

# Strengthening Economic Prosperity



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## Strategic Objectives

- To promote a vibrant and prosperous economy:
  - to strengthen confidence in Hemel Hempstead’s role as a thriving sub-regional business centre and shopping hub;
  - to develop the Maylands Business Park as a leader of “green enterprise” and focus of the low carbon economy;
  - to maintain commercial enterprise and employment opportunities in the market towns and large villages; and
  - to support rural enterprise.

## 11. Creating jobs and full employment

11.1. The over-arching aim of the national planning policy for economic development is to achieve sustainable economic growth. This is defined<sup>1</sup> as:

*“growth that can be sustained and is within environmental limits, but also enhances environmental and social welfare and avoids greater extremes in future economic cycles.”*

11.2. The Council has commissioned a number of studies into its employment land supply, both in the context of the sub-regional and the local economy. These have taken place during a period of significant change, both to the national economy and to planning policy. The most recent of these studies<sup>2</sup> forecasts net jobs growth of approximately 10,000 in Dacorum over the period 2006-31, which is an increase of approximately 15% on 2006 levels. Many of these jobs will be office-based, and there is a forecast decline in the number of industrial and warehousing jobs.

11.3. The forecast growth in jobs over the plan period is an estimate, rather than a target because the Council cannot directly create jobs. Its role is to enable the estimated jobs growth through regeneration strategies, appropriate planning policies and employment land provision targets. This approach will ensure that planning policies do not unduly constrain economic growth, and complement wider regeneration initiatives.

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<sup>1</sup> PPS4: Planning for Sustainable Economic Growth (December 2009)

<sup>2</sup> Dacorum Employment Land Update 2011. Roger Tym & Partners. July 2011.

- 11.4. This jobs growth forecast is reflective of Hemel Hempstead's status as the main centre for development and change within the borough, the town's evolving role as a strategic employment location within Hertfordshire and beyond, and the Council's regeneration agenda for the town. Hemel Hempstead is a logical location for employment growth within the wider area, due to the availability of land, its proximity to the M1 and ability to provide jobs that are accessible to residents in other districts within south west Hertfordshire.
- 11.5. Substantial employment growth at Hemel Hempstead will be planned through:
- capitalising on strategic links to the wider sub-region and beyond;
  - regenerating the Maylands Business Park;
  - reconstructing and rationalising the Buncefield oil storage depot; and
  - creating a more attractive and vital town centre, that makes best use of further regeneration and redevelopment opportunities.
- 11.6. These objectives reflect the aspirations set out within the Council's regeneration plans<sup>3</sup>. They are also reflected in the Economic Development Strategies for both Hertfordshire and Dacorum (Table 4).

**Table 4: Economic Development Strategy Objectives**

Hertfordshire	Dacorum
Creating a vibrant, low carbon economy	The regeneration of Maylands
Stimulating enterprise, innovation and inward investment	Supporting the business community
Developing a well skilled workforce	Promoting green and sustainable growth
Providing quality locations and infrastructure	Attracting and retaining business
Creating vibrant towns and vibrant communities	Developing our skills base

*Source: Hertfordshire's Economic Development Strategy 2009-2021, Hertfordshire Works and Dacorum Economic Development Strategy 2009-2012 (January 2009).*

- 11.7. The UK economy is becoming increasingly dependent on knowledge-based industries<sup>4</sup>. It is important for Dacorum's economy to strengthen the role and presence of knowledge based industries in order to remain competitive. The emphasis on Hemel Hempstead as a centre of economic importance within Hertfordshire and beyond provides an opportunity to increase the role of the knowledge economy within Dacorum. As the borough's largest concentration of employment land, the Maylands Business Park (see Figure 22) will play a key role in enabling the transition towards a more knowledge-based economy; this will be progressed through the East Hemel Hempstead Area Action Plan (AAP).

<sup>3</sup> Set out within the Dacorum Development Programme (DDP).

<sup>4</sup> The East of England in the Knowledge Economy: Collaboration to Compete? The Work Foundation, 2007

- 11.8. The diversity of the borough is reflected within the make up of the economy, which includes a significant rural sector that will be supported. The term 'rural economy' refers to economic activities that support employment in rural villages and sustain land uses across the rural area. This can include rural tourism.
- 11.9. Consideration will also need to be given to wider issues such as skills. Although adult qualification levels in the borough are above average for both Hertfordshire and England, there are still some skills gaps that will need to be filled if the local economy is to reach its full potential.

