine the issues raised.

3 Government Policy: Update on changes

- 3.2 During the lead up to the consultation launch, Government published two significant policy papers. The first was 'Changes to the Current Planning System (https://www.gov.uk/government/consultations/changes-to-the-current-planningsystem) which, amongst other things, set out possible revisions to the Standard Methodology for calculating housing needs. The changes proposed in the consultation would have reduced Dacorum's housing requirement from 1,023 homes every year to 922 homes every year. The second was 'Planning for the Future' and this consultation tabled numerous potential reforms to the planning system, many of which would fundamentally change the present system and implications for have substantial Local **Plans** (https://www.gov.uk/government/consultations/planning-for-the-future).
- 3.3 The consultation period on these documents ran from August 2020 to October 2020. Members will recall that the Council proceeded with its Local Plan consultation on the reduced housing requirement of 922 homes every year on the basis that Government's intention, as detailed in the Planning for the Future White Paper, was that the housing number for localities would take into account other constraints such as the Green Belt and other designated areas of environmental and heritage value.
- 3.4 On 16 December 2020, during the Council's consultation on the Emerging Strategy for Growth (2020 - 2038), Government published its response to the the 'Changes to Current Planning System' consultation (https://www.gov.uk/government/consultations/changes-to-the-current-planningsystem/outcome/government-response-to-the-local-housing-need-proposals-inchanges-to-the-current-planning-system). Amongst other things, Government decided **not** to proceed with the proposed changes to the Standard Methodology for Dacorum meaning that the housing requirement for Dacorum returned to the previous figure of 1,023 homes every year. However, in the same response Government also outlined that meeting housing need should never be a reason to cause unacceptable harm to protected landscapes and the Green Belt. The response also identified that the standard method does not represent a 'target' in plan making, but instead provides a starting point for determining the level of need for the area and, it is only after consideration of this, alongside the constraints areas face, such as the Green Belt, and the land that is actually available for development, that the decision on how many homes should be planned for is made. The response goes on to say that it is for local authorities to determine precisely how many homes should be planned for and where those

homes should be located. Government indicates that in order to make this position as clear as possible it will explore what changes it can make to national planning policy.

- 3.5 At the time of writing, Government has not provided a detailed response to the 'Planning for the Future' consultation and so it is unclear which proposals from the Planning White Paper, if any, are to be taken forward. However, on 11 May 2021, Her Majesty delivered a speech to Parliament setting out the Government's priorities which included a new Planning Bill. Details of the Bill can be found at https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/986770/Queen_s_Speech_2021_-_Background_Briefing_Notes..pdf.
- 3.6 The Bill will include 'laws to modernise the planning system, so that more homes can be built..' and proposes the following:
 - The creation of a simpler, faster and more modern planning system to replace the current one that dates back to 1947, and ensuring we no longer remain tied to procedures designed for the last century.
 - Ensure homes and infrastructure like schools and hospitals can be delivered more quickly across England.
 - Transform our planning system from a slow document-based one to a more efficient, and easier to use, digital and map-based service, allowing more active public engagement in the development of their local area.
 - Help deliver vital infrastructure whilst helping to protect and enhance the environment by introducing quicker, simpler frameworks for the funding of infrastructure and assessing environmental impacts and opportunities.

3.7 The main benefits of the Bill would be:

- Providing more certainty for communities and developers, particularly smaller developers, about what is permitted where, through clear land allocations in local plans and stronger rules on design.
- Simpler, faster procedures for producing local development plans, approving major schemes, assessing environmental impacts and negotiating affordable housing and infrastructure contributions from development.
- Establishing a framework which focuses on positive outcomes, such as environmental opportunities and better designed places.
- Digitising a system to make it more visual and easier for local people to meaningfully engage with.

3.8 The main elements of the Bill are:

- Changing local plans so that they provide more certainty over the type, scale and design of development permitted on different categories of land.
- Significantly decreasing the time it takes for developments to go through the planning system.
- Replacing the existing systems for funding affordable housing and infrastructure from development with a new more predictable and more transparent levy.
- Using post-Brexit freedoms to simplify and enhance the framework for environmental assessments for developments.
- Reforming the framework for locally led development corporations to ensure local areas have access to appropriate delivery vehicles to support growth and regeneration.

