



<b>Report for:</b>	<b>Cabinet</b>
<b>Date of meeting:</b>	<b>20 July 2021</b>
<b>Part:</b>	<b>1</b>
If Part II, reason:	

<b>Title of report:</b>	
<b>Contact:</b>	<p>Cllr Alan Anderson, Portfolio Holder for Planning and Infrastructure</p> <p>Author/Responsible Officers          James Doe - Assistant Director, Planning, Development &amp; Regeneration          Alex Robinson - Strategic Planning Manager          Ronan Leydon - Team Leader – Strategic Planning</p>
<b>Purpose of report:</b>	To seek Cabinet's agreement on the next steps for progressing the Local Plan.
<b>Recommendations</b>	<ol style="list-style-type: none"> <li>1. That Cabinet notes the responses received to the recent Emerging Strategy for Growth consultation as set out in Appendix 1.</li> <li>2. That Cabinet notes the views of Strategic Planning and Environment Overview and Scrutiny Committee (Appendix 3)</li> <li>3. That Cabinet agrees to defer the Publication of the Local Plan (under Regulation 19) and to undertake further work on the Local Plan as set out in section 8 of this report.</li> </ol>
<b>Period for post policy/project review</b>	The Local Plan includes provisions that would trigger a review. In addition, national guidance requires that the adopted Local Plan is reviewed every five years to determine whether an update is required.

<p>Corporate objectives:</p>	<p>The Council's Local Plan helps support all 6 corporate objectives:</p> <ul style="list-style-type: none"> <li>• Safe and clean environment: e.g. contains policies relating to the design and layout of new developments that promote security and safe access;</li> <li>• Community Capacity: e.g. provides a framework for local communities to prepare area-specific guidance such as Neighbourhood Plans, Town / Village Plans etc;</li> <li>• Affordable housing: e.g. sets the Borough's overall housing target and the proportion of new homes that must be affordable;</li> <li>• Dacorum delivers: e.g. provides a clear framework upon which planning decisions can be made; and</li> <li>• 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</li> <li>• 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.</li> </ul>
<p>Implications:</p> <p>'Value for money' implications</p>	<p><u>Financial</u></p> <p>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 2021/22 and 2022/23 will be reviewed and budget approval agreed.</p> <p><u>Value for money</u></p> <p>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.</p>
<p>Risk implications</p>	<p>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.</p> <p>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</p>

	<p>follows all statutory and local requirements, including on public consultation.</p> <p>The Local Plan is also 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. If the Council does not have an up to date Plan in place it may find it more difficult to defend, at planning appeal, its decisions to refuse planning permission.</p> <p>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.</p>
Community Impact Assessment	<p>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.</p>
Health and safety Implications	<p>No implications as a result of this report.</p>
Monitoring Officer/  Deputy S.151 Officer  Comments	<p>In order for the Local Plan to meet the test of being 'sound' it will need to be supported by the most up to date evidence base. There have been a number of national guidance changes and national issues which require re-consideration before the plan is developed further. It is therefore reasonable to defer the publication of the Local Plan under regulation 19 until that work has been completed.</p> <p>The recommendation to defer the publication of the Local Plan will require additional financial resources over the medium term from 2022/23 onwards. The projected financial cost of delaying the final submission and publication of the local plan by 2 years and the additional requirements to review the current proposals is projected to cost circa £600k.</p> <p>There is no projected financial pressure in this financial year as a result of this recommendation but the impact on future years will require further detailed assessment and will require approval as part of the 2022/23 budget setting process and 2021 Medium Term Financial Strategy.</p>
Consultees:	<p>Mark Gaynor (Corporate Director for Housing and Regeneration)</p>

	The views of Strategic Planning and Environment Overview and Scrutiny Committee are set out in Appendix 3.
Background papers:	<ol style="list-style-type: none"> <li>1. Appendix 1: Emerging Strategy Consultation Summary Report</li> <li>2. Appendix 2: Adopted Local Development Scheme (July 2020)</li> <li>3. Appendix 3: Strategic Planning and Environment Overview and Scrutiny Recommendations to Cabinet</li> </ol>
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) CAONB: Chilterns Area of Outstanding Natural Beauty CCB: Chilterns Conservation Board 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 PPG: Planning Practice Guidance RAMSAR: A site protected under the RAMSAR Convention SA/SEA: Sustainability Appraisal / Strategic Environmental Assessment SAC: Special Area of Conservation SCI: Statement of Community Involvement SoCG: Statement of Common Ground SPA: Species Protection Area SSSI: Site of Special Scientific Interest

