



The New Forest National Park Draft Revised Habitat Mitigation Scheme 2018

(Revised from the initial Mitigation Scheme 2012¹)

Protecting habitats and species by mitigating the impacts of development in the New Forest National Park

1. Introduction

- 1.1 The heart of the New Forest, with its mosaic of ancient pasture woodland, lowland heath, lawns and wetlands and river systems is recognised to be one of the most important sites for nature conservation in the country and throughout Europe. The coastline and river estuaries also provide a diversity of natural habitats and support major populations of wintering waders and wildfowl.
- 1.2 A significant part of the New Forest National Park is home to rare habitats and birds and has been designated as a Special Area of Conservation (SAC) and a Special Protection Area (SPA), and these enjoy protection under the Conservation of Habitats and Species Regulations. There are also areas designated as Ramsar sites (wetlands of international importance), which are treated as having the same level of protection.
- 1.3 Over half of the land in the National Park is covered by these internationally important designations, the highest proportion of any Planning Authority in England. Much of these areas are also covered by a further national designation as Sites of Special Scientific Interest (SSSI), which are protected under the Wildlife and Countryside Act 1981.
- 1.4 As one of the smallest National Parks and under considerable pressure from development, it is important to consider how development proposals could impact these areas and ensure they are not adversely affected. There is continuing pressure from built development within the Park and significant new development proposed in surrounding areas, which is likely to result in many more people enjoying their recreation in these areas.
- 1.5 Protection of these internationally designated sites is provided by the European Wild Birds and Habitats Directives which are applied in the UK through the Conservation of Habitats and Species Regulations 2017. Consequently, these internationally designated sites enjoy the highest level of statutory and government policy protection. Specific and stringent tests within the Habitats Regulations are

¹ Contained in Chapter 6 and Annex 5 of the Development Standards Supplementary Planning Document (2012)

set to ensure that no harmful development will affect the integrity of these areas. New development can only proceed once it is ascertained that it will not adversely affect the integrity of these protected nature conservation sites².

1.6 Under the precautionary principle, if it cannot be ascertained that a proposed development will not adversely affect the integrity of a designated site, the proposal cannot proceed. However, if measures can be implemented to mitigate or avoid the likely significant effects on the internationally designated nature conservation sites (SPA, SAC, Ramsar), and it can be concluded that there will not be an adverse effect on the integrity of these sites, then the proposal can proceed.

1.7 Further protection of these rare habitats and wildlife is provided by the National Planning Policy Framework (NPPF) which clarifies that the presumption in favour of sustainable development does not apply where development requiring appropriate assessment under the Birds or Habitats Directives is being considered, planned or determined.

2.0 The need for mitigation

2.1 The New Forest SPA is home to a number of very rare birds which nest on or near the ground during the spring and early summer, and the habitats of the New Forest SPA provide suitable feeding for the birds. The New Forest SAC is particularly important for the diversity of its habitats and the range of rare and scarce species which it supports. It is designated for a range of rare habitats, including European dry heaths, northern Atlantic wet heaths, oligotrophic waterbodies, and Molinia meadows. Given that the SPA and SAC cover wide expanses of the National Park (more than 50% of its total land area) and that most of this is publically accessible land, there is a risk that the wide range of recreational activities which take place could have adverse impacts on the birds and habitats, albeit usually unintentionally.

2.2 A Habitats Regulations Assessment (HRA)³ has tested whether the policies and proposed development outlined in the Local Plan would have a likely significant effect on the internationally designated sites in the National Park. It outlines the key aspects and features of the designated sites and the types of impacts that could have a likely significant impact on these, including the recreational impacts from new households and visitor accommodation. A key conclusion, and resulting requirement of the HRA is:

- Prior to mitigation, the HRA cannot rule out the recreational impacts of any new residential and visitor accommodation throughout the National Park having a likely significant in combination effect on the New Forest SPA and SAC sites. Consequently, mitigation is required for all proposals of these types of development for their recreational impacts on these New Forest designated sites.

2.3 In relation to recreational impacts, there is expected to be a large increase in recreational visitors to the designated sites in the National Park resulting from new

² Unless, under exceptional situations, there are imperative reasons of overriding public interest.

³ The Habitats Regulations Assessment of the National Park Local Plan – Land Use Consultants 2018.

housing planned in all the areas surrounding the National Park. The research done by Footprint Ecology - *Changing patterns of visitor numbers within the New Forest National Park, with particular reference to the New Forest SPA* (2008) estimated that housing development in the period 2006-2026 within 50 km of the New Forest will result in an additional 1.05 million person visits per annum to the National Park. It also outlines the different types of recreational uses, with the two most frequent being walking and dog walking.

2.4 In addition to the recreational trips to the designated sites from new development within the National Park, this means that there is growing significant recreational pressure on the internationally designated sites. Therefore, even when considering a single dwelling or visitor accommodation unit where the additional incremental impact may appear to be small, the 'in-combination' test in the Habitats Regulations means that it is likely to have a significant effect on the protected sites in combination with the increase in recreational use from other development. **Consequently, the HRA concludes that every new proposal for residential or visitor accommodation throughout the National Park will require mitigation for their recreational impacts on the New Forest SPA and SAC.** Policy SP5 of the Local Plan reflects these conclusions of the HRA, and ensures that development can comply with the Habitats Regulations.

