
Response to HBF Lords briefing

This document has been prepared in response to the HBF briefing on Nutrient Neutrality released on 11th September 2023. Throughout the document, the HBF has misrepresented multiple elements.

HBF said: 'All data suggests that the built environment is responsible for as little as 5% of nitrate and phosphate pollution found in rivers with residential property making up a small proportion of this'

The truth:

In its annual reports on progress against the targets set in the 25-Year Environment Plan, DEFRA identifies the major pressures that cause water bodies to fail to achieve good ecological status. The most recent progress report indicates that after the physical modification of rivers (a factor unavoidable in many urban environments), the main three drivers preventing water bodies from achieving good status are:

- Agricultural pollution from rural areas (affecting 40% of water bodies);
- Sewage and wastewater (36%);
- Run-off from towns, cities and transport, referred to as urban diffuse pollution (18%).¹⁹

Source

<https://publications.parliament.uk/pa/cm5802/cmselect/cmenvaud/74/report.html>

Further analysis has been carried out by the Environment Agency which released a report in December 2022 which indicates that out of the 55% of waterbodies in England which are failing standards, 60-70% of the phosphorus load to these water bodies was originating from wastewater treatment.

Source [Phosphorus-challenges-for-the-water-environment.odt \(live.com\)](#)

Other studies focusing on nitrogen indicate that 25-30% of nitrogen loads in water bodies derive from wastewater.

Source [20190221_NitratesNarrative_Draft \(environment-agency.gov.uk\)](#)

Nutrient Management Plans for the River Wye and River Clun show that sewage treatment works are responsible for between 30-50% of the phosphorus inputs to these water bodies.

Source:

https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/384026/River_Clun_NMP_v6_FINAL_ISSUED_231014.pdf

https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/361793/River_Wye_NMP_final_report_v3_14052014.pdf

HBF said: *'It is estimated that agricultural practices and the inability of water companies to effectively treat wastewater are the primary sources of nutrient pollution in rivers.'*

The truth:

This is a direct contradiction of the point above. Wastewater is largely produced by residential properties and the built environment. It can't be true that the built environment is responsible for a very small (5% according to the HBF) proportion of nitrogen and phosphorus pollution and also that water companies not treating wastewater to high enough standards is also a primary source of nutrient pollution to rivers.

HBF said: *'Local authority and private sector nutrient mitigation schemes have failed to materialise at scale in all catchments other than the Solent. If they can, house builders have been forced to buy farms for nature-based solutions removing this farmland from food production. By taking pig farms or fish farms out of use developers have been able to obtain 'credits' to bring development forward but only at the expense of domestic food security'*

The truth:

The HBF do not report on the considerable amount of progress being made to bring nutrient mitigation schemes to market in most affected areas. Nationally, the mitigation sector has identified over 70,000 houses worth of mitigation either available or in the pipeline. The supply of mitigation is not even distributed geographically, but many areas have mitigation available and supply was increasing until the Government sowed massive uncertainty in the mitigation market.

Although there are a number of schemes that involve taking agricultural land out of production, there is only one scheme nationally where a fish farm has ceased operation and there are very few pig farm cessation schemes. The reality is that competing with European pig farmers has meant that pig farming in this country is rarely profitable and nutrient neutrality provided a means for farmers suffering financial hardship to diversify their impact while helping with environmental protection.

There is an increasing number of mitigation schemes that are using wetlands or land management techniques like log jams and drainage ditch management to provide significant quantities of mitigation with minimal land take. This is the direction the sector is going in.

HBF said: *'Where mitigation schemes are emerging, such as in the Somerset and Teesmouth catchments, the number of homes unlocked is a tiny fraction of the number of homes blocked'*

And

'Local authority and private sector nutrient mitigation schemes have failed to materialise at scale in all catchments other than the Solent.'

The truth: HBF have not done any work to identify schemes. We have over 70,000 houses of mitigation either available or soon to be available in private schemes alone. Natural England and councils are also bringing forward schemes.

Somerset has 8500 houses of mitigation available. This is sufficient to largely if not completely unblock development in this area. Our survey of mitigation providers has identified the following mitigation available or in the pipeline in each affected catchment.

Eden	500
Itchen	9000
Lugg	1250
Norfolk Broads	11100
Poole Harbour	7000
River Avon	9000
River Camel	440
Solent	5000
Somerset	8500
Stodmarsh	13000
Tees	4100
The Solent	12,000

HBF said: *We estimate that there are an estimated 145,000 homes held up in the planning process ranging from sites with an allocation in local plans to those with full planning permission and even somewhere construction has commenced but where occupation of homes is prohibited. Based on historic housing delivery in affected catchments it has been estimated that a further 41,000 fewer homes at risk each year that the restrictions are in place.*

The truth: 145,000 includes includes the next year's of 41,000 houses to be delivered - so the real number is ~100,000k.

Not all of these houses have NN as the only outstanding issue stopping them progressing through planning.

James Stevens of the HBF has told us that 18 months ago there were actually only 40,000 of the 145,000 homes at advanced (Reserved Matters or beyond) stages of planning. This does not account for any homes that will have got mitigation and thus progressed to full planning permission. If nutrient neutrality was removed tomorrow, there would be far fewer than 145,000 homes to move forward through planning.

For other planning applications at earlier stages in planning, there will be at least 2 years before the development will even get a spade in ground assuming all planning issues for these developments can be resolved.

The current proposal endorsed by Countryside and Wildlife Link, and much of the nutrient neutrality sector, recommends moving the requirement for mitigation to be secured as pre-occupation condition backed up by the ability for developers to pay for nutrient compensation via the IROPI process. The development sector has said this would provide them with ability to move forward and this could be done faster than passing legislation through the LURB.

HBF said: *Not only is the home building industry being disproportionately affected by restrictions, the ability for the industry to achieve mitigation remains extremely limited. Even where schemes are in place, they involve enormous costs that threaten the viability of development.*

The Truth: In most situations, the costs are passed on to the landowners via changes in land values. There are a small number of exceptions to this where land deals had already been agreed.

Costs will also drop as more mitigation comes forward. Deals are happening all the time and to quote a developer 'if a builder can't pay ~£6k/house it was likely not a good project in any case.'

HBF said 'Over 450,000 fewer jobs being supported, including over 5,000 graduate and apprentice positions'

The Truth: 450,000 would be more than 65% of the whole sector - including all suppliers! There are only 239,000 directly employed in the sector. This is not to say there has not been an impact, but the numbers suggested by the HBF are clearly inaccurate.

<https://www.showhouse.co.uk/news/housebuilding-generates-38bn-a-year-and-supports-700k-jobs/#:~:text=Research%20in%20a%20new%20report,and%20supports%20nearly%20700%2C000%20jobs.>

HBF said: *'The home building industry is keen to play its part in delivering mitigation, and as per the Government's announcement will be making a financial contribution to develop schemes that counter the small levels of nutrients that new homes do actually generate.'*

There is no legal requirement in the Government's proposals for the development sector to pay any money towards nutrient mitigation. James Stevens from the HBF has said that he has been tasked with getting £140m from the development sector on a voluntary basis. Feedback from other developers is that they are unlikely to pay any money unless they are compelled to.