## 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 (AONB) 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 considered that opportunities for further conversions of offices, retail and other employment spaces to housing should be re-examined.
- 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 Planning Reform

- 3.1 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-planning-system>)' 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 have substantial implications for Local Plans (<https://www.gov.uk/government/consultations/planning-for-the-future>). One proposal is for a new nationally determined, binding housing requirement that local planning authorities would have to deliver through their Local Plans. It was proposed that this would factor in land constraints, including the Green Belt, and would be consistent with the aspirations of creating a housing market that is capable of delivering 300,000 homes annually, and one million homes over this Parliament.
- 3.2 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.
- 3.3 On 16 December 2020, during the Council's consultation on the Emerging Strategy for Growth (2020 – 2038), Government published its response to the 'Changes to the Current Planning System' consultation (<https://www.gov.uk/government/consultations/changes-to-the-current-planning-system/outcome/government-response-to-the-local-housing-need-proposals-in-changes-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, now revised to 1,020 following the publication of recent ONS data. However, in the same response, Government also provided some further clarification on how Local Authorities should apply the Standard Methodology in Plan making. Government outlined that meeting housing need should never be a reason to cause unacceptable harm to protected landscapes and the Green Belt. The response follows on to say 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.

3.4 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.

#### **4 Other Government Announcements and Parliamentary activity**

4.1 Since the launch of the consultation there have been a number of announcements and clarifications issued by Government. These are summarised below:

##### ***December 2020 – Letter to all MPs in England from the Housing Minister***

4.2 In a letter to all MPs in England in December 2020 the Housing Minister introduced the revised standard method for assessing housing need. The letter stated that this was the first stage for Local Authorities in identifying housing need in a local area. It went on to make clear that local housing need does not set a target for the number of homes to be built – local planning authorities take into account land supply considerations and environmental considerations before determining the number of homes likely to be delivered in the area. Nor does local housing need dictate where those homes are built – the location of new homes is also determined by the local planning authority.

4.3 The letter reaffirmed that the Standard method will, as now, remain a starting point for plan making. This recognises that not everywhere will be able to meet their housing need in full – for example, where available land is constrained due to the Green Belt and an area therefore has to plan for fewer homes.

##### ***19 January 2021 – Letter to all Council Leaders in England from the Housing Minister***

4.4 In a further letter to all Council Leaders in England on 19 January 2021 the Housing Minister wrote to remind Council Leaders of the continued importance of maintaining progress on producing up-to-date Local Plans. The letter continued by reaffirming that the country needs more, better and greener homes in the right places and the Government's ambition to deliver 300,000 homes per year by the mid-2020s and one million homes over this Parliament. Increasing the number of up-to-date Local Plans across England is central to achieving that goal.

4.5 The letter also reminded Council leaders that Government set a deadline of December 2023 for all authorities to have up-to-date Local Plans in place and that it was critical that work should continue to progress Local Plans through to adoption by the end of 2023 to help ensure that the economy can rebound strongly from the COVID-19 emergency. Progressing Local Plans will help to ensure that we can build back better and continue to deliver the homes that are needed across England. As such, a Written Ministerial Statement was made that day reminding all local planning authorities of the importance of maintaining progress to get up-to-date plans in place.

##### ***26 January 2021 – Letter from Housing Minister to Leader of the Council***

4.6 On 26 January 2021 the Council received a response to its earlier letter to the Secretary of State in relation to Council Motion 5a tabled at Full Council on 18 November 2020. The response pointed out that the 2014-household projections should be used but reiterated that the standard method is only the starting point in the process of planning for new homes. The letter went on to say that the standard

method provides a minimum number of homes, not a maximum, and does not provide a target. Authorities should make a realistic assessment of the number of homes their communities need as the starting point in the process. Once this has been established, planning to meet that need will require consideration of land availability and relevant constraints such as Green Belt. It is expected that where the need cannot be met through brownfield land and land in sustainable locations near to transport interchanges then the authority should seek opportunities within neighbouring areas.