## **A Low Carbon Economy**

- 11.10. Both the Hertfordshire and Dacorum Economic Development Strategies (see Table 4) recognise the need to develop a low carbon economy. A county-wide study<sup>5</sup> has helped increase understanding about what a low carbon economy means, what its implications are for the borough and how it can be delivered. This complements the 'UK Low Carbon Industrial Strategy' published by Government in July 2009. A low carbon economy is described as one in which economic performance improves whilst the use of carbon and greenhouse gases falls. It is also an economy where technology, especially in the field of telecommunications, plays an increasingly important role in the sharing and transfer of knowledge and information.
- 11.11. Hertfordshire's Economic Development Strategy aims to develop the potential for a specific low carbon technology cluster in the county across the 'energy and environmental goods and services' (EEGS). Businesses that are actively engaged in the design, manufacture, distribution, installation and maintenance of low carbon goods and services will be encouraged to locate within the borough. Technology will be a key part of the low carbon economy and it will be important for Dacorum's economy to take advantage of the latest low carbon technologies.
- 11.12. The Maylands Masterplan developed the concept of the 'greening Maylands.' This comprises developing more and better quality green spaces, encouraging the adoption of green business practices and sustainable development, and the development of a Green Energy Centre. The creation of a Green Energy Centre links with the identification of the Maylands Business Park as an area with sufficient heat demand to enable the introduction of district heating (see Map 4). Its creation will also support the wider renewable energy sector, together with environmental goods and services supply chains. Depending on the location of the Green Energy Centre, there may be opportunities for links with an in-vessel composting facility or a relocated household waste recycling centre.
- 11.13. The objective of moving towards a low carbon economy complements the policies within section 18 (Using Resources Efficiently). In particular new developments will be expected to meet the requirements of Policies CS28, CS29 and CS31.

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<sup>5</sup> A Low Carbon Economy for Hertfordshire. Oxford Economics, October 2009.

## **The Maylands Business Park**

11.14 The Maylands Business Park plays a significant role in the Dacorum economy; it is home to around 5% of the borough's businesses and just over 17% of employees<sup>6</sup>. The area will be enhanced through the planned regeneration, which aims to strengthen its role across the wider area. Successful regeneration will be delivered through environmental improvements, a new local centre and delivery of the Maylands Gateway and other projects within the East Hemel Hempstead Area Action Plan (AAP). Key objectives for the AAP are set out in the Hemel Hempstead Place Strategy (see section 20). The role of the Maylands Business Park will remain complementary to that of the town centre, which will continue to have a strong economic function.

## **Supporting Tourism**

11.15 Although the borough is not currently a main destination for tourism, it does attract both leisure and business visitors. The tourism sector is also closely linked to the area's cultural facilities (see section 15).

11.16 Many visitor destinations are currently accessed by car. The promotion of sustainable tourism aims to reduce this dependence by creating new opportunities for tourism in locations with good access to public transport; promoting access by non-car modes to existing destinations; and respecting the built and natural environment.

11.17 Whilst there is already a reasonable range of visitor accommodation within the borough, there is scope for this sector to grow. Facilities that support local tourism, the rural economy and those that support existing businesses, through the provision of meeting and conference facilities, will be particularly encouraged. All new tourist facilities should seek to develop strong linkages with existing visitor attractions.

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<sup>6</sup> Business Intelligence Report, Dacorum Borough Council. Market Measures, February 2010.

