

District Executive 3rd November 2022

**Planning to support the release of
phosphate credits within the Somerset
Levels and Moors Ramsar site to unlock
stalled housing developments**

Report context

The accompanying report focuses upon approaches to allow the release of P credits to enable applicants and developers to secure planning permission and deliver new housing. It seeks to deliver nutrient neutrality for development purposes only.

The report does not address wider issues relating to the unfavourable state of the Ramsar site or measures that we should be seeking further action on from Central Government or other bodies to take action.

The short term role of the credit scheme is to allow applications that have been held up for up to 27 months the scope to be determined.

South Somerset

Background

- Majority of area impacted - Parrett Catchment / small area in Brue catchment + River Axe SAC, covering some 90% of district
- Appointed in house ecologist in 2021 to carry out HRA. Have retained services following move to consultancy. Phosphate work is a part of Lead Specialist & Policy Officer (temp) role – Capacity issues

Key Issues / pressures

- Phosphates at appeal, key factor in allowing 200 dwellings at Castle Cary. SSDC sought to challenge the decision by Judicial Review.
- Applicants for less favoured sites are making most effort to find phosphate solutions to engage "tilted balance"
- Housing supply trends
- High numbers of unpermitted treatment works requiring high levels of mitigation, particularly for market towns and villages
- **Solutions report estimates 657.4 kg/year needed in P Mitigation 2022-32 (for planned growth)**

South Somerset

Applications

Some 360 applications equating to 5,000 dwellings including large urban extensions awaiting S.106 completion

Interim Solutions

3rd Party land management credit sales. Report to District Executive on 6th November seeking approval for a legal structure for bringing forward credits

Working with Registered Providers on water efficiency proposals. First scheme approved in Yeovil for 45 dwellings with others in pipeline.

Application for 185 dwellings with managed PTP approved at committee with applications for about 150 dwellings awaiting committee determination

Long-term solutions - to be explored

- Aim to engage stock transfer RP in efficiency solutions
- Rolling out 3rd party credit legal framework to wider landowner audience

Typical solutions to date



To date we have approved development where it has associated on or off site mitigation. Examples include:

- Fallow land
- Small scale PTP
- PTP & land use change
- Replacement of septic tanks with efficient PTP
- Retrofitting of housing stock
- Commissioning of large scale managed PTP's & land use change

All require other land to be available to the applicant.

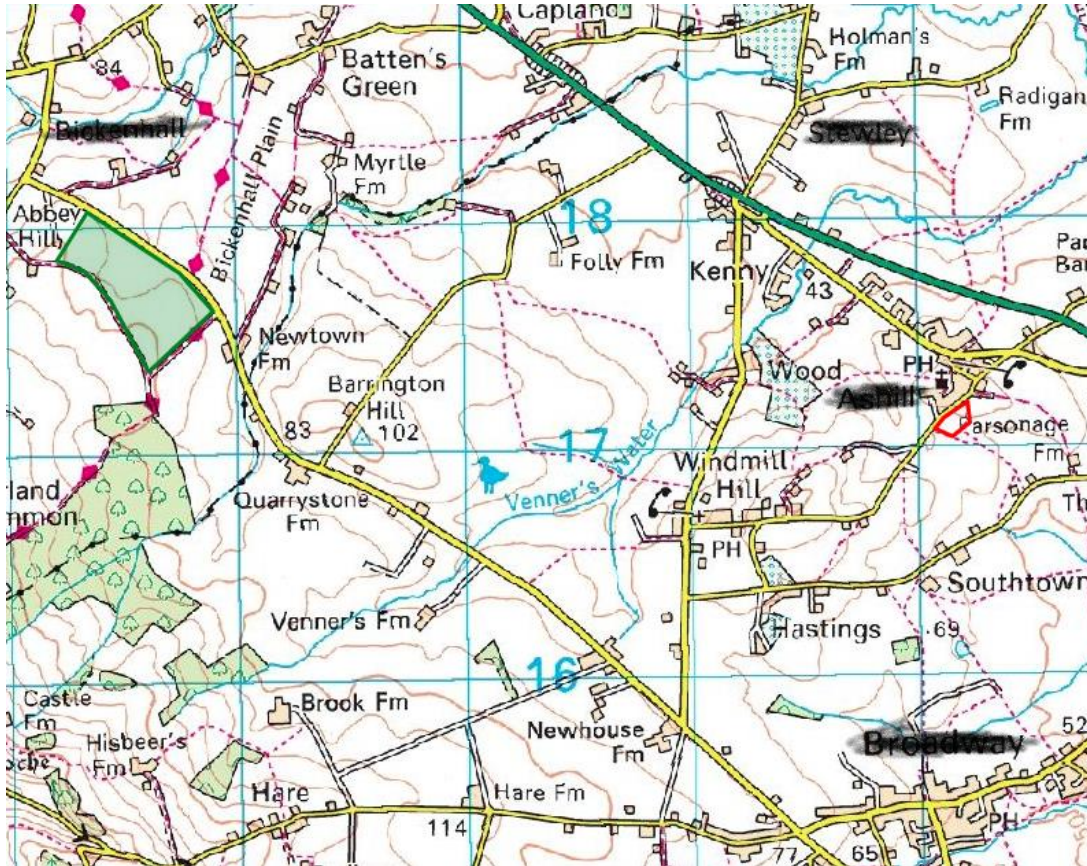
(Note all plans used hereafter are for illustrative purposes and do not reflect actual proposals or applications.)