4.7 The letter continued by stating that, if an authority feels that their circumstances warrant an alternative approach to the standard method, then they should set the reasons for this out as part of the plan-making process. There is an expectation that the standard method will be used, and that any other method will be used only in exceptional circumstances.

### **11 May 2021 - Proposed New Planning Bill**

4.8 Although Government has not provided any further clarity on the outcome of the recent 'Planning for the Future' White Paper consultation, 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](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/986770/Queen_s_Speech_2021_-_Background_Briefing_Notes..pdf).

4.9 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.
- Ensuring homes and infrastructure – like schools and hospitals – can be delivered more quickly across England.
- Transforming 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.
- Helping 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.

4.10 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.

4.11 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.

4.12 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.

***10 June 2021 - The Housing, Communities and Local Government Committee report into 'Planning for the Future' White Paper***

4.13 On 10 June 2021, The Housing, Communities and Local Government Committee published its first report of session 2021-22 looking into the future of the planning system in England. (<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. The Committee's main concerns / observations, in so far as they relate to Local Plans, were as follows:

- I. Concerned about the lack of detail in respect of the proposed reforms to the planning system making it very difficult to assess the possible practical implications of many of the reforms.
- II. A lack of detail on how the proposed 'Growth, Renew and Protect' designations will operate.
- III. Concerned about the proposed 30 month statutory timescales for Plan making.
- IV. Ensure that effective arrangements are in place for local authorities to co-operate effectively.
- V. Concerns on how community engagement may be impacted by the reforms.
- VI. Supports the use of a standard method for calculating housing need but believes the approach should be based on more up to date demographic modelling and there should be an opportunity for local authorities to prepare their own figures.
- VII. Requested further evidence behind the Government's overall housing target aspirations.

***21 June 2021 - Parliamentary Debate on Planning Decisions: Local Involvement***

4.14 On 21 June 2021, during a Parliamentary Debate on Planning Decisions and local involvement, the Housing Minister addressed questions pertaining to the Green Belt. The Minister restated the Government's commitment to continue to protect the Green Belt and explicitly stated that local authorities should not develop on the Green Belt, save for in exceptional circumstances, and local plan making

should recognise the Green Belt as a constraint on numbers. The Minister also pointed out that the Government would not be accepting the recommendation in the Housing, Communities and Local Government Committee's report (see para 4.13) for a wholesale review of the Green Belt.

### ***Further changes to the Use Class Order and Permitted Development Rights***

- 4.15 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.
- 4.16 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.
- 4.17 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.
- 4.18 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.
- 4.19 The uncertainty surrounding the details and timing of the proposed wider planning 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.

## **5 Responding to the key issues raised in the consultation**

- 5.1 This section of the Report considers some of the central issues coming out of the consultation, what current Government Policy says on the subject and any further clarifications/updates issued by Government since the consultation started and Officer recommendation(s) on the appropriate response.

### *Housing Growth (inc. Standard Methodology and role of constraints)*

- 5.2 Paragraph 11 (The Presumption in Favour of Sustainable Development) of the National Planning Policy Framework (NPPF) states that:

- a) *'plans should positively seek opportunities to meet the development needs of their area, and be sufficiently flexible to adapt to rapid change;*
- b) *strategic policies should, as a minimum, provide for objectively assessed needs for housing and other uses, as well as any needs that cannot be met within neighbouring areas, unless:*

- i. *the application of policies in this Framework that protect areas or assets of particular importance provides a strong reason for restricting the overall scale, type or distribution of development in the plan area<sup>6</sup>; or*
- ii. *any adverse impacts of doing so would significantly and demonstrably outweigh the benefits, when assessed against the policies in this Framework taken as a whole.*

**Footnote 6**

*The policies referred to are those in this Framework (rather than those in development plans) relating to: Habitats sites (and those sites listed in paragraph 176) and/or designated as Sites of Special Scientific Interest; land designated as Green Belt, Local Green Space, an Area of Outstanding Natural Beauty, a National Park (or within the Broads Authority) or defined as Heritage Coast; irreplaceable habitats; designated heritage assets (and other heritage assets of archaeological interest referred to in footnote 63); and areas at risk of flooding or coastal change.'*