## **Policy CS14: Economic Development**

**Sufficient land will be allocated to accommodate growth in the economy of approximately 10,000 jobs between 2006 and 2031.**

**Development that supports the knowledge-based economy, the transition to a low carbon economy, the rural economy and sustainable tourism, will be particularly encouraged.**

**Most employment generating development will be located in town and local centres and General Employment Areas in accordance with Policies CS1 and CS4. Hemel Hempstead will be the main focus for new economic development uses, which will be used to support the regeneration of the Maylands Business Park and Hemel Hempstead town centre. Employment levels elsewhere within the borough will be maintained to ensure a spread of job opportunities.**

**Initiatives that help the local workforce adjust to change and develop their skills will be supported.**

### **Monitoring:**

<b>Indicator</b>	<b>Target</b>
Net increase in jobs since 2006	10,000 new jobs by 2031
Percentage of the economically active population who are unemployed	Lower than the regional average and that of surrounding local authorities
Net change in floorspace - by activity B1(a) office, B2 industry and B8 storage - by location i.e. settlement and type of employment area	Net positive change in floorspace

### **Delivery will be achieved by:**

- designation of specific sites and consideration of their delivery through the Site Allocations DPD and East Hemel Hempstead Area Action Plan DPD;
- the Development Management DPD;
- implementation of the relevant Economic Development Strategies;

- partnership working with the Local Enterprise Partnerships, the Economic Development team at Hertfordshire County Council, the local business community, West Herts College, and business support partners;
- implementation of the Place Strategies and Dacorum Development Programme; and
- use of Local Development Orders (LDOs).



## 12. Providing for Offices, Industry, Storage and Distribution

- 12.1. Employment uses (offices, research, industrial, storage and distribution, also called B-class uses) are a key component of the local economy, and provide just under half of all jobs in the borough. Most of these types of uses are located within General Employment Areas (GEAs) whose role is to ensure that appropriate land is set aside and protected for different employment uses. The GEAs are located across the three towns, with one in Markyate. The Maylands Business Park is made up of five separate GEAs and is the largest concentration of employment floorspace in the borough. The majority of the jobs growth forecast for employment uses will be directed there as part of the regeneration aims to strengthen its role. Whilst the general approach is to prevent the loss of employment floorspace within GEAs, the Hicks Road GEA in Markyate will be remodelled through mixed use redevelopment (see section 26).
- 12.2. GEAs play a major role in the local economy and provide B-class employment floorspace in a range of locations and with a range of different sized units. This variety is important for maintaining diversity within Dacorum's economy, which has a high number of small and medium sized businesses. Small businesses are defined as those which employ fewer than 50 people. Over 98% of all businesses in the borough are categorised as 'small' and together they employ nearly two thirds of all employees. It is important that there is an adequate supply of employment floorspace to cater for these needs.
- 12.3. GEAs are sometimes the most appropriate location for non B-class uses, such as car showrooms, hotels and bulky leisure uses. Whilst these types of use will not be encouraged in GEAs, they may be permissible as an exception to policy where clear justification exists and they comply with other policies and objectives.
- 12.4. Evidence of market conditions will play an important role in assessing development proposals.

### Offices

- 12.5. Office jobs account for around a quarter of total jobs within Dacorum and are mainly located within GEAs and town centres. New office jobs will make a significant contribution to the borough's total additional jobs over the plan period. The Employment Land Update<sup>7</sup> forecasts that approximately 7,000 new office jobs will be provided within the borough from 2006-2031.
- 12.6. Technical work<sup>8</sup> has identified the lack of a defined office location in Hemel Hempstead, and the homogeneity of the type of available office floorspace as

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<sup>7</sup> Dacorum Employment Land Update 2011. Roger Tym and Partners, July 2011.

<sup>8</sup> South West Herts Employment Space Study, Roger Tym and Partners, 2005

weaknesses of the local office market. This will be addressed through the East Hemel Hempstead AAP and the Hemel Hempstead Town Centre Masterplan.

- 12.7. The majority of employment jobs growth will be directed to Maylands Business Park as part of the regeneration aims to strengthen its role. The East Hemel Hempstead AAP will guide the regeneration of the Maylands Business Park according to the character areas identified in the Maylands Masterplan. The Maylands Gateway will provide a prominent new office-led strategic employment location. The Face of Maylands will also be an important office location.
- 12.8. The Hemel Hempstead Town Centre Masterplan will guide the regeneration of the town centre according to the character areas set out in the Hemel Hempstead Place Strategy and Policy CS33. The Masterplan will consider the most appropriate location for different uses including offices in Hemel Hempstead town centre. This will add to the overall employment offer within the town and complement the space available in out-of-centre locations, such as the Maylands Business Park.
- 12.9. Town centres make an important contribution to the overall supply and diversity of office floorspace, and are particularly important for small and medium sized offices and professional services, such as lawyers. Offices also support the shops and services in town centres, helping to maintain their vibrancy and vitality. It is desirable, in sustainability terms, for offices to be located in town centres with good public transport access.
- 12.10. An appropriate range of office floorspace must be provided to attract a range of occupiers; this will mean a variety of sizes of offices and a mix of new and older office buildings. Flexibility to accommodate changing market conditions and to attract a mix of businesses will also be important for the success of the borough's office market. A series of 'core office locations' are identified to where business uses, and particularly office development, is directed.