2.5 Evidence provided by the Solent Recreation Mitigation Partnership (SRMP) also shows that prior to mitigation, likely significant effects in-combination cannot be ruled out on the Solent Maritime SAC, Solent and Southampton Water SPA, and Solent and Southampton Water Ramsar sites from any residential development within 5.6 km of these designated areas. Therefore mitigation will also be required for the recreational impacts on these designated sites. In relation to these coastal Solent designations, mitigation can be provided through the SRMP Recreation Mitigation Strategy⁴ and developers can make (in most cases) a contribution to this SRMP scheme to ensure mitigation for their proposals. Please see the separate Solent Recreation Mitigation Strategy Explanatory Note⁵ for details of how to do this.

3. The type of development that requires mitigation

3.1 As the HRA of the Local Plan identifies, all new residential development throughout the National Park will require mitigation to ensure that there are no significant recreational impacts on the designated sites.

3.2 The Authority considers that some age related residential accommodation is just as likely to lead to recreational impacts on the designated sites as other forms of housing. Often occupiers of retirement housing can be just as active as those living in open market and affordable housing. Consequently, retirement accommodation will require mitigation unless the developer can provide conclusive evidence to demonstrate that the occupants will not add to recreational pressures in combination with other new and planned developments in the Local Plan and neighbouring areas. Each development proposal will be considered on a case by

⁴ See <http://www.birdaware.org/strategy>

⁵ See http://www.newforestnpa.gov.uk/info/20040/planning_policy

case basis, but certain types of residential care circumstances are identified as not requiring mitigation (these are consistent with the guidance provided by Natural England in Dorset). Please see Paragraphs 13.11 –13.12.

3.3 The HRA also identifies that visitor accommodation throughout the National Park is likely to increase recreation on the internationally designated sites, and therefore mitigation for this type of development will be required. It is recognised that the vast majority of visitor accommodation will host visitors that come to the National Park for recreation. However, it is accepted that a few exceptions may be considered, given that some types of visitor accommodation may be focused on people who primarily are not visiting the National Park for recreation, such as business users. The Authority will consider the need for mitigation and the level of contribution in these exceptional circumstances on a case by case basis.

4. In-perpetuity effects and mitigation funding

4.1 It is reasonable to expect mitigation to last as long as the adverse impacts created by development are affecting the designated sites. For example, if a new house is built and is expected to last for 100 years, the recreational activities of the occupants of that house will also continue to add to recreational pressure on the designated sites for 100 years. This principle of providing mitigation over the lifetime of the development has been accepted by Natural England, and has been brought forward in a number of other habitat mitigation schemes elsewhere in the country, including the SRMP Recreation Mitigation Strategy which covers parts of the New Forest. The Authority will use 100 years⁶ as the period to define the 'in-perpetuity' period that mitigation will be required.

4.2 The method required to fund this very long period of mitigation involves building up a pot of money over the years until the end of the Local Plan period (2036), to have sufficient funds to pay for mitigation measures thereafter until the end of the 100 year period. Assumptions are required for inflation and interest rates, as the cost of mitigation measures will rise over the years in line with inflation, and the pot of money accumulated will yield some interest income each year depending on the level of interest rates.

4.3 The amount of mitigation required after 2036 will be lower than during the plan period. This is because some of the mitigation implemented during the plan period will have a significant long term effect, and therefore reduce the mitigation required in the future period.

4.4 The details of this 'in perpetuity' funding is outlined in Paragraphs 11.1 – 11.5 below.

5. Local Plan Policies

5.1 Local Plan Policy SP5 (Nature Conservation Sites of International Importance) reflects the Habitats and Species Regulations and requires development to avoid adversely affecting the integrity of the designated sites. Mitigation measures can

⁶ The reason for using 100 years (that reflects the 'lifetime' of a new dwelling) is that the Authority is using this time period to fully depreciate in its Accounts the houses it has already built.

be considered to ensure that adverse effects are avoided. The Policy requires all new residential and visitor accommodation throughout the National Park to provide measures to mitigate the likely significant adverse effects of the development.

5.2 Local Plan Policy SP38 (Infrastructure Provision and Developer Contributions) confirms that development proposals must make provision for the measures necessary to ensure that development is acceptable in planning terms in the context of the New Forest National Park Local Plan. Within the context of development in the National Park, developer contributions may be sought towards nature conservation mitigation measures. Contributions will be secured through the appropriate mechanism – including the Community Infrastructure Levy (if introduced) and Section 106 agreements – as required by the National Planning Practice Guidance (NPPG).

5.3 Local Plan Policy DP10 (Open Space) requires new development to make provision of public open space in the National Park. It should be noted that this public open space delivery – to be directed towards providing open space, sports pitches and children’s play areas – is quite separate from mitigation for the impact of new development on the protected habitats. The requirement for habitat mitigation is separate from the requirement for public open space.

