

Site Visit to Hampshire & Isle of Wight Wildlife Trust

On Thursday 25th September, Wildlife Trusts Wales organised a visit to the Hampshire and Isle of Wight Wildlife Trust's Nutrient Reduction Programme. The visit was attended by a range of organisations including WT Hampshire projects leads and management, Natural England, District Council, National Parks CEO (New Forest & Bannau Brycheiniog), ARUP, DCWW, Welsh Government (Planning, Sustainable Investment) and NRW (Marc Williams, Rob McCall Stuart Bond)

Background

The Hampshire & Isle of Wight Wildlife Trust's first nutrient neutrality scheme was launched in 2020 as a response to demand driven by restrictions placed on house building in the Solent by Natural England.

The two active schemes have:

- transformed circa 450 acres of intensively managed farmland to wildlife rich habitats
- reduced the input of nitrate pollution into the Solent by over 3500kg per year (estimated, using the Natural England Land Use nutrient calculator)
- enabled the building of over 3000 houses across the region (through provision of nutrient credits).
- It is worth noting that these actions have not addressed the *restoration* of the Solent SAC and instead have focussed on *mitigating* further deterioration due to development, through the policy mechanism of nutrient neutrality, introduced following the 2018 EUCJ ruling (the 'Dutch Case').

The Keyhaven scheme covers over 550 acres and involves a unique partnership between a private landowner, NGO sector (the Trust), a statutory regulator (the Environment Agency) and support from the New Forest National Park Authority and New Forest District Council.

The Landowner – farm acquisition specialists [Kingwell](#) operate a model of land acquisition, and sale of commercial assets (buildings etc) and have in this instance entered into an agreement with the Wildlife Trusts Hampshire (WTH) where they manage the land on behalf of Kingwell to release the income from the sale of nutrient and biodiversity credits. The exact nature of the financial arrangements between Kingwell and WTH were not fully clear. WTH indicated that their association with Kingwell could be a model they could use on other sites in the future.

The Solent and Itchen River are in an “unfavourable condition” due to excess nutrients entering the catchments. The Solent is a strait, running between the Isle of Wight and the Hampshire coastline. It is within a densely populated area including Portsmouth and Southampton.

Site Visit

Attendees included Welsh Government, Dŵr Cymru, Bannau Brycheiniog National Park, Arup and local representatives from Hampshire.

The first site visit was a field that has been sown with a wildflower mix to provide both Biodiversity Net Gain (BNG) and nitrate mitigation. The land was purchased by the Wildlife Trust, which was previously intensively managed with arable crops. Taking the land out of production created credits for a trading scheme to offset new developments. The Wildlife Trust would act as a 'broker' and a Section 106 agreement would be in place.

The second part of the site visit was in Keyhaven. Along the sea wall there were views of the estuary and the algae mats as a result of the excessive nitrogen on the Solent.

The visit provided an opportunity to view the areas of land recently purchased by the Environment Agency as part of their Habitat Compensation and Restoration Programme (HCRP).

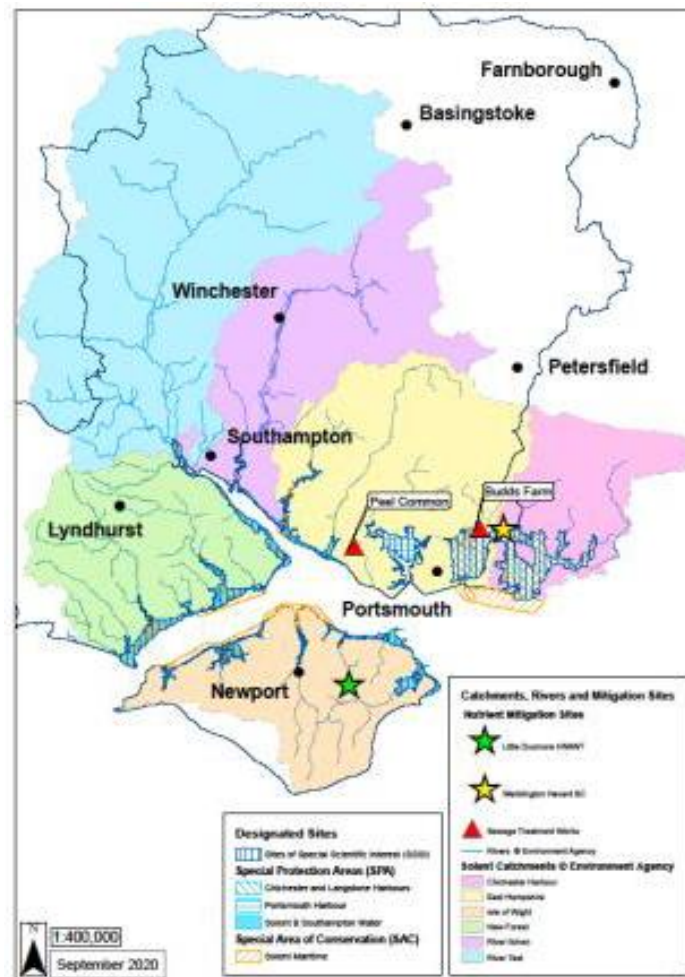
The Wildlife Trust's Nutrient Reduction Programme

