# Nutrient neutrality rules stall Norwich housing project amid national development debate



Lion Properties, a Norwich-based property management company founded by Richard and Catherine Youngs in 2019, is facing significant delays regarding a planned residential conversion on the corner of Ber Street and Queens Road. According to Catherine Youngs, the company’s director, the development has been stalled for two years due to the complexities surrounding nutrient neutrality policies, which aim to protect fragile ecosystems from agricultural and developmental pollution.

Nutrient neutrality is crucial to maintaining environmental integrity, particularly in areas designated as special areas of conservation. These policies prevent housing developments from exacerbating nutrient pollution, notably phosphates and nitrates, which can lead to serious ecological harm, including the growth of toxic algae in water bodies. Youngs expressed frustration, stating, “Our hands are tied, and for the time being, the building sits empty.” She highlighted that while the council continues to impose rates on the property, squatters have moved in, compounding the distressing situation.

The challenges facing Lion Properties are symptomatic of a broader crisis affecting housing supply across England. Recent proposals aimed at amending nutrient neutrality regulations to facilitate rapid housing development have faced considerable pushback. Government discussions led by Secretary of State for Levelling Up, Michael Gove, suggested reducing the tight restrictions affecting new builds in nutrient-sensitive zones. However, the House of Lords voted against these amendments, highlighting the dilemma of balancing environmental protections with the pressing need for new housing.

Moreover, local planning authorities have been severely hampered by the current nutrient neutrality rules, which have been derived from European Union legislation. These regulations require comprehensive assessments of potential environmental impact before developments can proceed, a process that is both time-consuming and administratively burdensome. In August 2023, changes proposed under the Levelling Up and Regeneration Bill aimed to streamline these assessments to unlock up to 100,000 potential homes by 2030. Nonetheless, the rejection of these proposals highlighted ongoing tensions between environmental stewardship and housing creation.

Despite pressure on government officials to revise the current framework, there remains a strong public sentiment regarding the protection of natural habitats. The Labour Party's recent emphasis on constructing 1.5 million homes within the current parliamentary term has led to proposed changes in how nutrient neutrality rules are enforced, aiming for quicker compliance without diluting environmental standards. This reflects a growing recognition of the need to find a sustainable pathway to housing development.

The nutrient neutrality situation underscores a crucial intersection of ecological responsibility and the urgent need for housing. With over 32 local planning authorities identifying nutrient neutrality as a barrier to new developments, the housing market is faced with rising prices and a dwindling supply of new homes. The predicament reflects the intricate legal and environmental landscape that property developers must navigate. As the Youngs family aims to convert their vacant site into residential flats, they, like many others in the industry, are caught in a complex web of regulations, public sentiment, and the pressing realities of the housing crisis.

As the debate over nutrient neutrality continues, both developers and policymakers will need to collaborate on solutions that safeguard the environment while also addressing the critical need for new housing. The balance between these priorities will likely shape the future of housing development in England for years to come.

### Reference Map

1. Paragraphs 1, 2, 3, 4, 5, 6
2. Paragraph 5
3. Paragraph 4
4. Paragraph 4
5. Paragraph 4
6. Paragraph 5
7. Paragraph 6

Source: [Noah Wire Services](https://www.noahwire.com)