## **Industry, Storage and Distribution**

- 12.11. Industrial and storage floorspace provide a different type of employment to office floorspace. It is important to have a healthy mix of different types of employment (B-class) floorspace to provide an appropriate range of jobs for the skill set of local residents. Recent changes in the local and national economy has meant there has been a significant fall in the total floorspace of factories and a rise in the total amount of warehouse floorspace, of approximately equal quantities.
- 12.12. Hemel Hempstead is home to the main industrial concentration in south west Hertfordshire and one of the main distribution centres around the M25 and southern part of the M1. The location of the Maylands Business Park is a significant comparative advantage for its role as a distributional centre.
- 12.13. Industrial and storage floorspace will continue to make an important contribution to the borough's overall employment mix. However the Employment Land Update<sup>9</sup>

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<sup>9</sup> Dacorum Employment Land Update 2011. Roger Tym and Partners, July 2011.

forecasts that there will be a fall in the number of jobs in these two sectors of approximately 3,500 over the period 2006-2031. Due to predicted changes in job densities it is anticipated that there will be no net change in the amount of floorspace required for these uses.

**Policy CS15: Offices, Research, Industry, Storage and Distribution**

**A minimum supply of land will be identified and retained for B class uses. It comprises:**

- **General Employment Areas;**
- **employment proposals sites;**
- **land in town and local centres; and**
- **employment areas in the Green Belt.**

**Provision will be made to meet a long term target of at least 131,000 sqm (net) additional office floorspace. There will be no net loss of industry, storage and distribution floorspace over the plan period.**

**Development proposals that include provision for small businesses will be encouraged.**

**General Employment Areas will be protected for B-class uses. New B-class development within General Employment Areas will be supported provided that it:**

- (a) is in accordance with the specific uses permissible in each General Employment Area; and**
- (b) contributes to environmental improvements within the General Employment Area.**

**New office uses will be directed to core office locations and Hemel Hempstead town centre.**

**Monitoring:**

<b>Indicator</b>	<b>Target</b>
Net change in floorspace - by activity B1(a) office, B2 industry and B8 storage - by location i.e. settlement and	-

type of employment area	
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**Delivery will be achieved by:**

- designation of specific sites and consideration of their delivery through the Site Allocations DPD and East Hemel Hempstead Area Action Plan DPD;
- detailed policies in the Development Management DPD;
- partnership working with the Local Enterprise Partnership, the Economic Development team at Hertfordshire County Council, the local business community, and business support partners; and
- implementation of the Dacorum Development Programme.

## 13. Supporting Retailing and Commerce

13.1. The retail sector is an important part of the local economy providing local jobs and important goods and services for residents and workers. Shops are the foundation of every town centre and influence their aesthetic and environmental quality.

### The retail hierarchy

13.2. The role of the retail hierarchy (shown in Table 5) is to ensure that new retail development takes place in appropriate locations and at appropriate scales. The centres in the borough are designated as town or local centres. Hemel Hempstead, as the primary town centre will be the focus for future major retail development, whilst Berkhamsted and Tring will accommodate a smaller amount of new retail development.

13.3. Local centres will play a smaller, but complementary role in meeting overall retail needs, although their focus is on providing services and facilities to serve their local communities. New development of retail and compatible uses will be encouraged in local centres where it is commensurate in scale with the size, role and function of the centre. A new local centre will be created at the Heart of Maylands to serve the needs of the business and local residential community. The precise nature and scale of this local centre will be determined through the East Hemel Hempstead Area Action Plan.

13.4. Development proposals in town and local centres should, where possible, add to the range, variety and choice of shopping and complementary uses, improve the quality of the shopping environment, and refurbish or reuse existing buildings.