6. Implementing Local Plan Policy SP5

6.1 For development to comply with the Habitats Regulations, the Authority will need to be certain that there will be no adverse impacts on the integrity of any of the designated sites. To achieve this, the Authority will need to be certain that sufficient and effective measures to avoid or fully mitigate any likely significant adverse effects from a proposed development (either individually or in combination with other plans and projects) will be put in place.

6.2 As a method of demonstrating that adequate measures are put in place to avoid or mitigate significant adverse recreational effects on the New Forest SPA, SAC and Ramsar sites (the combination of these New Forest internationally designated areas will be collectively referred to as the designated sites in this document), the Authority has identified a package of appropriate mitigation measures in this Habitat Mitigation Scheme. Financial contributions will be used by the Authority to implement a range of measures that will mitigate the recreational impacts of new development on the designated sites.

6.3 An initial mitigation scheme was established by the Authority in 2012 and this has now been revised to establish this new long term Habitat Mitigation Scheme. Not only is the scale of planned future development higher than in the initial scheme, but the revised scheme also incorporates the long term funding of mitigation measures to last as long as the new developments.

6.4 The Authority will consider financial contributions to its Mitigation Scheme’s package of mitigation measures from all net new dwellings and new visitor accommodation throughout the National Park to ensure that proposals can comply with the Habitats and Species Regulations. This approach is supported by Natural England.

- 6.5 Consequently, this Habitat Scheme aims to provide a mechanism to enable developers to make a financial contribution towards measures that will ensure that significant adverse effects on the designated sites are mitigated. A contribution will mean that the Authority will not require an appropriate assessment to be undertaken for the development proposal in relation to its recreational impacts.
- 6.6 As an alternative to making a contribution to this Habitat Mitigation Scheme, applicants are not precluded from considering the potential impacts on the designated sites and devising their own appropriate measures to offer the Authority for assessment. Applicants will need to provide sufficiently detailed information about the potential ecological impacts of their proposed development on the designated features, species and habitats of the protected sites and their proposed mitigation measures to demonstrate conclusively to the Authority that it will comply with the Habitat Regulations and there will be no likely significant adverse effects on the designated sites. This evidence will have to demonstrate why the particular features of their proposed mitigation will overcome the likely significant in-combination recreational effects identified in the HRA of the Local Plan for all new residential and visitor accommodation.
- 6.7 It is also important to recognise that there may be developments throughout the National Park which due to their scale, type, or proximity of the proposed development in relation to the designated sites, where avoidance or mitigation and a contribution to this Habitat Mitigation Scheme may not be possible. In these cases a full appropriate assessment of the implications for the designated site in view of that site's conservation objectives will be required before a decision can be taken. Applicants should, therefore, seek advice from the Authority before making an application.

Revised Habitat Mitigation Scheme

This Revised Habitat Mitigation Scheme replaces the initial Mitigation Scheme that operated since 2012 and provided mitigation for development in the Authority's Core Strategy (2010). The revised Habitat Mitigation Scheme was needed as the Local Plan replaced the Core Strategy. Not only is the scale of planned future development higher than in the initial scheme, but the revised scheme also incorporates the long term funding of mitigation measures to last as long as the new developments. This revised mitigation scheme has been developed by the Authority in conjunction with Natural England and other relevant partners.

The key elements of the revised scheme are:

Access management within the designated sites⁷: Facilities and physical changes 'on the ground' designed to reduce impacts, including changes to visitor focal points, signage and route waymarkers.

Alternative recreation sites and routes outside the designated sites: New and improved sites, routes and facilities chosen and designed to accommodate recreation in robust areas, including close to where people live.

Education, awareness and promotion: Initiatives that enhance people's understanding of protected species and vulnerable habitats and encourage responsible recreation, e.g. through ranger activities, education programmes, events, exhibitions, publications, films, web-based information, social media campaigns, and including initiatives through public information channels.

Monitoring and research: Collating data and evidence to assess the implementation and effectiveness of the mitigation measures, and providing information to inform revisions to the Scheme where necessary.

In perpetuity funding is required to ensure that mitigation will last as long as the effects of the development. As people will continue to enjoy recreation on the designated sites for the lifetime of a new dwelling, then mitigation will be required for the same period, and not just until the end of the Local Plan period.

There will be a crossover of functions between these various elements

7. Mitigation measures

Access management within the designated sites

7.1 The long-term aim of the New Forest Recreation Management Strategy Steering Group is *'To agree an overall plan for where within and around the National Park we should encourage people to go to enjoy outdoor recreation, and how this should be achieved. The aim would be to both improve the New Forest's recreational*

⁷ New Forest SPA, SAC and Ramsar sites (the combination of these will be collectively referred to as the designated sites in the NPA's Habitat Mitigation Scheme – and will not include any Solent based designations)

experience and enhance the other special qualities (including its rich wildlife, tranquility and commoning tradition), and to avoid inadvertently damaging the special qualities which people come to the New Forest to enjoy.'

