

# Nutrient Neutrality Requirements

## Briefing Note



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### Introduction

On 16 March 2022, Natural England announced an additional 27 catchments covering 42 local authorities which would be subject to nutrient neutrality requirements in order to protect designated wetland sites from further deterioration from nutrient-related pollution. This is in addition to the the seven catchment areas and 32 local authorities already subject to Natural England's requirement that new housing development must achieve 'nutrient neutrality'

### Background

Nutrient neutrality is “a means of ensuring that a plan or project does not add to existing nutrient burdens so there is no net increase in nutrients as a result of the plan or project (i.e., it “consumes its own smoke”). Where nutrient neutrality is properly applied and the existing land use does not undermine the conservation objectives, Natural England considers that an adverse effect on integrity alone and in combination can be ruled out. Where neutrality measures are needed, the purpose of these mitigation measures is to avoid impacts to the designated sites, rather than compensating for the impacts once they have occurred.”



In freshwater habitats and estuaries, poor water quality due to nutrient enrichment from elevated nitrogen and phosphorus levels is one of the primary reasons for habitats sites being in unfavourable conditions. Excessive levels of nutrients can cause the rapid growth of certain plants through the process of eutrophication and result in the loss of biodiversity, leading to sites being in 'unfavourable condition'. For habitats sites that are unfavourable due to nutrients, and where there is considerable development pressure, mitigation solutions are likely to be required to enable new development to proceed without causing further harm. More plans and projects are therefore likely to proceed to appropriate assessment.

Annex B: National Map of Catchments



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## Natural England's Advice

Natural England's Advice applies to Special Protection Areas (SPA), Special Areas of Conservation (SAC) and Sites designated under the Ramsar Convention.

A plan or project will be relevant and have the potential to affect the water quality of the designated site where:

- It creates a source of water pollution (e.g., through discharge, surface run off, leaching to groundwater etc) of either a continuous or intermittent nature or has an impact on water quality (e.g., reduces dilution);
- There is hydrological connectivity with the designated site i.e., it is within the relevant surface and/or groundwater catchment; and
- The designated sites interest features are sensitive to the water quality pollutant/impact from the plan/project.

Natural England works with local planning authorities (via an appropriate assessment) to address the impacts of development which has the potential to increase nutrient emissions and adversely affect the integrity of habitat protected sites by identifying appropriate mitigation measures to enable development to proceed without causing harm to the integrity of those habitat sites. Planning permission will only be granted if the Appropriate Assessment confirms that the plan or project will not adversely affect the integrity of a habitat site,

## Types of Projects Affected

The types of projects affected include all types of overnight accommodation including new homes, student accommodation, care homes, tourism attractions and tourist accommodation and permitted development (which gives rise to new overnight accommodation). The advice also applies to planning applications at the reserved matters approval stage of the planning application process, and to applications for grants of prior approval and/or certificates of lawfulness for a proposed use or operation.

Tourism attractions and tourism accommodation are included in the methodology as these land uses attract people into the catchment and generate additional wastewater and consequential nutrient loading on the designated sites.

Other types of business or commercial development, not involving overnight accommodation, will generally not need to be included in the assessment unless they have other (non-sewerage) water quality implications.

Activities that require an environmental permit (such as waste operations, water discharge activities and groundwater activities) should be subject to an HRA where they are carried out within the catchment of a habitats site and there is a risk that they may affect water quality within that catchment.



Whilst nutrient neutrality is only currently being applied to development that would result in a net increase in population served by a wastewater system, the HRA requirements will apply to any plans or projects, including agricultural or industrial plans and projects that have the potential to release additional nitrogen and / or phosphorus into the system and that require an LPAs or the EA's consent, permission or approval.

Where a likely significant effect on the habitats site cannot be ruled out, they should be subject to an appropriate assessment.

## Implications for housebuilders

All new applications for housebuilding and outline permissions awaiting approval of reserved matters or those awaiting discharge of conditions, within the river catchment areas listed, will be subject to the requirement to achieve nutrient neutrality.

Local authorities can only approve homes if they are certain that the proposed development will have no negative effect on protected wetland areas.



Nutrient neutrality can be achieved by various means, although Natural England favours the creation of new environment assets, through what is referred to as nature-based solutions.

It is also understood that the Secretary of State has acknowledged the need for a permanent solution that will improve water quality and allow sustainable development to proceed” though plans to reduce nutrient pollution from agriculture and sewerage works. The Secretary of State has also referred to the possibility of legislative change to reduce nutrients at source.

The Home Builders Federation has stated that “a consistent and standardised mitigation approach on water neutrality is essential to removing the growing block it is causing to housing supply. We have calculated that 60,000 homes have been delayed across 32 local authority areas before the addition ... of a further 42 local authorities. We are urging the Government to agree proportionate measures that reflect the contribution of housing delivery to the issue without delay. The situation has already been ongoing for some years and it is imperative that solutions are agreed and implemented urgently.”

Recent research undertaken on behalf of the HBF suggests that the economic impact arising from the potential non-delivery of new homes across the identified catchment areas (the 31 local authorities in seven river catchments that were affected by the nutrient issue before the Government’s announcement that an additional 27 catchment areas would be added), could be significant. The impact of between 53,465 and 60,626 dwellings not being delivered as a result of the nutrient issue would result in a reduction of between £269.3 million and 305.4 million of economic output produced by builders, their contractors and suppliers; and a reduced opportunity to create or support between 170,800 and 193,700 direct, indirect, and induced jobs. Further losses would include Council Tax revenue, New Homes Bonus payments and reduced S106 and CIL contributions.

Please do get in touch if you would like to know more at [enquiries@dipconsultants.co.uk](mailto:enquiries@dipconsultants.co.uk).