Examples – PTP & land use – small scale



- 1-2 dwellings (red curtilage) away from WW connection.
- Needs PTP & some land use change to achieve neutrality.
- Single owner for wider field
- S.106 to ensure woodland / orchard re-use in perpetuity.

Examples – PTP & separate land use – medium / large scale



- 20-30 dwellings (red curtilage)
- Needs managed efficient PTP & some land use change to achieve neutrality.
- Insufficient land available to applicant, needs a 3rd party land for woodland / orchard. Again needs developer to source the mitigation.
- S.106 to ensure woodland / orchard re-use in perpetuity.

Examples – Replacing Septic Tanks



- 6-8 dwellings (Red curtilage) away from WW connection.
- Efficient PTP that serves new dwellings & replaces existing inefficient septic tanks. (Blue)
- Needs developer to approach landowners to deliver overall project & secure agreement.
- Needs S.106 to ensure the new facility is maintained and also services the other properties.

Examples – Retrofitting housing stock



- Only available to bodies that manage large numbers of rented units.
- Within efficient waste treatment works catchments it requires about properties retrofitted to deliver 1 new dwelling
- Not applicable to affordable purchase accommodation as no central long term control
- Requires S.106 to secure validation report confirming retrofitting.
- Currently only actively pursued by Stonewater

Examples – Managed PTP within overall site



- Available for schemes of 10/15+
- Requires EA approved managing body
- Achieves efficiencies of 0.2 – 0.3 mg/ ltr (Highest Technical Standard suggested for 2030 is 0.25 mg/ ltr).
- Attractive to land promoters / outline applicants as no up front cost to deal with mitigation – becomes a project infrastructure cost.
- Needs S.106 to ensure the new facility is maintained in perpetuity.

Land management led solutions

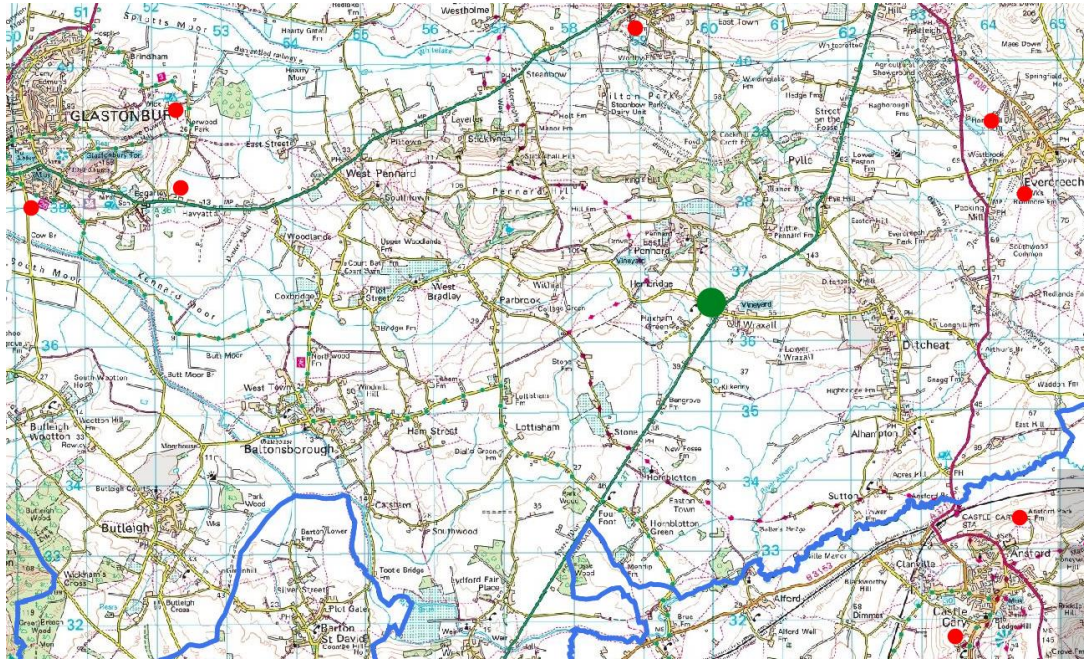
Emerging opportunities for landowners to promote land use change solutions and find developers to acquire credits.