7.2 Whilst the update to the Recreation Management Strategy has not been completed in time for the start of the revised Habitat Mitigation Scheme, it is expected that a number of opportunities will arise for improved visitor management in the future. The Scheme will look to incorporate those measures in due course that would perform as good mitigation for the designated sites.

7.3 In the meantime, the following smaller scale access management measure will be included in the Scheme:

- Improved signage to reduce disturbance of ground nesting birds, including bespoke messages at specific locations
- Improvements to agreed preferred routes, including better signage
- Minor enhancements to existing, agreed visitor sites that attract people away from more sensitive sites

Alternative recreation sites and routes outside the designated sites

7.4 Sites, routes and facilities outside the designated sites and within the National Park, or within adjacent local authority areas, can provide alternative locations for recreation. Small sites and minor improvements are useful, and dog specific training and off lead enclosed areas are considered effective mitigation measures. Large new sites would have much greater potential, especially if they could accommodate dog walking off the lead. Any such facilities need to be suitably accessible and attractive to people who would otherwise spend time in the designated sites.

7.5 Most improvements, even for small sites, are most likely beyond the budget of this Mitigation scheme. Opportunities, however, will be sought, particularly with the assistance of neighbouring local authorities who seek to provide mitigation measures for the impacts on the New Forest designated sites from development in their areas.

7.6 Small scale initiatives included in the Scheme:

- Enhanced signage on selected public rights of way within the National Park
- Minor surface treatment or removal of barriers such as stiles if needed, so that they become known as great places to walk
- Provision of dog-friendly features, such as training or exercise (off the lead) areas in selected sites

Education, awareness and promotion

7.7 By providing information about the protected species and habitats and the ways in which these are vulnerable to the effects of recreation within the SPA and SAC,

the behaviour of visitors and residents can be influenced so they can enjoy their recreational activities whilst avoiding any adverse effects on the designated sites.

7.8 The Authority is well equipped to lead and coordinate this work across the Forest through its rangers, interpretation, education and communications staff – and through forums and joint projects with other organisations. There are numerous opportunities to inform local residents and visitors throughout the year (both within and outside the designated sites), and there are seasonal opportunities (spring and summer) within the designated sites.

Initiatives included in the Scheme:

Seasonal rangers – rangers will focus on engaging with visitors and local residents during the bird's ground nesting season in the spring and early summer. They will operate throughout the Park but especially in the areas where there is risk of disturbance to the birds and their habitats. Costs will include staff time, specially equipped mobile units, interactive activities, interpretation materials and exhibits. The work of the rangers in managing visitors on the designated sites is particularly important because of the significant numbers of people that are likely to visit them.

Dog-specific mitigation measures to promote responsible dog walking on the designated sites or encourage people to walk in other areas during the bird nesting season. These measures will include events, liaison with vets and puppy training classes, the development of a charter for commercial dog walkers, and information and advice to dog walkers moving to or visiting the area.

Awareness raising and education through high profile communications activity using all available channels (print, website, video, film, social media etc.) to promote the need to protect the designated birds and habitats and ways in which this can be achieved. Examples include news releases, articles in publications, videos about protected species, website development, advice for new home owners, engagement through social media, and advertising events.

Interpretative projects to encourage behavioural change to reduce the impacts of recreation. These will include exhibitions at visitor centres and elsewhere, education programmes and other interpretative projects, and can range from a simple information leaflet about ground nesting birds to a new interactive exhibition at a visitor facility, eg. The New Forest Centre.

7.9 An important aim for implementation of mitigation measures is that the Authority will look to share the key messages and interpretation created for the revised Mitigation Scheme with other New Forest organisations to ensure consistency, and to fortify the messages provided.

7.10 Moreover, opportunities will be sought to co-ordinate this work and avoid duplication with other organisations who have a responsibility or mandate to deliver mitigation for the impacts on the internationally designated sites in the New Forest.

8. Monitoring and research

8.1 Monitoring of the Mitigation Scheme needs to consider aspects as diverse as monitoring the implementation of the mitigation measures; monitoring the number of visitors to the designated sites; and monitoring the populations and disturbance of the protected birds.

8.2 Although there is evidence that the protected ground nesting birds breed at a lower density in the New Forest than in habitats elsewhere, and although we can be certain that some recreational activities will impact on individual nesting attempts, we cannot yet prove what relative contribution development related impacts make to the range of factors affecting bird populations on the designated sites. To conduct a detailed research project to gather sufficient evidence is beyond the funding levels of this Scheme. Consequently, the requirement for the mitigation provided by the Scheme is based on the 'precautionary principle', whereby if it cannot be proved that a proposed development (and the resulting recreational activity) will not adversely affect the integrity of a designated site, the proposal cannot proceed. Therefore, mitigation is currently required as existing evidence (in the Local Plan's HRA), cannot rule out likely significant recreational impacts on the protected birds and their habitats.

