

Housing supply and nutrient/water neutrality

Purpose of report

For direction.

Summary

This paper introduces the Economy, Environment, Housing and Transport (EEHT) Board's policy inquiry into housing supply and nutrient/water neutrality. It asks members whether they would like to participate in the inquiry, and whether there are any non-metropolitan issues they would like raised.

Is this report confidential? Yes No

Recommendation/s

That the People and Places Board discuss this issue and agree how members can best engage with the inquiry.

Action/s

Officers to invite a speaker from the Environment Economy Housing and Transport team to join the Board meeting and engage with the inquiry as directed by members.

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Housing supply and nutrient/water neutrality

Background

1. Phosphates and nitrates are both types of nutrients that can damage wildlife at high levels. [Phosphates and nitrates mainly enter the water system through agricultural practices and water industry discharges](#) (e.g. wastewater treatment works). Patterns of nutrient pollution vary by region, depending on population density, extent and type of agriculture and habitats can be impacted by one or both of these nutrients.
2. In England, Natural England monitors the condition of special habitats and provides advice to local planning authorities. Special habitats are protected by international law, set out in the Habitats Directive, and where habitats are threatened by this nutrient pollution, local planning authorities are being directed to pause all planning decisions in affected areas. This advice is now impacting a significant number of councils, and research commissioned by the LGA, '[Nutrient and water neutrality: The impact of environmental protections on housing supply](#)', shows the scale of the issue and the seriousness of the planning moratoriums.
3. Ground water abstraction has also been linked to a decline in biodiversity in protected habitats due to low water levels, which can also lead to advice to pause planning decisions. A small number of councils in West Sussex are impacted by advice on water neutrality, but the challenges of dealing with this issue are significant and may become more prevalent due to the impact of climate change and other sources of water stress elsewhere in the country.
4. Councils are actively seeking solutions, but there is growing concern that the support offered so far is not going far enough. Long term action will require joint working through a preventative and whole system approach, involving water companies, the agricultural industry, housing developers, environmental organisations, the Environment Agency, Natural England and the government. Therefore, the LGA has launched a policy inquiry on housing supply and nutrient and water neutrality, inviting a variety of national stakeholders and councils to participate in creating solutions to this escalating issue.

Current scale of the issue

5. LGA analysis finds that over seven per cent of all of England's planned house building cannot go ahead due to new laws on river pollution, with further house building banned in other areas because of low water levels.
6. More than 70 local authority areas are currently affected by these moratoriums on planning, with 23 councils having more than 90 per cent of likely house building areas impacted by the bans.

7. Together around 20,000 new homes a year will not be built unless it is proved they produce no additional pollution, and with few quick fixes the numbers of homes lost could hit 100,000 in the coming years, placing national house building targets in doubt.
8. The Planning Advisory Service has [more information](#) on nutrient neutrality and the planning system, as well as areas currently affected.
9. Government has recently [announced plans](#) to take further action on nutrient neutrality, including a new statutory duty on water companies to reduce pollution in areas affected by Natural England determination and a new funded strategic mitigation scheme which will enable Natural England to provide mitigation options that developers can access via credits.
10. Resolving water neutrality issues requires water companies to secure an alternative, sustainable long-term water supply, and local authorities and developers will have to continue to make efficiencies to reduce water consumption on sites of development and offset water use elsewhere in the meantime.

LGA activity

11. The EEHT Board has launched a [policy inquiry](#) to respond to the immediate and significant pressures placed on councils through their role as local planning authorities. It is overseen by a cross-party group of councillors reporting into the EEHT Board: Cllr David Renard (Chairman of EEHT), Cllr Federica Smith-Roberts (leader of Somerset West and Taunton), Cllr Loic Rich (Deputy Chair EEHT), Cllr Alan Waters (PPB substitute member).
12. The inquiry will gather information from stakeholders through a survey and this will be followed by round table discussions to examine what can be done across the whole environment and water system to reduce the stresses on fragile habitats. It will publish a report in the autumn setting out key learning and recommendations for next steps.

Implications for Wales

13. This issue has affected councils in Wales in a similar way and it is a cross border issue. As in England, Welsh local authorities had no notice of the new advice on nutrient neutrality and are facing similar challenges through the sudden halt to development. 22. Policy in Wales is set by the Welsh Government and Natural Resources Wales. While there are different lobbying routes, officers have spoken to the WLGA and agreed to share information and look for opportunities to bring Welsh and English councils together to share experiences. The WLGA noted concerns over the delivery of new social housing in rural areas.

Financial Implications

14. Work proposed can be carried out within current resources.

Equalities Implications

15. The implications will vary by councils. In general terms, the sudden stop to development has exacerbated housing supply problems. The break in the supply of affordable housing will leave people waiting longer in temporary accommodation or the private rented sector.
16. In the longer term, any costs that fall on developers may reduce the amount they can contribute to section 106 and community-based projects.
17. Further considerations may emerge as this is a relatively new issue.

Next steps

18. The inquiry will meet for a roundtable on water neutrality on 28th September and a roundtable on nutrient neutrality on 6th October, bringing together affected councils, government and non-governmental stakeholders such as regulators and representatives of the agricultural sector. The People and Places Board may wish to nominate a representative to attend these meetings.