Schemes depend upon landowners taking initiative

Required the LPA to engage in development and management of each land management scheme

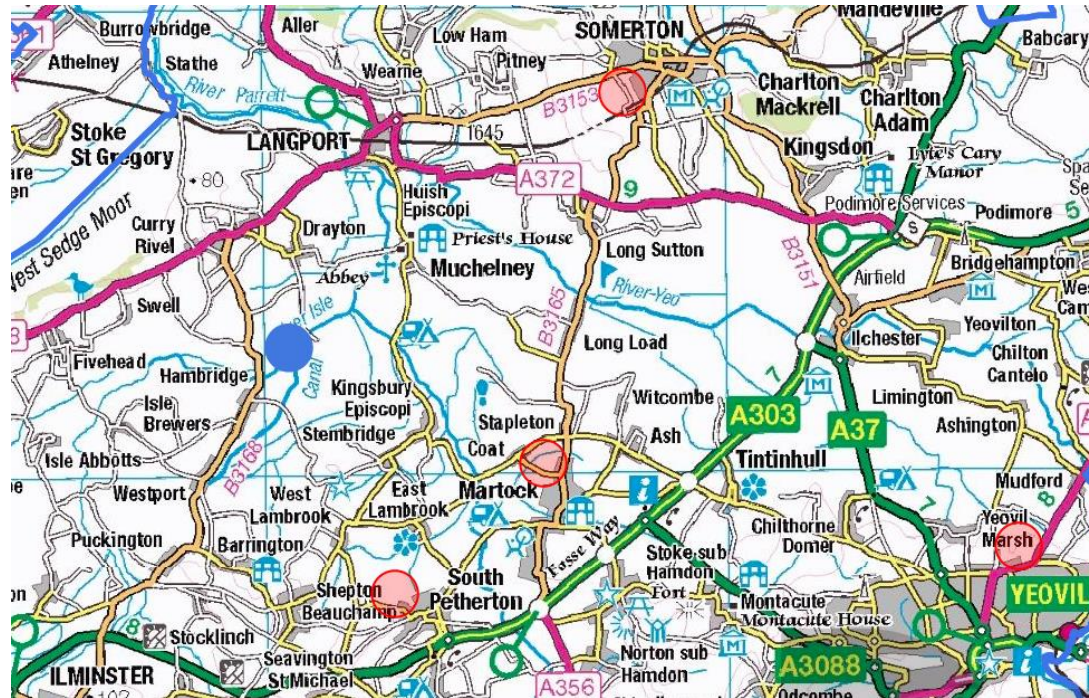
Requires agreement between LPA and landowner to approve the P credits record sales (potentially retain buffer) and fund monitoring work