8.3 Monitoring and research in the Scheme will include:

- Review by the Steering Group of the implementation of the mitigation measures, and monitoring the effectiveness of these measures. New measures and innovative approaches will be considered in the future if they present a good opportunity to provide effective mitigation.
- Visitor surveys to gain insights into recreational demand and behaviour at different sites, both within and outside the SPA. These will include face-to-face and other interviews, observation and automated people counters.
- Small-scale surveys of key bird species, especially where these studies also try to assess recreational impacts.
- Collation or purchase, and analysis of data to inform access management.

9. Implementation

9.1 Implementation will involve oversight, coordination and monitoring of agreed mitigation measures. It is recognised that implementing the mitigation measures in the Scheme will require staff time - this will, however, only represent a small proportion of the annual cost of the Scheme.

9.2 The new revised Scheme allows for a contingency of increased rates of development, and for new innovative mitigation approaches to be brought forward during the Local Plan period.

10. Annual cost of mitigation measures

The following are the key elements and estimated costs of the Scheme.

<u>Mitigation Measure</u>	<u>Objective of measure</u>	<u>Annual Budget</u>
Access management within the designated sites		
Facilities and physical changes 'on the ground' designed to reduce impacts, including visitor focal points, signage and route waymarkers.	To encourage recreational users to follow agreed main tracks, rather than using minor routes in more sensitive areas.	£3,000
Alternative recreation sites and routes outside the designated sites		
New and improved sites, routes and facilities chosen and designed to accommodate recreation in robust areas, including close to where people live.	To attract people who would have otherwise gone to the New Forest SPA/ SAC, thus reducing pressure on the designated sites.	£9,000
Education, awareness and promotion		
Initiatives that enhance people's understanding of protected species and vulnerable habitats and encourage responsible recreation, through ranger activities, education programmes, events, exhibitions, publications, films, web-based information and social media campaigns. This includes initiatives within the SPA, outside the SPA and where the location is immaterial (e.g. social media).	To influence the behaviour of visitors and residents so that they can enjoy their recreational activities whilst avoiding adverse effects on the designated sites. It is expected that a proportion of people will change their behaviour permanently, thus helping the future protection of the birds and habitats.	£29,000
Monitoring and research		
Monitoring the implementation and effectiveness of the mitigation measures. Visitor surveys to gain insights into recreational demand and behaviour. Small-scale surveys of key bird species. Collation or purchase, and analysis of other data to inform access management.	A Steering Group will monitor the implementation and effectiveness of the measures. This will allow for adjustments or replacement of measures in the future to ensure that there are sufficient measures delivered and that they remain effective mitigation.	£6,000
Implementation		
There will be staff and other costs associated with the implementation of the mitigation measures.		£2,000
	<u>Total Annual Budget</u>	<u>£49,000</u>

10.1 The cost and delivery of each element of mitigation is likely to vary each year, and thus it is expected that there will be some variation around the budget figures provided for each category, but within an overall annual budget of £49,000 per annum. Moreover, the Scheme is designed to be able to adjust to varying levels of development. Many of the measures included in the Scheme can be extended either if the level of development is higher than expected in the Local Plan, or if there is a substantial amount of new visitor accommodation, so that greater levels of mitigation are required.

11. In 'perpetuity' mitigation

11.1 Funding must be available to ensure that mitigation will last as long as the designated sites continue to be affected by the recreational effects from the development. As people will continue to enjoy their recreation on the SPA/SAC for the lifetime of a dwelling, then mitigation will be required for the same period, and not just until the end of the Local Plan period. Housebuilding, of course, will continue after the end of the Local Plan period in 2036, but that further housing will require, and will need to fund, its own mitigation. It would be unfair to expect post-2036 housing to also partly fund the long term mitigation after 2036 for homes built before 2036.

11.2 Therefore, this revised Habitat Mitigation Scheme includes a mechanism for funding mitigation measures after 2036 when the developer contributions from new homes in the Local Plan will come to an end. This involves building up a separate pot of money during the Local Plan period (until 2036), so that there are sufficient funds available to pay for mitigation after this date for the rest of the lifetime of the developments. A proportion of the money received each year from developer contributions will be transferred into an in-perpetuity fund, which will operate like an "investment" fund, as it will grow from new developer contributions until 2036, and from interest received on its holdings each year. The amount received in interest payments over an extended period will have a significant effect on the amount of money available for the mitigation measures. So will the inflation rate, which will affect both the cost of the mitigation measures over time (such as the salary of rangers), but also the level of developer contributions which are adjusted for inflation each year. Part of the future monitoring of the Scheme will involve assessing how the in perpetuity fund is performing and making adjustments if required.

11.3 Given that some mitigation delivered in the Scheme up until 2036 will have long term impacts, such as the development of permanent new areas or routes for recreation and measures to generate permanent behavioural change, not all of the mitigation measures in the Scheme will continue after 2036. As a lower level of mitigation will be required beyond 2036, some measures, such as the number of rangers, will be resourced at a reduced level.

11.4 The 'in-perpetuity' period is defined as 100 years in the National Park. This is because the Authority considers this to be the lifespan of a dwelling. The Authority is currently using this period to depreciate the houses it owns in its accounts.