5.3 Paragraph 35 (Examining Plans) of the NPPF provides several tests that Local Plans need to satisfy in order to be found 'sound'. This includes:

- a) **'Positively prepared** – *providing a strategy which, as a minimum, seeks to meet the area's objectively assessed needs<sup>(19)</sup>; and is informed by agreements with other authorities, so that unmet need from neighbouring areas is accommodated where it is practical to do so and is consistent with achieving sustainable development;*

**Footnote 19**

*Where this relates to housing, such needs should be assessed using a clear and justified method, as set out in paragraph 60 of this Framework'*

5.4 Paragraph 60 (Delivering a sufficient supply of homes) of the NPPF states:

*'To determine the minimum number of homes needed, strategic policies should be informed by a local housing need assessment, conducted using the standard method in national planning guidance – unless exceptional circumstances justify an alternative approach which also reflects current and future demographic trends and market signals. In addition to the local housing need figure, any needs that cannot be met within neighbouring areas should also be taken into account in establishing the amount of housing to be planned for.'*

5.5 The use of the Standard Methodology is also backed up by the supporting National Planning Policy Guidance (PPG). Paragraph: 002 Reference ID: 2a-002-20190220 states:

*'The National Planning Policy Framework expects strategic policy-making authorities to follow the standard method in this guidance for assessing local housing need.*

*The standard method uses a formula to identify the minimum number of homes expected to be planned for, in a way which addresses projected household growth and historic under-supply.*

*The standard method set out below identifies a minimum annual housing need figure. It does not produce a housing requirement figure.'*

5.6 However, Paragraph: 003 Reference ID: 2a-003-20190220 of the PPG, in response to the question *'Is the use of the standard method for strategic policy making purposes mandatory?'* states:

*'No, if it is felt that circumstances warrant an alternative approach but authorities can expect this to be scrutinised more closely at examination. There is an expectation that the standard method will be used and that any other method will be used only in exceptional circumstances.'*

5.7 Paragraph: 015 Reference ID: 2a-015-20190220 of the PPG, in response to the question *'If authorities use a different method how will this be tested at examination?'* states:

*'... Where an alternative approach results in a lower housing need figure than that identified using the standard method, the strategic policy-making authority will need to demonstrate, using robust evidence, that the figure is based on realistic assumptions of demographic growth and that there are exceptional local circumstances that justify deviating from the standard method. This will be tested at examination.*

*Any method which relies on using household projections more recently published than the 2014-based household projections will not be considered to be following the standard method as set out in paragraph 60 of the National Planning Policy Framework. As explained above, it is not considered that these projections provide an appropriate basis for use in the standard method.'*