Example – Cross boundary proposal



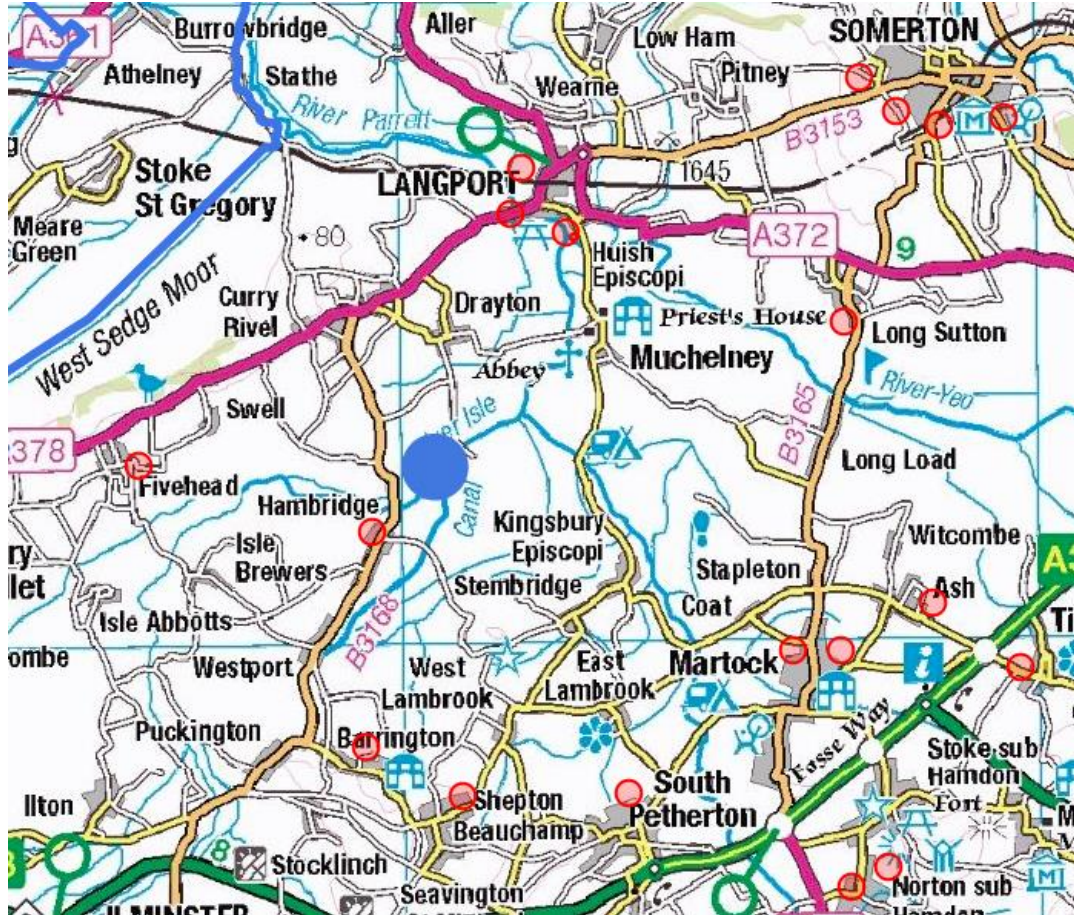
- De-commissioning of livestock holding in Mendip.
- Requires agreement to credit generation by LPA
- Credits can be sold within the catchment, not just the district so available to SSDC applicants within River Brue catchment.
- Enforcement responsibility lies with MDC
- Applicants are simply acquiring an agreed nutrient neutrality credit regardless of source