11.5 This in-perpetuity principle is used in other mitigation schemes for impacts on an SPA/SAC, and is supported by Natural England.

12. Cost of mitigation measures after the end of the Local Plan period (2036)

As outlined in Paragraph 11.3, some mitigation delivered in the Scheme up until 2036 will have long term benefits, and, therefore, not all of the mitigation measures in the Scheme will be needed after 2036. The reduced level of mitigation measures required between 2036 and 2136 and their estimated costs are as follows:

<u>Mitigation Measure after 2036</u>	<u>Annual Cost⁸</u>
Access management	
Maintenance of facilities and physical changes ‘on the ground’ designed to reduce impacts, including visitor focal points, signage and route waymarkers.	£1,000
Alternative recreation sites and routes	
Maintenance of previously created or improved sites, routes and facilities chosen and designed to accommodate recreation in robust areas.	£3,000
Education, awareness and promotion	
Reduced number of initiatives that enhance people’s understanding of protected species and vulnerable habitats and encourage responsible recreation, through ranger activities, education programmes, events, exhibitions, publications, web-based information and social media campaigns.	£13,000
Monitoring and implementation	
Monitoring the implementation and effectiveness of the mitigation measures. Only monitoring will be done during this period to inform the adaptation of the mitigation where appropriate. Implementation will still involve some staff costs.	£3,000
<u>Total Annual Budget (after 2036)</u>	<u>£ 20,000</u>

⁸ Expressed in current prices – however, these figures will need to be adjusted by inflation as they are required to reflect prices in 2036 (the cost of the measures will rise due to inflation up to 2036), when the measures will be required to start.

13. Developer contributions

13.1 The level of developer contribution for each new residential or visitor accommodation is made up of two elements – a contribution to funding the mitigation during the Local Plan period, and a contribution to the ‘in-perpetuity’ fund to finance the longer term mitigation beyond the end of the Plan period in 2036.

Residential development

13.2 The amount of contribution required to enable a developer to ensure that appropriate mitigation is secured through this Habitat Mitigation Scheme for each net new dwelling is:

The developer contribution is £ 3,211 per dwelling

Inflation

13.3 As the costs of delivering mitigation measures rises over time, the Authority will increase the level of developer contribution sought in line with inflation each year.

Calculation of developer contribution

13.4 The level of costs and mitigation are different for the two elements that make up the total developer contribution amount. The overall developer contribution is required to fund both the mitigation measures required during the Local Plan period, but also the longer term mitigation measures beyond the end of the Local Plan period in 2036. The costs of providing the mitigation measures in the two separate periods are as follows:

- Plan period

13.5 The total cost of the measures in the Mitigation Scheme during the Plan period is £49,000 per year, which equates to a total cost during the remaining 18 years of the Local Plan of £882,000. There are 700 new houses being proposed in the Local Plan (excluding those already with planning permission). The developer’s contribution needed to fund the mitigation measure, therefore, is the total cost of the measures (£882,000), divided by the number of dwellings (700), and this equates to £1,260 per dwelling for the Plan period mitigation.

- In perpetuity period

13.6 The total cost of the measures in the Mitigation Scheme beyond the Plan period (2036 and until 2136) is £20,000 per year (in 2018 prices, but rising by inflation each year). To calculate the developer contribution required to finance this amount per year after 2036 involves determining how large the investment fund needs to be by 2036 to have sufficient funds to cover the mitigation costs every

year thereafter until 2136. Adjustments for inflation and interest rates will also need to be made.

- 13.7 The total amount required each year before 2036 to build up sufficient funds in the investment fund for the cost of the in-perpetuity mitigation after 2036 is £75,890 (rising each year with inflation). The number of dwellings per year that will contribute is assumed to be the total number of dwellings in the Local Plan (700) divided by the 18 years remaining ie. $700/18 = 38.89$. The level of contribution needed per new dwelling, therefore, for this in-perpetuity funding is $£75,890/38.89 = £1,951$ per dwelling. The details of these calculations can be found in Appendix 1.

Visitor accommodation

- 13.8 New visitor accommodation caters for visitors coming to enjoy recreation in the National Park. It is, therefore, considered that new visitor accommodation throughout the National Park is likely to increase recreation levels on the designated sites, and thus mitigation for this type of development will be required. This is the conclusion drawn by the HRA of the Local Plan.
- 13.9 As the amount of new visitor accommodation is not specified in the Local Plan, it has not been possible at this stage to estimate how much mitigation will be required. However, as this type of development could lead to as much recreation on the designated sites as new dwellings (and possibly more), the contribution for new visitor accommodation will be the same as dwellings. A contribution will be sought for each new additional bedroom for new, or extensions to, hotels and other serviced visitor accommodation, and will be determined on a case by case basis for each unit of self-catering visitor accommodation.

The contribution level will be £ 3,211 per new additional bedroom for serviced visitor accommodation.