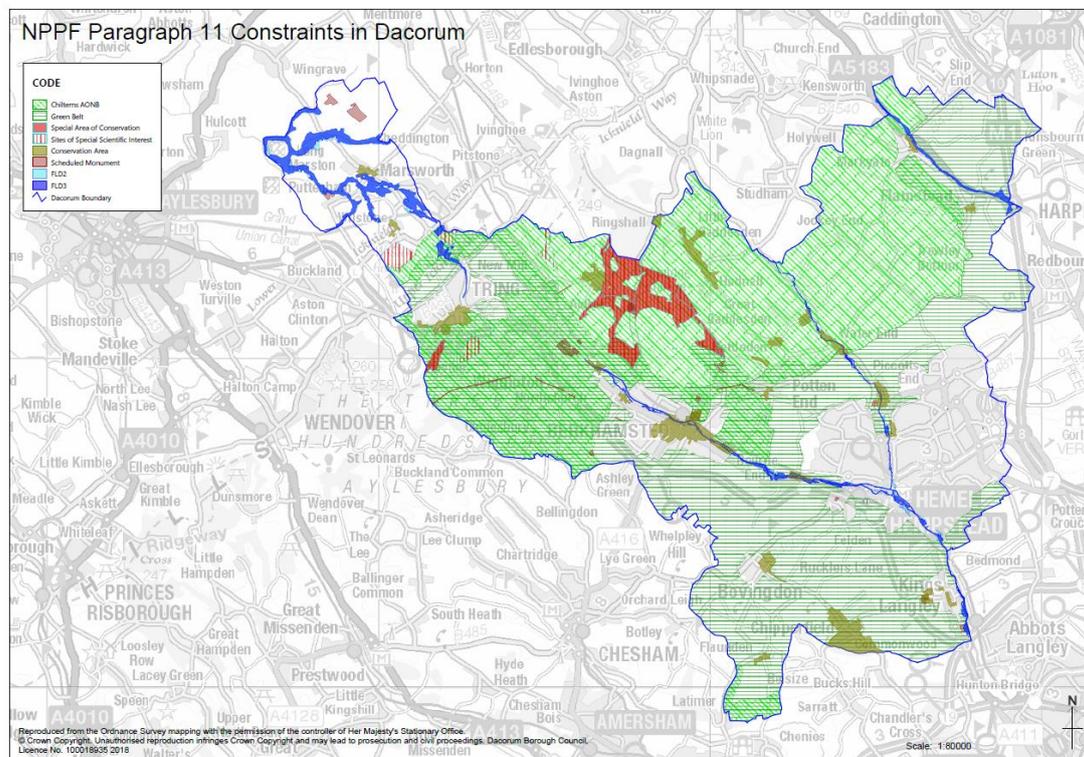
5.8 There are several steps in determining a housing figure for the Local Plan. The first is to identify the overall level of 'need'. This is often referred to as the 'unconstrained need' of an area. Once the 'need' has been established there are several steps involved in determining the 'housing requirement' for the Plan. On the issue of need, Government has made it clear that the Standard Methodology should be used and an alternative method should only be used in 'exceptional circumstances'. Officers do not see any evidence that that Dacorum would be impacted by any demographic abnormality that would justify a departure from the national method. This approach is endorsed by Government Agencies (such as Homes England) as well as our adjoining local authorities who all stated this in their

responses to the recent consultation. It should also be noted that the level of 'need' also has to take into account any unmet needs from adjoining local authorities.

5.9 As stated in para 5.1) the NPPF sets out that in some cases it may not be possible to meet the full needs. Dacorum is home to a number of the constraints set out in footnote six of paragraph 11. This includes:

<b>PROTECTED AREAS</b>	<b>Area (Ha)</b>
GREEN BELT	10,634.08
CHILTERN'S AONB	9,053.72
Sites of Special Scientific Interest	611.87
Special Areas of Conservation	455.63
Conservation Area	548.03
Scheduled Monuments	89.08
Flood Zone 2	466.78
Flood Zone 3	393.78
<b>Total (taking account of overlapping constraints)</b>	<b>16,916.51</b>
Versus total area of Dacorum	21,247.97
As a percentage of Dacorum's total area	79.6%

5.10 Some of these constraints overlap with one another, however, cumulatively they account for 16,916 hectares, representing 79.6% of the total area of the borough. The map below presents the combined covered of these constraints:



**Figure 1: Map of Dacorum showing combined constraints**

5.11 However, the presence of these constraints, either alone or in combination with one another, does not automatically mean Dacorum does not need to seek to meet

the housing need figure. This is clear in the NPPF, which requires a 'strong reason' to restrict the overall scale, type or distribution of development in the area.

#### *Overall Assessment of harm undertaken to date*

- 5.12 Members will be aware that the recent consultation proposed 922 homes per annum (16,596 homes between 2020 and 2038) and not the revised Standard Method figure. The consultation did not include any unmet needs arising from adjoining authorities based on there not being any at the time of publication. The Council's evidence and assessment of harm has been made against the 922 figure and not the increased figure. The Council will need to update its assessments in view of this.

#### *Green Belt Justification*

- 5.13 There is little evidence from Local Plan Examinations across England that Green Belt authorities are able to justify lower levels of growth, purely on the basis that the Green Belt is present in the area. However, there may be circumstances where, in a particular part of a local authority's area, the harm caused by a particular proposal could provide a 'strong reason' for that site not to be developed. The Council's published emerging evidence to date on the Green Belt did not conclude that the level of harm was such to justify lower numbers overall or that the potential harm caused by a specific site is such as to justify removing that site from the Plan. However, the Council recognises that its current evidence is not complete and further work is needed looking at the Green Belt harm, including whether exceptional circumstances exist on each site.