Example – Landowner project serving more than 1 application 1



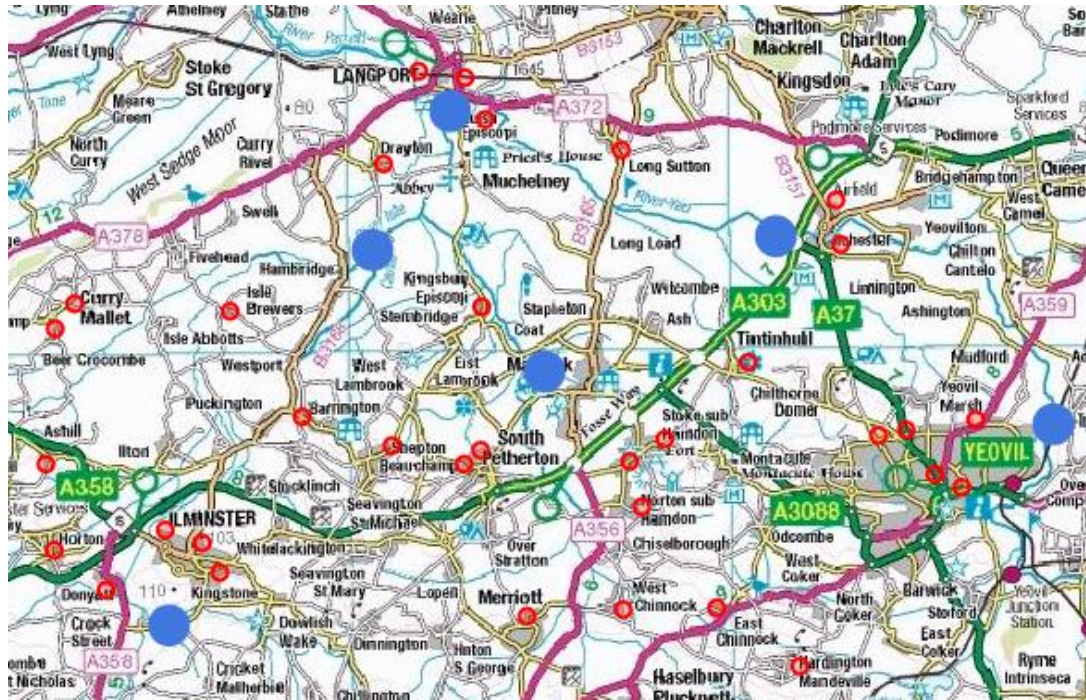
- Landowner with suitable river frontage
- Opportunity for long term wetlands with fallow land intermediate solution.
- Landowner agrees to partner a developer to support a portfolio of applications. Share project risk both parties work on project development.
- Single developer can then show a P solution for their range of sites. Developer is party to accreditation so has certainty that P credits are acceptable mitigation.
- Does not mean their sites are otherwise acceptable in planning terms
- It does however mean nutrient neutrality is not an issue at appeal.
- Needs S.106 to ensure the new facility is maintained in perpetuity. This does not explore the identify of the landowner or applicant

Example – Landowner project serving more than 1 application 2



- Landowner with suitable river frontage
- Opportunity for long term wetlands with fallow land intermediate solution.
- Seeks to manage their own credit market following agreement with Natural England about level of credits & confirmation from the local authority.
- Individual applicants will require certainty that a credit acquired from this site will be accepted as providing the required mitigation. (Applicants' are looking to buy a service so are not party to the specification design & accreditation process.)
- Does not mean their sites are otherwise acceptable in planning terms
- It does however mean nutrient neutrality is not an issue at appeal.
- Needs S.106 to ensure the new facility is maintained in perpetuity. This does not explore the identify of the landowner or applicant.

Example – many owners & many applicants.



- Land management proposals in blue
- Applicants without land for mitigation in red
- The scale of the opportunity requires co-ordination for consistency & certainty
- Individual landowners may prefer assurance that project design costs and marketing a controlled
- Project requires a Co-Ordinator / enabler to ensure projects are appropriately designed
- Co-Ordinator reduces duplication for LPA, single proposal albeit including many landowners.
- Individual applicants will require certainty that a P credit acquired from these sites will be accepted as providing the required mitigation. (Applicants' are looking to buy a service so are not party to the specification design & accreditation process.)
- Co-Ordinator needs to demonstrate across the range of projects which credits are sold to which developer
- Proposals needs to ensure ongoing monitoring is cost neutral to LPA
- All landowners require individual legal agreement with LPA.
- All credit purchasers require S.106 to confirm they have acquired registered credits
- Co-Ordinator / Enabler needs Agreement with LPA that the credits are agreed by NE, that credits are tracked, that buffers are retained and that compliance will be achieved.

Summary

- SSDC can only be an enabler of solutions in the short term.
- Small scale land change solutions are resource hungry for small amounts of development
- SWaT are marketing a mix of retro-fitting, 3rd party land use change and land management within SWaT estate as an “Interim Solution”
- In the absence of Countywide projects all land use schemes currently are “Interim”
- 3rd Party credit schemes suit smaller development with no land for mitigation and without land use change skills
- We currently have 360 applicants awaiting solutions. A significant number have registered for 3rd party credit markets as their only option to progress.