Developers can purchase nitrate credits from the HIWWT to offset new development impacts, enabling them to proceed with projects while the Trust undertakes habitat creation and land-use changes, effectively creating nature reserves to lower nutrient levels. This nutrient offsetting approach provides a cost-effective solution that allows for both development and environmental recovery.

The current cost is estimated between £2,500 - £3,000 per kg, excluding VAT, an administration fee of £1,000 will be applied for each transaction (not each kg of nitrogen) plus legal fees. Nitrate credits will be sold to developers either through a conditional contract for larger developments contingent on the granting of planning permission, with payment due shortly after planning permission has been granted or by a simple sale for smaller developments, usually those below 5kg.

The Trust will aim to enter into agreements with all the Local Planning Authorities which will reduce the need for individual developers to enter into separate nitrate Section 106 agreements. The use of Conservation Covenants should enable forward management of site to deliver the required degree of permanence.

The Trust's scheme puts wildlife recovery at the centre of their approach. As part of their nutrient neutrality scheme in the Solent they remove an additional 10% of nitrates over and above the number of credits they sell.



One nutrient mitigation site is located on the Isle of Wight, but the credits can be sold to developers that connect to the WwTW located on the main land as the catchments drain to the Solent, which is in unfavourable condition. Therefore, the mitigation can occur anywhere in the catchment or other catchments that drain into the affected designated site.

The Solent Mitigation Partnership was established in response to changes to nutrient neutrality regulations and offers a unique administration process backed by 16 Local Planning Authorities (LPAs). The LPAs all contribute to fund a Mitigation Officer oversee the work. The Partnership keep a register of the mitigation sites across the Solent and use this to track credit availability. They also use this to check how many credits are in the pipeline and therefore how much headroom each Local Authority has before they are likely to run out of credits and need a new mitigations site. Ultimately the control/regulation is done by the LPA, but the Mitigation Officer plays an important role in co-ordinating and leading the work.

The Partnership for South Hampshire (PfSH) has been exploring new, innovative solutions and partnership opportunities to diversify the methods used for nutrient reduction and provide additional benefits for the environment and society. They have been taking a

strategic approach to finding sites to mitigate nitrogen and phosphorus pollution. The work is now being undertaken by the Solent Mitigation Partnership.

Wildlife Trust representatives on the visit indicated that Wildlife Trusts elsewhere in England remain ambivalent or opposed to the offset / neutrality approach taken by Hampshire.

Representation from Natural England on the visit reflected that neutrality in the Solent has cost developers roughly £70m since its initiation. Other stakeholders indicated that the buoyant property market in the area has been able to support these extra costs. The Natural England representative suggested that viewing this investment in comparison to the other options for water quality improvement in the Solent Catchment was important. Greater improvements have been driven through imposition of new discharge limits on WWTWs in the catchment and investment to deliver improvements, with these costs ultimately passed on to water company bill-payers. However, due to the large population in the area the costs to bill-payers have been minimal.

Stacking

The Wildlife Trusts are exploring the potential to stack several environmental credits on the same parcel of land in Hampshire as part of these schemes. This should in theory, offer better value for money in terms of the cost of nature credits generated from sustainable land management and better support the economic competitiveness of this sort of land management. Defra's stacking policy is in its early stages and presently allows nutrient credits and Biodiversity Net Gain (BNG) credits to be sold from the same land parcel, as long as criteria for each scheme are not breached in doing so. Additionality criteria are central to getting stacking right in terms of how the extra value that stacking allows is distributed through the supply chain. While stacking is often regarded as the advanced level of building environmental markets, a strong message that emerged through speaking with practitioners on this trip is that getting stacking policy right from the outset is crucial in building sustainable markets that properly reflect the multi-outcome value for money that nature-based solutions can deliver.

Nature-based Solutions in Action [Presentation](#)

Useful Links

[Solent Mitigation Partnership, Nutrient Credits – Unlocking Solent Development](#)

[Our Partnership and Nutrient Neutrality - Partnership for South Hampshire](#)

A discussion about stacking with Arup

[Stacking of Nature Market Credits Research Project - BE01129](#)