



Construction  
Leadership  
Council

The Rt Hon Michael Gove MP  
Secretary of State  
Department for Levelling Up, Housing, Communities & Local Government  
2 Marsham Street  
London, SW1P 4DF

Dear Secretary of State,

25.11.21 **THE IMPACT OF "NUTRIENT NEUTRALITY" POLLUTION CONTROLS ON HOUSING DELIVERY AND OTHER DEVELOPMENT**

I am writing to you to convey the Construction Leadership Council's growing concern about the impact of current "nutrient neutrality" controls on housing and other development delivery in Somerset, Kent, the Solent and several other areas and to ask for your early intervention to resolve this increasingly serious problem.

Stemming originally from European case law, Natural England's current advice to local authorities on the necessity of new developments achieving nutrient neutrality – so avoiding an adverse impact on wetland habitats - has led to several stopping orders imposed by local planning authorities on the determination of new planning applications, reserved matters and discharging conditions.

In total the delivery of an estimated 40,000 homes is now delayed across thirty-five local authorities in England, and the future delivery of 25,000 homes a year in these areas is also in jeopardy (based on the Standard Method for assessing housing need).

The ramifications for the areas affected by this problem impact more than home builders. Delays to development are also holding up essential infrastructure. For example, there is significant strain on the nation's logistics sector, with very little available space at present, and a pipeline of new space that is not being delivered in those areas affected.

If housing projects cannot proceed because of the difficulties of meeting nutrient neutrality requirements it affects all forms of housing, including the supply of affordable housing and rural housing programmes which are much needed locally at a time of growing pressure on living costs. The impact on housing and commercial development also has a wider impact on local economies including the many jobs that housing and commercial projects sustain in the construction supply chain, builders' merchants and supporting services. If homes and other projects are not being built all these components of the local economy lose out too and jobs are put at risk. That in turn will adversely affect local authority income, including Section 106 and CIL contributions.

These adverse impacts are disproportionately affecting new housing and other development delivery even though they contribute only a very small part of the nutrients pollution threat to habitats. While the CLC supports the Government's 25 Year Environment Plan and action to enhance our natural environment, it does therefore feel that it is imperative to do everything possible to lift the current threat to housing and commercial development delivery as quickly as possible by finding both short and longer-term solutions.

The immediate focus has been to try to identify, allocate and make operational sufficient land to provide nature-based projects that can mitigate any nutrients pollution from new development. However, many of the local authorities affected are struggling to find this quickly enough to provide mitigation for the homes currently delayed.

In addition, the land requirements for providing mitigation are considerable. As a rule of thumb, building a house in the areas afflicted requires the equivalent area of land to be set aside as mitigation. In Somerset, for example, it is calculated that to clear the backlog of 11,000 homes delayed by this issue, it would require 630 hectares of land to be turned over to provide wetlands (providing mitigation through wetlands is the least land-hungry option). This would need to be cleared and constructed, within the necessary sub catchments, merely to clear the existing backlog. In addition to this, the four Somerset local planning authorities need to deliver 2,720 homes a year. This would require about another 150 hectares of land to be turned over to wetland, each year, for the foreseeable future.

The cost of providing mitigation is uncertain because nature-based projects are in such short supply. However, evidence gathered by the HBF indicates that providing mitigation could cost in the area of £5,000 per dwelling. Some costs could be as high as £15,000 to £24,000 per dwelling. This is money that will be diverted from meeting other public policy goals, such as providing affordable housing or contributions or improving public transport provision. Local authorities are concerned about the diversion of this 'planning gain' to mitigating the nutrients issue.


Small housebuilders are particularly badly affected by this issue. While bigger housebuilders may be able to offset the delays in places like Kent and Somerset by switching attention to sites elsewhere in England, SME housebuilders tend to be far more locally concentrated and have much lower cash reserves. The effect of any local moratoria means that all, or a large part of their development pipeline, is threatened, with knock on damage to the local construction supply chain.

The delays associated with the nutrients issue risk driving many SMEs out of business, so a more rapid and effective way needs to be found to remove this threat. Ideally the guidance issued by Natural England should be adjusted to weigh-up the costs associated with the small release of nutrients in the short term against the wider public-interest benefits of housebuilding and other development.

But a longer-term solution also needs to be found. This should recognise the negligible amounts of nutrient pollution arising from new housing and commercial projects and find effective means of reducing the significant nutrient pollution arising from other sources, including farming. At the same time, the Government, working with OFWAT, should encourage a rapid programme of upgrading of waste-water treatment works by the water utilities so that these are able to filter-out nutrients from new developments and other sources before they enter watercourses. Targeted investment to improve the water treatment infrastructure would be a sensible means to unlock nature recovery and new development.

With the nutrients problem becoming more difficult and extensive the CLC would urge the Government to take early and effective action to prevent the damage to housing and commercial development delivery becoming even more serious. The CLC would welcome your involvement in brokering short and longer-term solutions and in facilitating better collaborative working with other Government Departments and agencies to this end.

Yours sincerely,



Andy Mitchell  
Co-Chair  
Construction Leadership Council