#### *Other Constraints*

- 5.14 The Council's assessment undertaken to date does not indicate that the harm caused by the overall level of growth or that arising from a specific development site to a designated Local Green Space, a National Park, heritage assets or areas at risk of flooding would justify a reduction in numbers or the removal of a specific site.
- 5.15 One aspect of the Local Plan where the evidence is continuing to be developed is the potential harm caused by the overall level of growth, or arising from a particular site, to the Chilterns Area of Outstanding Natural Beauty (CAONB) and its setting. This was a key matter arising from the consultation, particularly from the Chilterns Conservation Board (CCB) who have responsibility for managing the CAONB. A number of the proposed sites are in close proximity to the CAONB and the Council undertook an assessment of the landscape impacts of the proposals on the CAONB. Further work is proposed to assess the specific questions of whether the harm to the AONB arising from the overall level of growth, or that of specific sites, provides a 'strong reason' for reducing development overall or in that specific location. Officers will continue to work closely with the CCB and other bodies, as appropriate, on this matter.
- 5.16 Similarly, the Council's assessment to date cannot rule out the possibility of likely significant effects on the Chilterns Beechwoods Special Area of Conservation (SAC), the South West London Waterbodies Species Protection Area (SPA) and South West London Waterbodies RAMSAR arising from the growth proposed in 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 the

Local Plan. This assessment is referred to as an Appropriate Assessment (AA) and this will be completed prior to the Local Plan being finalised.

- 5.17 The Regulations state that the Plan can only progress if the integrity of the European Site is not adversely affected (having regard to any conditions or restrictions imposed as mitigation). The only other approach is if the local authority is satisfied that, there being no alternative solution, the Plan must be carried out for imperative reasons of overriding public interest.
- 5.18 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.
- 5.19 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.
- 5.20 Once the AA is sufficiently progressed, the Council will be able to advise whether mitigation is required and/or whether other changes to the Local Plan are justified.

#### *The Spatial Strategy and Locations for Growth*

- 5.21 A substantial number of objections were received to the proposed distribution of growth across Dacorum. Specifically, the level of growth directed to the market towns of Tring and Berkhamsted was seen as being disproportionate and harmful to their character. The overall approach to Hemel Hempstead received fewer objections and was even supported by some groups and individuals. The emerging spatial strategy seeks to broadly maintain the relative settlement hierarchy in Dacorum but, given the overall level of growth required, both Tring and Berkhamsted would be required to accommodate substantially more development than in the Core Strategy.
- 5.22 Officers believe that a spatial development strategy that looks to accommodate growth at the main centre (Hemel Hempstead) and see both market towns grow is appropriate. However, officers recognise that there may be grounds to further recalibrate the role of Hemel Hempstead relative to the market towns, particularly given the wider initiatives underway to support the transformation of the town under the Hemel Place Strategy and Place Board. As such, Officers will undertake further work to review Hemel Hempstead's role in the settlement hierarchy and consider whether it is appropriate for it to be elevated further as a major growth centre for Dacorum. This will look at the role of unviable employment space, the long-term role of the Town Centre and consider whether a further step change in height and density should be pursued further.

### *The Impact of Covid-19*

5.23 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, and 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.

5.24 The recent consultation was supported by a significant wealth of evidence covering a range of topics. However, many of the modelling assumptions incorporated within these studies predate the Covid-19 pandemic and these will need to be revisited. This principally relates to the Council's evidence on retailing and employment provision but also includes open space, recreation, and any revisions to movement patterns through revised transport assessments (such as those arising from increases in home working) as well as others.

5.25 Officers will review the evidence base and determine whether updates are required to take into account the impacts of Covid-19. We will also continue to monitor and review wider changes through our regular land monitoring routines.

### *Urban Capacity*

5.26 The recent consultation set out that in the region of 600 dwellings per annum were to be delivered in our urban areas, equating to over 60% of the overall housing target. The Council's evidence justified significant increases through the intensification of existing brownfield allocations alongside new allocations, mainly focussed in Hemel Hempstead Town Centre, Two Waters/Apsley, and at Maylands.

5.27 However, the Council received a substantial number of comments questioning the assumptions on the number of homes to come forward within existing urban areas. This varied from those who felt that the Council were significantly overestimating the potential source of housing from this (particularly the allowance for 'windfall' development) to those considering the Council had not done enough to maximise supply.