- 3.9 At the time of writing no programme has been provided for the passage of the new legislation through Parliament, nor any details on when revised national planning policy will be updated to implement the new proposals. It should also be noted that on June 10 2021, The Housing, Communities and Local Government Committee published its first report of session 2021-22 looking into the future of planning system England. the in (https://committees.parliament.uk/publications/6180/documents/68915/default/). The Committee makes a number of recommendations to Government as well as drawing out some of the detailed issues facing implementation and is asking Government to reflect on these. One theme emerging is the Committee's request for more detail on the reforms so a fuller examination of the implications can be made.
- 3.10 The uncertainty surrounding the details and timing of the proposed reforms poses challenges for Dacorum in preparing its Local Plan. Officers consider that there are advantages in developing our emerging Local Plan into a 'new style' Local Plan instead of risking adopting a Plan which is not fit for the new system. The Council requires more clarity on Government intentions so these can be incorporated into the emerging Local Plan.
- 3.11 In addition to the above, Government has also implemented a number of other important reforms. The most significant change in recent months is the amalgamation of a number of existing uses into a single Use Class "E". This came into effect on 1 September 2020.
- 3.12 At the same time, Government introduced new permitted development rights (PDR) which allow vacant and redundant free-standing commercial and light industrial premises, and residential blocks of flats, to be demolished and replaced with new housing, subject to certain conditions being met.
- 3.13 More recently, Government laid regulations on 31 March 2021 to create a new permitted development right to enable the change of use from the new Use Class E to residential use to help support housing delivery and enable more homes to be created in town centres. This is again subject to certain conditions being met and the right will take effect from 1 August 2021.
- 3.14 Officers are considering the implications of these changes and whether additional steps are required to protect key areas, such as our town centres and strategic employment sites, in the future.

4 Impact of Covid-19

4.2 Since late 2019 the world has been impacted by the Covid-19 Pandemic. It is still unclear what the full impacts will be but these could be substantial, long-term and will impact a variety of areas. Specifically, it is unclear whether the short-term reductions in the demand for employment space and shops will be permanent. It is important that we provide the right policy response for these issues and ensure the Local Plan is fully responsive to wider changes.

5 Further Evidence Gathering underway

- 5.2 The following section provides an overview of the key evidence studies that are underway and the possible implications they have for the Local Plan.
- 5.3 Habitats Regulations Assessment (HRA) The Council's assessment to date cannot rule out the possibility of likely significant effects arising from the Local

Plan on the Chilterns Beechwoods Special Area of Conservation (SAC), the South West London Waterbodies Species Protection Area (SPA) and South West London Waterbodies RAMSAR. Therefore, the Council will complete a full Appropriate Assessment (AA) to support the Local Plan. Given that likely significant effects cannot be ruled out the Council is under a legal requirement under the Conservation of Habitats and Species Regulations (2017) as amended to undertake this assessment before finalising a Plan or proposal.

- 5.4 The Council's AA is being developed in consultation with key stakeholders including Natural England, Hertfordshire County Council and the National Trust. The issues to be assessed as part of the AA include (but are not limited to):
 - air quality (as parts of the Tring Woodlands SSSI and Ashridge Commons and Woods SSSI are within 200m of roads/junctions primarily the A41 and B4506);
 - hydrology (surface run off from development sites or groundwater level changes);
 - habitat loss and fragmentation (ensuring no loss of functionally linked habitat);
 and
 - public access and disturbance from increased visitor pressure and disturbance.
- 5.5 Some of the evidence gathering for the AA requires visitor, ecological and other survey work to be undertaken. This is currently underway but, in some cases, is seasonal and therefore requires multiple surveys. Initial outcomes are not expected to be delivered until later this year owing to the need to collect data across multiple seasons. The evidence gathered will be important in informing the final preferred growth strategy for Dacorum and it is therefore important that the next iteration of the Local Plan is fully informed by the AA.
- 5.6 Urban Capacity The draft Local Plan: Emerging Strategy for Growth was supported by a significant wealth of evidence on urban capacity. The evidence justified significant increases to the overall housing supply for the borough through the intensification of existing brownfield allocations alongside new allocations, mainly focussed in Hemel Hempstead Town Centre, Two Waters/Apsley, and at Maylands.
- 5.7 Total housing supply is expected to deliver in the region of 600 dwellings per annum in our urban areas, which equates to over 60% of the overall housing target of the draft Local Plan.
- 5.8 Officers recognise one of the key issues arising from the recent consultation is that more could be done to maximise development in our urban areas. In response to this, officers will be re-examining this work to determine whether additional homes could be provided on those sites already identified or whether sufficient evidence exists to include additional urban area sites. Key steps for completing this work include:
 - A new Call for Sites consultation focusing on brownfield sites and other sites in our urban areas.
 - A detailed review of the town centres in the borough, having regard to the changing nature of retail, the impact that the Covid-19 pandemic has had in these locations and the impact of new/emerging permitted development rights.
 - A review of opportunity areas such as at Two Waters / Apsley, and other urban areas including local and neighbourhood centres.
 - A review of the windfall allowance for the borough.

