

Water Neutrality Briefing Note

Charlie Collins of Savills hosted a webinar meeting on Tuesday 26th October 2021 to bring together developers, housebuilders, lawyers, the HBF, LPDF and other key stakeholders, to discuss the issue of water neutrality which has recently come to light in North Sussex.

The main discussion points of the meeting were as follows:

1. The water neutrality issue affects the parts of Chichester, Crawley and Horsham Council areas, as well as the South Downs National Park which are covered by the North Sussex Water Resource Zone. The concern is the impact an increase in water demand in this area may have, on the Arun Valley SAC/SPA/RAMSAR site, specifically including the Little Ramshorn Whirlpool Snail.
2. The issue has been highlighted through Horsham's Habitats Regulation Assessment which supports its Local Plan (the Local Plan has now been delayed as a result of this issue for a potential initial period of 6-12 months). This has led Natural England to issue a position statement on the matter, precluding new development that may have a detrimental impact on the Arun Valley. As yet, Natural England has not released the evidence base which supports its position and appears to have been unwilling to engage fully with either the LPAs or the development industry.
3. Other areas of the Country where this issue might arise in the short term are Rother (although this is more to do with water quality rather than water demand) and the Norfolk Broads.
4. The water company in this area is Southern Water and they have stated that they are willing to engage with the development industry to deliver solutions to this problem. However, as their current Asset Management Plan is in place until 2025, there is little impact that they can have in the short term. (Ian McAulay is CEO of Southern Water who is willing to talk to the industry).
5. In the short term, planning authorities are asking developers to prepare Environmental Statements to accompany their planning applications to prove that their schemes would be water neutral through a combination of measures such as enhanced SUDS schemes, demand reduction measures, infiltration and aquifer re-charge, retrofitting of existing Council properties (although this may be very hard to achieve) etc. This may seem like an excessive response to show water neutrality, which could alternatively be dealt with by calculation.

6. It is considered that the industry needs to work together on this issue, alongside the LPAs and other relevant stakeholders to address the following issues:
- a) To prepare an Environmental Information Request (EIR) to Natural England so that they release their evidence base.
 - b) To undertake a detailed review of all the evidence base documents (NE, HRAs, Water Resource Management Plan, Gatwick Sub-Region Water Cycle Study etc) to fully understand the issue.
 - c) To seek a legal opinion on the legal standing of NE's Position Statement, to understand at which stage of the application process it should be applied (i.e. should it apply to Reserved Matters applications, S73 applications, discharge of pre-commencement conditions etc, for projects that have already been through the HRA process) and who is ultimately responsible for tackling the issue (e.g. water company, developers, Environment Agency). To seek further legal opinion on whether HDC are right to suggest that any project that fails the screening stage of HRA is automatically EIA development.
 - d) To establish a forum to work alongside the LPAs to generate potential solutions to the problem that are implementable, such as developing a Water Neutrality Calculator, larger scale strategic solutions, developer contribution formulas to help implement strategic solutions etc.
 - e) To raise this issue at a political level highlighting the impact that it is having on the delivery of development in this area (remembering that this does not just affect housing delivery, but all development that has a water demand).
 - f) To request information from Southern Water on the largest water users in the area and what measures could be implemented to reduce their water usage if resources were made available, and whether the provision of additional funding could increase Southern Water's leak maintenance programme.

Savills are willing to coordinate and lead the Forum with developers, other practitioners, the LPDF and the HBF (Keiron Walker) all involved. If members wish to be included within the Forum, then they should contact Savills directly to express their interest. The LPDF have already expressed their wish to maintain an involvement and we will of course disseminate relevant information from the Forum to our members in due course.