**Table 5: The Retail Hierarchy**

Type of Centre	Location	Principal function
<b>Principal Town Centre</b>	Hemel Hempstead (including Hemel Hempstead Old Town)	Provides a range shops including many national multiple retailers. Provides a range of services and facilities and is home to a number of businesses.
<b>Secondary Town Centres</b>	Berkhamsted Tring	Provide a range of shops including many independents and weekly markets. Provide a range of services and facilities and home to a number of businesses.
<b>Local Centres with a</b>	Woodhall Farm	Provides a few local shops

<b>district shopping function</b>		and a medium sized supermarket.
<b>Local Centres with a neighbourhood shopping function</b>	Adeyfield	Provide a range of mainly small shops, services and facilities of a local nature, serving a small catchment.
	Apsley	
	Bennetts End (Bennettsgate)	
	Bovingdon	
	Boxmoor (St. John's Road)	
	Chaulden	
	Gadebridge (Rossgate)	
	Grovehill	
	Heart of Maylands	
	Highfield (Bellgate)	
	Highfield (The Heights)	
	Kings Langley	
	Leverstock Green	
	Markyate	
	Miswell Lane (and Western Road)	
	Nash Mills (The Denes)	
Northchurch		
Warners End (Stoneycroft)		

## Shopping areas

- 13.5. Parts of the town centres are designated as main shopping frontage and other parts as mixed shopping frontage. These designations will be used to ensure retention of retail use and a diverse mix of uses in different parts of the centres. Areas within local centres are designated as shopping areas where a minimum supply of shop (A1) uses will be retained.
- 13.6. A lively and diverse evening and night time economy is an important part of the vitality and vibrancy of a town centre. However, there can be negative impacts in areas such as community safety, litter and noise. These impacts must be controlled for the evening and night time economy to have a positive effect in town centres.

## Out of centre retail development

- 13.7. There are a number of out-of-centre retail locations in Hemel Hempstead which are well used and which complement the offer in the town and local centres. The role and size of these locations will remain stable. Significant new retail development or changes to the type of goods that are currently sold will not be allowed at these locations in order to support the retail hierarchy. These locations are listed in Table 6. In this context 'significant' is defined as any development that is likely to have a negative impact on town or local centres.
- 13.8. Jarman Fields is designated as an out-of-centre retail and leisure location where significant new retail development above that already permitted<sup>10</sup> will be resisted. The future of this area will be closely linked to the planned regeneration of Hemel Hempstead town centre. Whilst the precise mix and quantum of uses may change over time, the role of the site should remain complementary to the role of the town centre and continue to support the retail hierarchy. This principle applies to all out of centre locations.

**Table 6: Out of Centre Retail Locations**

<b>Location</b>	<b>Main uses</b>
<b><i>Out of centre retail locations</i></b>	
<b>Hemel Hempstead</b>	
<ul style="list-style-type: none"> <li>Sainsbury, Apsley Mills Retail Park, London Road (Sainsbury, Apsley)</li> </ul>	Food retailing.
<ul style="list-style-type: none"> <li>Remainder of Apsley Mills Retail Park, London Road (Apsley Mills)</li> </ul>	Bulky, non-food goods.
<ul style="list-style-type: none"> <li>Two Waters, London Road (Two Waters)</li> </ul>	Bulky, non-food goods.
<ul style="list-style-type: none"> <li>Homebase and Wickes, London Road (London Road)</li> </ul>	Bulky, non-food goods.
<ul style="list-style-type: none"> <li>B&amp;Q, Two Waters Road (Cornerhall)</li> </ul>	Bulky, non-food goods.
<b>Tring</b>	
<ul style="list-style-type: none"> <li>Tesco, London Road (Tring)</li> </ul>	Food retailing
<b><i>Out of centre retail and leisure locations</i></b>	
<ul style="list-style-type: none"> <li>Jarman Fields</li> </ul>	Food retailing and bulky non-food goods. Leisure uses.