5.28 In response Officers will be re-examining this work to determine whether additional homes could be provided on the urban sites already identified in the emerging Plan and whether sufficient evidence exists to include additional deliverable urban 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.

### *Infrastructure Capacity and Delivery*

- 5.29 Alongside the Emerging Strategy for Growth, officers prepared and consulted on a Draft Infrastructure Delivery Plan (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.
- 5.30 While good progress has been made in support of infrastructure evidence, 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 delivery.
- 5.31 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 7 below.

### *Transport*

- 5.32 The Council received a large number of responses suggesting that the level of growth would cause an unacceptable level of congestion across the Borough. To support the consultation the Council did publish the latest iteration of the Hertfordshire County Council wide transport modelling (referred to as the COMET model) as well as publishing sustainable transport strategies for both Berkhamsted and Tring. The Council also set out a strategic assessment of transport issues for Hemel Hempstead and this was included in a Transport Topic Paper.
- 5.33 The Council recognises that its transport evidence is not complete and further work is required to draw out and cost all the transport interventions needed to support growth. The situation in Hemel Hempstead is particularly complex and so the Council is undertaking a more detailed Sustainable Transport Strategy for the town. This work will be supported by the preparation of a detailed micro-simulation transport model for Hemel Hempstead (known as 'Paramics'). This will help inform the type of transport interventions needed to support growth in Hemel Hempstead and help inform growth sensitivity assessments. Finally, 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.
- 6.1 **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.

## **6 Lessons from other Local Plans**

- 6.2 Officers must also advise that the evidence from other Local Plans that have recently been through Examination, or currently undergoing Examination, clearly shows that local authorities are being pushed very hard to meet their full housing

need figures (as set out by the Standard Methodology) and any unmet need from adjoining areas.

6.3 At present, there have been 11 Local Plans submitted for examination after the transition period of the new NPPF (24 January 2019) and which have been found sound by an Inspector, subject to modifications. Six of these are not relevant to Dacorum because they were either in National Parks, in London, the Isles of Scilly or were partial reviews. For the remaining five, none of these have figures below the standard method. These include local authorities with substantial amounts of Green Belt and AONBs.

6.4 Of particular interest is the recent South Oxfordshire District Council Examination. Like Dacorum, it is significantly constrained by Green Belt and includes two designated Areas of Outstanding Natural Beauty (including the Chilterns). It also has four Special Areas of Conservation that are wholly or partially located within the district.

6.5 In this example the authority was providing for well in excess of its standard methodology requirement because it was meeting the unmet need of Oxford City. The Inspector concluded that it was appropriate to develop in the Green Belt on the basis that there was no other alternative and considered lower growth would have a detrimental impact on affordability, economic growth and commuting patterns. The Inspector felt that the existence of Green Belt did not lead to the conclusion that the housing requirement should be reduced. Moreover, it was felt that there was no reason why meeting the housing requirement should adversely affect the District's two AONBs.

## **7 Other updates**

7.1 **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.

7.2 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 and to prepare other site-specific studies to support preferred allocations, as appropriate.

7.3 **The Hemel Place Strategy** - 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 will be shaped through 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.

7.4 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 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 Hempstead. The work will also help refine further opportunities for residential development in these areas.

7.5 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.

## **8 Local Plan Options and Associated Risks**

8.1 The two broad options facing the Council following the recent Regulation 18 consultation 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.

8.2 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.
3. Some existing evidence studies reflect pre-pandemic modelling assumptions, (including 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.

8.3 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.

8.4 In recent weeks a number of appeal decisions have been made elsewhere which, although based on their own particular circumstances, should be noted.