- 13.10 There may be opportunities for on-site mitigation measures at visitor accommodation, such as a permanent restriction on pets, and provision of key behavioural and bird protection information. Under these circumstances the Authority may consider a reduced contribution.
- 13.11 New camping and caravan pitches and holiday chalets are restricted in the Local Plan, but any new additional pitches would require mitigation, and the contribution level to the scheme would be the same as above per pitch.

Age related housing

- 13.12 The Authority considers that some age related accommodation is as likely to lead to recreational impacts on the designated sites as other forms of housing. Often occupiers of retirement housing can be just as active as those living in open market and affordable housing. Indeed many in retirement have more time available for recreation than those of working age. Consequently, retirement dwellings will require mitigation unless the developer can provide conclusive evidence to demonstrate that the occupants will not add to recreational pressures

on the designated sites in combination with other new and planned developments in the National Park and surrounding areas. The level of contributions to attain mitigation from this Habitat Mitigation Scheme will be considered on a case by case basis, but will depend on how active the residents are likely to be.

13.13 Developments within the C2 class (i.e. residential care homes, hospitals, nursing homes, boarding schools, residential colleges and training centres) will be considered on a case by case basis. However, the types of C2 residential accommodation that would not require mitigation measures⁹ are where:

- the occupiers are infirm elderly who require full time care, and this is provided on-site and 24 hours a day. This level of care provision will be above that provided by an on-site wardening service, such as that provided for sheltered accommodation; and
- Accommodation is for disabled people, where the residents' disabilities mean that they will not have any impact on the protected heaths.

Mitigation requirements for Permitted development

13.14 Developments covered by prior approval and permitted development (contained in the Town and Country Planning (General Permitted Development) (England) Order 2015) are granted planning permission by central government and, therefore, a planning application is not required. These developments, however, must still comply with the Habitats Regulations and, therefore, must adhere to the principles set out in Policy SP5.

13.15 Given that the HRA for the Local Plan concludes that all residential and visitor accommodation throughout the Park are likely to have a significant effect in combination on the designated sites, these types of developments which are permitted development still require measures to mitigate their impacts. Advice should be sought from the Authority at the earliest opportunity. Mitigation measures can be attained by a financial contribution to this Scheme, or if able to do so, the developer can propose their own mitigation measures to the Authority, who will need to be certain that these measures will ensure that no adverse impacts will affect the integrity of the designated site (see Paragraph 6.6). New development can only proceed once it is ascertained that it will not adversely affect the integrity of the protected designated sites.

Replacement dwellings and residential extensions

13.16 It is considered that replacement dwellings and extensions to existing dwellings will not require mitigation provided by this Scheme. This is because they don't create a new household and it is considered that they will not have a likely significant effect on the designated sites.

⁹ Based on Natural England guidance – see The Dorset Heathlands Planning Framework 2015-2020 Appendix D

Process of making a financial contribution

- 13.17 The National Planning practice guidance (NPPG) clarifies planning obligations can be sought for development under the 5 or 10-unit thresholds in certain circumstances. It states that “Some *planning obligations may still be required to make a development acceptable in planning terms..... They may also seek contributions to fund measures with the purpose of facilitating development that would otherwise be unable to proceed because of regulatory or EU Directive requirements*”. In the case of contributions to habitat mitigation, the relevant Directives are the European Wild Birds and Habitats Directives.
- 13.18 In accordance with the tests set out in the Community Infrastructure Levy Regulations 2010, a contribution sought will be necessary, directly related, and fairly and reasonably related in scale and kind to the development. In time, the Authority will consider whether to support appropriate habitat mitigation through the Community Infrastructure Levy (CIL).
- 13.19 The Authority intends to levy a charge of £ 3,211 per new residential unit (net). This figure is considered to be viable and is broadly commensurate with the contribution sought for mitigation in areas surrounding the internationally designated sites in the New Forest District Council’s planning area. This broad level of financial contribution has also been factored into the viability assessment undertaken as part of the Authority’s Local Plan review process. Any contribution will need to be contained within a planning agreement, whether this is through a Section 106 agreement or unilateral undertaking. Please contact the Authority to agree the appropriate method.
- 13.20 The Authority will maintain records of approved developments and the mitigation projects in the Scheme supported by developer contributions.

The implementation of the Scheme

- 13.21 The successful implementation of measures is important and will be co-ordinated by the National Park Authority. The Authority will report on the implementation of the mitigation measures through the Annual Monitoring Report and the mitigation package will be reviewed to identify whether any amendments are required in light of the level of development, the effectiveness of measures, and any changes to planning legislation and procedures. For instance, if the level of development is greater than expected in the Local Plan, then the level of mitigation will need to rise accordingly.

Strategic approach to preventing adverse effects

- 13.22 The Authority will work with Natural England and other neighbouring local authorities, as well as a range of relevant stakeholders, to develop a strategic approach to prevent adverse effects on the internationally designated nature conservation sites in the New Forest. The Authority will work with neighbouring authorities to seek a co-ordinated approach to mitigation and protection of the New Forest designated sites. This may involve adapting the mitigation measures in this Scheme to assist in the development of strategic mitigation measures

required in the future. This could also mean considering the funding of measures located outside the National Park, but which will provide good mitigation for the designated sites within the National Park.