<sup>10</sup> Planning permission for 6,700 sqm (gross) of retail warehousing floorspace has been granted (04/00455/07/MFA)

## **The sequential approach**

13.9 The sequential approach requires new retail development to be delivered in central locations first; this supports the vitality and viability of centres and is a sustainable approach to development. The sequential approach stipulates that retail development is delivered on sites in the following order of preference:

1. locations in appropriate existing centres;
2. edge of centre locations, with preference given to sites that are or will be well-connected to the centre; and
3. out-of-centre sites, with preference given to sites which are or will be well served by a choice of means of transport and which are closest to the centre and have a higher likelihood of forming links with the centre.

13.10 The sequential approach will be used to assess applications for new retail development which are not in an existing centre and are not in accordance with local policy. The requirement applies to extensions to retail uses where the gross floorspace of the proposed extension is greater than 200 square metres.

13.11 When considering the sequential approach, the following will be taken into account:

- a) ensure that sites are assessed for their availability, suitability and viability;
- b) ensure that all in-centre options have been thoroughly assessed before less central sites are considered;
- c) ensure that where it has been demonstrated that there are no town centre sites to accommodate a proposed development, preference is given to edge of centre locations which are well connected to the centre by means of easy pedestrian access; and
- d) ensure that in considering sites in or on the edge of existing centres, developers and operators have demonstrated flexibility in terms of:
  - i. scale: reducing the floorspace of their development;
  - ii. format: more innovative site layouts and store configurations such as multi-storey developments with smaller footprint;
  - iii. car parking provision: reduced or reconfigured car parking areas; and
  - iv. the scope for disaggregating specific parts of a retail development, including those which are part of a group of retail units, onto separate, sequentially preferable, sites.

## **The impact assessment**

13.12 An impact assessment will be required for all applications for new retail development that are not in an existing centre, or which are in an existing centre, but whose scale is not considered to be in keeping with the size, role and function of that centre.



Assessments should take into account the likely cumulative effect of recent permissions, development under construction and completed developments. Such applications will be assessed against the following impacts on centres:

- a) the impact of the proposal on existing, committed and planned public and private investment in a centre or centres in the catchment area of the proposal;
- b) the impact of the proposal on town centre vitality and viability, including local consumer choice and the range of quality of the comparison and convenience retail offer;
- c) the impact of the proposal on allocated sites outside town centres being developed in accordance with the development plan;
- d) the impact of the proposal on in-centre trade/turnover and on trade in the wider area, taking account of current and future consumer expenditure capacity in the catchment area up to ten years from the time the application is made, and where applicable on the rural economy; and
- e) if located on the edge of a town centre, whether the proposal is of an appropriate scale (in terms of gross floorspace) in relation to the size of the centre and its role in the retail hierarchy.

## Policy CS16: Shops and Commerce

New retail development will be assessed in terms of its location, scale and impact. It will be permitted if it accords with the retail hierarchy as set out in Table 5 and conforms with the sequential approach. Most retail development will be directed to the town and local centres.

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

Town Centre	Square Metres (net)			
	Comparison	Convenience	Total	
Hemel Hempstead	15,500			2009-2021
	32,000			2022-2031
	<b>47,500</b>	<b>6,000</b>	<b>53,500</b>	<b>Total</b>
Berkhamsted	<b>6,000</b>	<b>1,000</b>	<b>7,000</b>	<b>Total</b>
Tring	<b>2,500</b>	<b>750</b>	<b>3,250</b>	

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

Hemel Hempstead will be the main destination for comparison goods shopping, leisure, entertainment, civic and cultural activities. Other centres will provide core shopping facilities and services for their local communities.

Development proposals that promote a diverse evening economy in the town centres will be supported provided that their social and environmental impacts are controlled.

### Monitoring:

Indicator	Target
Net gain in retail floorspace in town centres	Positive trend
Net gain in retail floorspace in local centres	Positive trend
Net gain in retail floorspace which is outside of designated centres	Nil

**Delivery will be achieved by:**

- designation of specific sites and consideration of their delivery through the Hemel Hempstead Town Centre Masterplan, the Site Allocations DPD and East Hemel Hempstead Area Action Plan DPD;
- the Development Management DPD;
- implementation of the relevant Economic Development Strategies;
- partnership working with the Local Enterprise Partnership, the Economic Development team at Hertfordshire County Council, the local business community, Local Enterprise Partnership (LEP) and business support partners;
- implementation of the Place Strategies and Dacorum Development Programme; and
- Marlowes Shopping Zone Improvements Plan.