- 5.9 Dacorum Infrastructure Delivery Plan (IDP) Alongside the Emerging Strategy for Growth, officers prepared and consulted on a Draft IDP. This was developed through a process of engagement with infrastructure partners to help understand the current situation and any planned investment, and to identify future infrastructure needed to support the planned level of growth. The draft IDP includes a commentary by infrastructure type and settlement and is followed by schedules for each settlement and proposed site allocation that set out the infrastructure required to mitigate the impact of new growth and also meet policy requirements.
- 5.10 Further work is needed to develop the draft IDP into a fully comprehensive and complete document to accompany the next version of the Plan. This will include identifying specific projects and interventions, further development and apportionment of costs, and prioritisation and phasing of infrastructure.
- 5.11 The next phase of work for the IDP will focus on the needs and requirements arising from growth in Hemel Hempstead to support the further work to be undertaken on urban capacity and the development of the Hemel Place Strategy detailed in 6 below.
- 5.12 Transport Modelling The Council has commissioned a detailed transport model for Hemel Hempstead, (known as Paramics), to inform final decisions on growth in and around Hemel Hempstead. Transportation featured highly amongst consultation responses and is likely to become a key issue for the examination of the Local Plan. The Paramics model will help inform the type of transport interventions needed to support growth and to deliver more sustainable patterns of movement. It will also help to identify those key pieces of transport infrastructure that are required to support growth and when they need to be delivered.
- 5.13 Other Studies The Local Plan is supported by an extensive range of evidence studies all published on our website. Given the extensive responses received from landowners and developers, the Council will need to update these assessments to ensure they remain robust. In addition, given the changes taking place in the wider economy, including those resulting from Covid-19, the Council will need to review other evidence studies supporting the Local Plan, including, but not limited to, employment/economic needs assessment and retailing needs assessment.
- 5.14 Landowner Engagement The recent Local Plan consultation exercise was supported by extensive landowner engagement on site specific policy requirements. These discussions were informed by the infrastructure requirements identified in the emerging IDP. As the IDP develops, and further infrastructure requirements, and their costs are clarified, the Council will continue to work closely with site promoters and developers to ensure these are fully reflected in emerging proposals. The recent consultation also set out that Masterplans are required to support the main Growth Areas, and these will need to be adopted as Supplementary Planning Documents.
- 5.15 In order to ensure that proposals for the main Growth Areas are sufficiently developed, Officers will continue to work with site promoters and developers to prepare Statements of Common Ground.

6 The Hemel Place Strategy

- 6.2 On 20 April 2020, Cabinet agreed to prepare the Hemel Place Strategy which will look at the long term strategy to deal with the future development and transformation of Hemel Hempstead. It will develop a clear, ambitious yet realistic vision for the future of the town, and it will be shaped by extensive engagement with the Council's partners, stakeholders and residents with it stretching beyond the Local Plan period. This is a considerable undertaking and will be overseen by a newly created multi-agency Hemel Place Board.
- 6.3 As an early priority of the strategy Cabinet also agreed to prepare a comprehensive strategy for the physical, economic, social and environmental development of the Town Centre, culminating in the preparation of the Town Centre Strategy. Similarly, the Council will be looking at further potential Opportunity Areas, including in South East Hemel (which will be principally focused on Apsley) and to put in place a long term strategy for the area. Both will be wide reaching strategies to create vibrant new mixed-use districts for Hemel. The work will also help refine further opportunities for residential development in these areas.
- 6.4 There is considerable cross-over with this work and the Local Plan, particularly with the current Hemel Hempstead Delivery Strategy, but also specifically for future policies and proposals for the Town Centre and Apsley. It is important that the Place Strategy is fully embedded in the Local Plan and that the full implications of future policies and proposals are integrated into the Local Plan as it develops.