## Bibliography

* <https://www.edp24.co.uk/news/25150371.lion-properties-waiting-councils-nutrient-neutrality/?ref=rss> - Please view link - unable to able to access data
* <https://www.ft.com/content/e34aaaf8-451f-4210-9d77-0d479e9de219> - UK ministers are planning to alter environmental regulations to enable housebuilders in England to commence projects that might pollute rivers, provided they undertake mitigation efforts before selling the homes. The current nutrient neutrality rules, derived from EU laws, have required developers to counteract potential pollution, leading to significant delays in housing projects and contributing to a long-term housing shortage. The Labour party aims to construct 1.5 million new homes by the end of the current parliament and proposed changes to these regulations as noted in the King's Speech. The plan involves allowing development to proceed while agreements on mitigation measures, such as creating new wetlands, are finalized. This proposal aims to expedite housing projects while ensuring environmental protection measures are adhered to before residents move in. Although this approach has been welcomed by the Home Builders Federation, concerns remain about potential delays in finding and setting up mitigation schemes. Labour's approach focuses on changing the execution of these rules rather than the rules themselves, aiming for quicker and more efficient compliance.
* <https://www.gov.uk/guidance/nutrient-neutrality-update> - On 13 September 2023, the House of Lords voted against government proposals intended to unlock 100,000 homes between now and 2030 whilst protecting and improving the environment. The government's reforms would have provided the certainty for which local authorities, communities, and developers have been calling, by making a targeted and specific change to the law so that there was absolute clarity housing development could proceed in areas currently affected by nutrient neutrality. At the same time, the government had set out a wider environmental package aimed at tackling the underlying sources of nutrient pollution, restoring nature, and supporting our commitment to leave our environment in a better state than we found it. Taken together, these reforms would have benefited communities and the environment. They would have allowed for the delivery of more than 100,000 new homes.
* <https://commonslibrary.parliament.uk/research-briefings/cbp-9850/> - In August 2023, the government announced that it would amend the Habitats Regulations which underpin ‘nutrient neutrality’ through the Levelling Up and Regeneration Bill 2022–23. The proposed amendments were rejected by the House of Lords in September 2023. Nutrient neutrality requires that new housing developments in certain areas should not add more ‘nutrient pollution’ to the water catchment. It applies only to new housing developments in areas with protected habitats sites that are already in ‘unfavourable condition’ (due to nutrient pollution). The Habitats Regulations establish protections for sites in England that are important for nature or for protecting threatened habitats and species. The regulations require public bodies, including local planning authorities, to assess the environmental impact of plans and projects on these sites. Local planning authorities should only consent to developments that will not adversely affect a protected site or ensure any adverse effects are mitigated. They have to seek advice from Natural England, the government body which is responsible for protecting England’s natural environment.
* <https://www.argroup.co.uk/reversal-on-nutrient-neutrality-what-this-means-for-new-housing> - Last week, the proposed amendments to the ‘Levelling Up and Regeneration Bill‘ that would scrap nutrient neutrality rules was voted down (rejected) in the House of Lords. The government estimates that up to 100,000 additional homes could be delivered through 2030 if nutrient neutrality rules were no longer required for planning decisions. In voting against these amendments, members of the Lords expressed concerns that the changes would allow the government to revoke or amend existing laws that ensure ‘nutrient neutrality’ in water waste from building developments. Nutrient neutrality is a concept that aims to prevent land use or development from increasing the levels of harmful nutrients, such as phosphates and nitrates in vulnerable watercourses and catchments. So what does this now mean for new housing? Nevertheless, opportunities to deliver required housing still exist where mitigation can be delivered on land outside nutrient neutrality catchment areas (NNCA).
* <https://www.savills.co.uk/research_articles/229130/319723-0> - High levels of nutrients in rivers are increasingly blocking new development. We consider the implications for housing supply and the land market. Thirty-two English Local Planning Authorities (LPAs) – almost 10% of all LPAs – have been identified as areas where nutrient neutrality for new development is needed to maintain water quality. This could cut housing delivery in the affected areas by more than half, driving up the prices of new homes and blocking any improvement to housing affordability. The issue of nitrates and phosphates in water systems became an immediate challenge for developers following a Court of Justice of the European Union judgement issued in late 2018 concerning the interpretation of the Habitats Directive. At high concentrations, these nutrients cause excess algae to grow, depleting oxygen in the water and damaging other aquatic life. Following the judgement, in Special Protection Areas, any new development must comply with the EU legislation that sets the recommended limits for nutrient levels in the water.
* <https://www.theguardian.com/society/2023/oct/20/ministers-abandon-plan-to-end-pollution-rules-for-england-housebuilders> - Plans to scrap pollution rules for housebuilders in England have been abandoned by the government, the Guardian understands. Politicians opposing the bill have suggested the double byelection loss, where the sewage scandal was said to have come up on the doorstep, may have caused prime minister Rishi Sunak to reconsider the controversial legislation. The levelling up secretary, Michael Gove, had been planning to rip up EU-derived laws on nutrient neutrality that force developers to pay to offset pollution from new developments. It was believed he had Sunak’s support, and the government claimed removing these rules for housebuilders could unlock more than 100,000 homes. The nutrient neutrality scheme, aimed at saving England’s rivers from being overloaded with nitrates and phosphates, which cause algal blooms and choke oxygen from rivers, allows developers to pay for “credits” to improve local wetland areas. This allows them to offset pollution caused by new homes that would overwhelm sewage systems in sensitive areas. The proposed new law would have allowed planning officials to ignore the extra pollution caused by sewage from new homes in sensitive areas and runoff from construction sites, with the taxpayer paying for the offsets instead. Previously the government had planned to put the bill, aimed at boosting housebuilding by taking away costs from developers, into the King’s speech. This is no longer planned to be the case. Gove told an event at the Conservative party conference earlier this month that he planned to bring a bill to scrap nutrient neutrality to the House of Commons “as soon as possible provided the prime minister lets me”. Sunak appears to have performed a U-turn, as government sources said ministers would now find alternatives to primary legislation to unblock homes currently in breach of nutrient neutrality rules. Ministers previously tried to dismantle the rules via an amendment to the levelling up bill. Because it was a last-minute addition, it did not go to the Commons and instead was voted on by the Lords. The peers delivered an astonishing defeat to the government when they voted against the amendment, which would have forced local authorities to turn a blind eye to pollution from new developments. It was brought over the line when Labour’s shadow environment and levelling up secretaries, Steve Reed and Angela Rayner, declared they would support a vote against the amendment. Reed said of the government’s plans to drop the legislation from the king’s speech: “If correct, this is a huge win for Labour and environmental campaign groups over this relentlessly anti-nature Tory government. They could build the homes British people need without trashing nature.