Appendix 1: Calculations of the “in-perpetuity” funding.

As explained in Section 11 above, funding must be available to ensure that mitigation will last as long as the potential recreational impacts on the designated sites from the development, and in the case of the National Park this will be 100 years. Therefore, a mechanism for funding mitigation measures after 2036 is required when the developer contributions from new homes in the Local Plan will come to an end. This involves building up a separate pot of money (an investment fund) during the Local Plan period (until 2036), so that there will be sufficient funds available to pay for mitigation after this date for the rest of the lifetime of the developments.

Building an in-perpetuity investment fund

A proportion of the money received each year from developer contributions will be transferred into an in-perpetuity fund, which will operate like an “investment” fund, as it will grow from new developer contributions until 2036, and from interest received on its holdings each year. The amount of money needed to pay for the mitigation measures after 2036 will be £29,136 per year (£20,000 cost of measures in 2018 prices, adjusted by 2% inflation until 2036) and this will rise by inflation each year thereafter. Inflation is assumed to be 2% throughout the full 100 year period as this is the official target of the Bank of England.

The investment fund will need to grow to £ 2,119,913 by 2036 to enable to the Scheme to pay for the £29,136 (and rising with inflation) needed for the mitigation measures for the remaining 100 years. To generate the size of this investment fund during the Local Plan period will require an initial £75,890 (and rising with inflation each year). Assuming that the 700 new dwellings planned for in the Local Plan (which excludes those that already have planning permission) are developed evenly over the remaining 18 years of the plan, then for calculation purposes we would see $700 / 18 = 38.89$ dwellings developed per year. This would mean that each year the in-perpetuity investment fund would require a contribution of $£75,890 / 38.89 = £1951$ from each new dwelling, which would then increase each year in line with inflation.

As this investment fund slowly builds up, it will attract interest income on the balance held in the bank, and this will add a further amount to the total in the fund each year. Capita, a leading expert body, which provides financial advice, gave the Solent Recreation Mitigation Partnership (SRMP) predictions for interest rates in the future for the long term in-perpetuity funding element of the SRMP Mitigation Strategy. These showed interest rates rising from 0.25% in 2018 to 2.5% in 2024, and thereafter remaining at 2.50%. The National Park Authority (NPA) will use this SRMP Strategy within the National Park to provide developers with the opportunity to secure mitigation for recreational impacts on the coastal internationally designated sites. Consequently, to be consistent with this, the revised NPA Habitat Mitigation Scheme will adopt the same predictions for future interest rates.

The following table shows the calculations of how the in perpetuity fund will increase during the period until the end of the Local Plan in 2036. As space only allows for part of the whole spreadsheet containing the full calculations of the in-perpetuity funding shown in the two tables below, full details of the calculations can be seen at http://www.newforestnpa.gov.uk/info/20040/planning_policy/361/local_plan. Row 1 shows the investment fund at the start of each year. Row 2 shows the level of interest

rates which will be assumed to be applied to the investment fund, with the interest income shown in Row 3. Row 4 shows the amount of funds it is assumed that will be received from developer contributions during each year, and the fund value at the end of the year in Row 5 = Row 1 + Row 3 + Row 4. As outlined in Paragraph 13.3, the amount of developer contribution will rise in line with inflation each year. Therefore, Row 4 will rise by 2% each year.

		2018	2019						2036
1	Fund value at start of year	£0	£75,890						£1,962,462
2	Interest rate	0.25%	0.25%						2.5%
3	Interest income	£0	£190						£49,062
4	Developer contribution	£75,890	£77,408						£108,390
5	Fund value at end of year	£75,890	£153,488						£2,119,913

Funding the mitigation measures after 2036

As outlined above, the investment fund will have £2,119,913 in 2036, and the amount of money needed to pay for the mitigation measures after 2036 will be £29,136 per year (and this will rise by inflation each year). The table below shows how the investment fund will slowly be used over the period beyond the Local Plan. The fund will fall by the amount spent on mitigation measures each year (Row 2), so that the remaining fund is reduced (Row 3). The fund, however, will still attract interest income so that Row 4 = Row 3 x 2.5%. The interest income is added to the remaining fund to give the total fund value at the end of each year (Row 5 = Row 3 + Row 4). In this manner, the investment fund will be sufficient to provide for the mitigation costs until the end of the Mitigation Scheme.

		2037	2038						2135
1	Fund value at start of year	£2,119,913	£2,143,046						£11,331
2	Cost of mitigation measures	£29,136	£29,719						£8,376
3	Fund value after mitigation costs	£2,090,777	£2,113,327						£2,955
4	Interest income on remaining fund	£52,269	£52,833						£74
5	Fund value at end of year	£2,143,046	£2,166,161						£3,029

As outlined in Paragraph 13.3, the cost of mitigation measures is assumed to rise in line with inflation each year. Therefore, Row 2 will rise by 2% each year.