7 Local Plan Options and Associated Risks

- 7.1 The two broad options facing the Council are to either press ahead with the Local Plan by moving to Regulation 19 (Publication) this is the point where the Plan is fixed before being submitted to the Secretary of State for examination or to undertake further work on the Local Plan.
- 7.2 Moving straight to Regulation 19 poses the following risks:
 - 1. The current level of housing growth is below the figure derived by the Standard Methodology and this could pose a risk to the Plan without compelling evidence to justify the departure.
 - 2. Key pieces of evidence are not yet complete, particularly the conclusions of the Appropriate Assessment. This could impact on the final site selection.
 - Some existing evidence studies reflect pre-pandemic modelling assumptions, (inc. retail and employment land calculations), which could be called into question at Examination.
 - 4. It will be more difficult for this Local Plan to incorporate the requirements of the new planning system and will require Dacorum to review its Plan shortly after adoption.
- 7.3 Undertaking further work on the Local Plan and delaying the Publication under Regulation 19 poses the following risks:
 - 1. The Council may be more susceptible to predatory planning applications and without a five year supply of housing could find it more difficult to defend refusals, particularly on land that is previously developed.
 - 2. Government has stated its desire for all Councils to have Plans in place by December 2023. There is a risk that Government decides to intervene and take control of Plan making in Dacorum.

- 3. The Council will not be able to provide certainty to developers and residents in the short term about the development strategy for the Borough and Dacorum's case to secure much needed infrastructure will be weaker.
- 4. Overall, a delay to the Plan poses risks to the Council's ability to manage development and change across the Borough which may undermine confidence.

8 Recommendations & Next Steps

- 8.1 Substantial progress has been made in the last 18 months to develop the new Local Plan for Dacorum but, before a Draft Plan is 'Published' under Regulation 19, Officers advise that further evidence needs to be collected. This will enable further examination of the issues raised during the recent consultation, along with consideration of those parts of the Plan that are more susceptible to changes arising following the Covid-19 pandemic.
- 8.2 In particular, Officers will revisit the already extensive analysis of urban capacity undertaken to date and will expand the scope of this to re-examine whether further opportunities exist for unviable retail units, employment space and offices to be converted to residential development, (whilst ensuring a sufficient supply of employment space is provided). Further potential for a step change in height and density to be provided in key locations within urban areas will also be examined.
- 8.3 Officers will continue to progress with the detailed recreational, air and water quality surveys of the Chilterns Beechwoods SAC to ensure that the proposed level of growth, and the preferred sites, are the most appropriate. Officers will be producing interim guidance on this to inform stakeholders and the public.
- 8.4 Work will commence on the South East Hemel Opportunity Area and it will be more broadly aligned with the work being undertaken through the Hemel Place Strategy. Officers will work closely with the Place Board to coordinate growth and infrastructure within Hemel Hempstead.
- 8.5 Officers advise that the emerging Local Plan will be transformed into a new digital Local Plan and will incorporate the key planks of the new planning system, as indicated in the proposed Planning Bill. This will avoid the prospect of abortive costs involved by the Council continuing to prepare an 'old style' Local Plan, only to need to review and convert this to a new style Plan shortly after. The Council is well placed to incorporate the proposed digitalisation of planning given it is working with MHCLG on two pilots in these areas.
- 8.6 Finally, Officers will continue to work proactively with landowners and developers to bring forward development on appropriate sites prior to the Local Plan being adopted, to ensure our ambitions to deliver much needed new affordable homes are delivered.
- 8.7 The work detailed in section 8 will continue at pace to ensure that a Regulation 19 Plan can be produced as soon as possible. Officers will also continue to press Government for full details of the intended changes to the planning system to allow the Council to prepare a robust implementation plan. Once more details of the expected timescales for these are known, the Council will publish a revised Local Development Scheme.

Appendix 1 – Emerging Strategy Consultation Summary Report

Appendix 2 – Adopted Local Development Scheme (July 2020)

http://www.dacorum.gov.uk/home/planning-development/planning-strategic-planning/local-development-scheme