- 8.5 The Colney Heath appeal decision (reference APP/B1930/W/20/3265925; decision date 14 June 2021) appears to be one of the first in recent times where an Inspector has overturned the decision by St Albans and Welwyn Hatfield Councils and approve planning permission for a major development on greenfield land in the Green Belt. The Inspector recognises the ‘considerable and significant’ shortfalls in both authorities housing land supplies, and afforded very substantial weight to the provision of market housing as part of the consideration of very special circumstances. The Inspector also noted that both local authorities were relying on Local Plans that were significantly out of date.
- 8.6 On the matter of the AONB, a separate appeal has been allowed for a major development in South Oxfordshire District Council (reference: APP/Q3115/W/20/3265861; decision date 25 June 2021). The proposed scheme comprised of a hybrid application for a new community care village (C2 use) of up to 133 units on a green field site in the Chilterns AONB at Sonning Common. On landscape matters, the Inspector noted that while planning policy and statute gives equal protection to all parts of the AONB the AONB in this location contains a significant amount of built development which contrasts significantly with the deep, rural area of countryside within the AONB.
- 8.7 On the matter of housing supply, the Inspector concludes that despite the Local Plan being recently adopted, the extended time taken to get it to that stage has resulted in significant delays with a number of allocations and that the Council does not have a five-year supply of housing. While it is often assumed that development in the AONB is protected from the effects of a lack of housing supply (paragraph 11 of the NPPF), the Inspector here recognised that so long as the requirements of paragraph 172 (relating to major development in the AONB) are satisfied, then the tilted balance of paragraph 11 would apply.

## **9 Conclusions and Recommendations**

- 9.1 Substantial progress has been made in the last 18 months to develop the new Local Plan for Dacorum. However, Officers note a marked change in Government advice since the launch of the recent consultation, particularly with regards to the application of constraints, such as the Green Belt, in determining the final housing figure for Local Plans. In addition, further work is needed to develop the Council’s evidence base before a Regulation 19 Local Plan can be produced. Officers also advise that further time is given to analysing and responding to the detailed comments raised during the consultation, including whether any further evidence is required. This particularly relates to those policies and proposals in the Plan that are more susceptible to changes arising following the Covid-19 pandemic.
- 9.2 Officers advise the following next steps for preparing the Local Plan:
1. Following the clarifications issued by MHCLG and the statements made by the Housing Minister in Parliament and elsewhere Officers will undertake further evidence gathering to determine whether it is appropriate for Dacorum to meet the full housing requirement as set out in the Standard Methodology. This will focus on assessing whether there are ‘strong reasons’ for Dacorum to propose a lower level of development in Dacorum, in accordance with paragraph 11b(i) of the NPPF.
  2. Officers will revisit the already extensive analysis of non-Green Belt development opportunities, particularly in the urban area, and will 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 and retail 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. This work will feed into the development of Opportunity Areas across Hemel Hempstead, initially in South Hemel and the Town Centre. Officers will work closely with the Hemel Place Board on these.

3. Officers will continue to develop the evidence base supporting the Local Plan, particularly those studies outlined in section 5 of this report. Moreover, 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.
4. Officers will undertake further work to review Hemel Hempstead's role in the settlement hierarchy and consider whether it is appropriate for it to be elevated further as a major growth centre for Dacorum. This will look at the role of unviable employment space, the long-term role of the Town Centre and consider whether a further step change in height and density should be pursued further.
5. 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 and new infrastructure are delivered.
6. Officers will continue at pace to ensure that a Regulation 19 Plan can be produced as soon as possible. Officers will work with Government to understand the extent and timetable for implementing the proposed planning reforms and ensure the new Local Plan responds to the proposed changes as to avoid abortive costs.

## **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>

### **Appendix 3 – Strategic Planning and Environment Overview and Scrutiny Recommendations to Cabinet**

The committee noted that:-

1. The committee is sceptical about the housing targets imposed by government because the underlying evidential support is outdated.
2. The target imposed upon DBC is impossible to achieve without unacceptable erosion of the Green Belt.
3. The report considered by the committee shows that support for the proposed amount of development came largely from government bodies such as Homes England and from those who are commercially motivated, like developers. The vast majority of residents who responded were opposed to development that affected the Green Belt and the AONB and we must give more weight to the views of our resident and continue to do so in the future.
4. Critical supporting studies like AA, HRA and most importantly, the Dacorum IDP remain to be completed.

The committee therefore recommends that:-

1. Regulation 19 consultation be delayed and as a matter of urgency, work should be completed on:
  - items in 4 above
  - a detailed reappraisal of all non-Green Belt land available to the Borough for housing development
  - establishing a level of housing that can be supported without unacceptable erosion of the Green Belt.
2. To assist in planning future growth in Dacorum, a Members task and finish group be reinstated.