CITY OF WOLVERHAMPTON COUNCIL	Cabinet 23 February 2022		
Report title	Cannock Chase SAC Partnership Memorandum of Understanding and Planning Guidance		
Decision designation	AMBER		
Cabinet member with lead responsibility	Councillor Stephen Simkins Deputy Leader: Inclusive City Economy		
Key decision	Yes		
In forward plan	Yes		
Wards affected	Bushbury North, Bushbury South and Low Hill, Fallings Park, Heath Town, Oxley, Wednesfield North, Wednesfield South		
Accountable Director	Richard Lawrence, Director of Regeneration		
Originating service	Planning		
Accountable employee	Michele Ross Tel Email	01902 55	nning Manager 54038 Ross@wolverhampton.gov.uk
Report has been considered by	Regeneration Leadership Team Strategic Executive Board		1 February 2022 3 February 2022

Recommendations for decision:

The Cabinet is recommended to:

- Approve the adoption of a new developer contribution charge of £290.58 (subject to an annual index linked increase) for each net new home within 15km of the Cannock Chase Special Area of Conservation, to apply to all planning applications for net new homes submitted to City of Wolverhampton Council from 1 April 2022 onwards.
- Delegate authority to the Deputy Leader: Inclusive City Economy. in consultation with the Director of Regeneration, to sign the final version of the draft Cannock Chase Special Area of Conservation Partnership Memorandum of Understanding attached as Appendix 1 to this report on behalf of City of Wolverhampton Council.
- 3. Delegate authority to the Deputy Leader: Inclusive City Economy. in consultation with the Director of Regeneration, to sign the final version of the draft Cannock Chase Special

Area of Conservation Partnership Financial Agreement attached as Appendix 2 to this report on behalf of City of Wolverhampton Council.

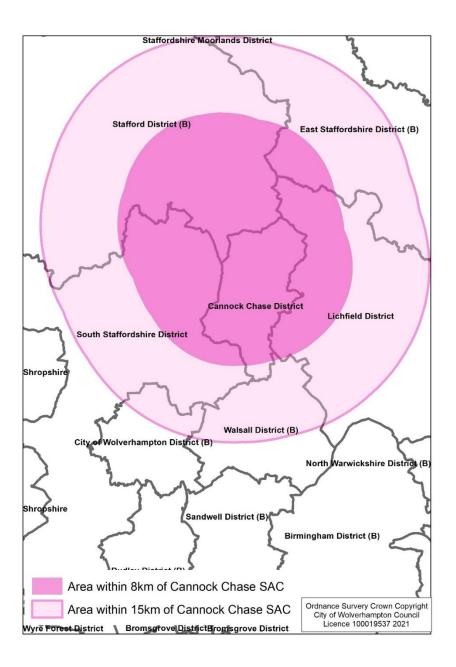
4. Approve the Planning Guidance to Mitigate the Impact of New Residential Development on Cannock Chase SAC attached as Appendix 3 to this report.

1.0 Purpose

- 1.1 To introduce, from 1 April 2022, a charge on all net new homes proposed within City of Wolverhampton which fall within 15km of Cannock Chase Special Area of Conservation (SAC), to contribute towards the Cannock Chase SAC mitigation programme, in accordance with the Conservation of Habitats and Species Regulations 2017 (as amended).
- 1.2 To provide approval for City of Wolverhampton Council (CWC) to sign up to a new Cannock Chase SAC Partnership Memorandum of Understanding (MOU) and Cannock Chase SAC Financial Agreement and to adopt Planning Guidance to Mitigate the Impact of New Residential Development on Cannock Chase SAC to allow introduction of the new contributions system from 1 April 2022.

2.0 Background

- 2.1 The Cannock Chase Special Area of Conservation (SAC) is designated under the Conservation of Habitats and Species Regulations 2017 (as amended), also known as the Habitat Regulations. This designation conveys the highest level of protection, reflecting its international significance for its unique heathland habitat. The area is also protected nationally as a Site of Special Scientific Interest (SSSI) and lies within the Area of Outstanding Natural Beauty (AONB). It supports species which are protected at a national and international level.
- 2.2 The key objective of the Cannock Chase Special Conservation Area (SAC) Partnership is to use statutory planning processes and specific site and visitor management measures to secure appropriate mitigation for the impacts on the Cannock Chase SAC of Development Plan policies and proposals contained in individual planning applications and projects, thereby ensuring that the integrity of the Cannock Chase SAC is maintained and the requirements of the Habitats Regulations are met.
- 2.3 City of Wolverhampton Council (CWC) has a duty as a Competent Authority to ensure that planning application decisions comply with the Habitat Regulations and do not result in adverse effects on the integrity of the Cannock Chase Special Area of Conservation (SAC). The duty is delivered through the Council's involvement in the Cannock Chase SAC Partnership and through the statutory planning process, with the Cabinet Lead for Inclusive City Economy sitting on the Cannock Chase SAC Joint Strategic Board (JSB) which makes key decisions on behalf of the Partnership. The Partnership includes all local authorities within 15km of the SAC, as this is where the majority of visitors to Cannock Chase live. The north east part of Wolverhampton falls within 15 km of the SAC, as shown on Map 1.



Map 1 Cannock Chase SAC Zone of Influence

2.4 On 11 August 2015, following Individual Executive Decision Notice (IEDN) approval, CWC signed a Cannock Chase SAC Partnership Memorandum of Understanding (MOU), which allowed the Council to progress planned housing growth in line with the Habitat Regulations and with the support of Natural England and neighbouring authorities. The MOU was based on evidence from a comprehensive Visitor Survey (2012) and Visitor Impacts Mitigation Study (2013) commissioned by the Partnership.

2.5 The MOU acknowledges that all housing developments of one home or more within 15km of the SAC (the "Zone of Influence") are likely to increase visitors to the SAC, and that these visits would, in combination, have a harmful impact on the wildlife value of the SAC. However, as those living closer to the SAC visit more frequently, the MOU requires housing developments within 0-8 km of the SAC to make a financial contribution to the Partnership which is spent on a programme of mitigation measures (e.g. fencing, habitat restoration, visitor education). These contributions effectively mitigate for the total harm caused by all housing developments within 0-15 km. Therefore, the current MOU does not require housing developments in Wolverhampton to make any financial contributions. However, this position is dependent upon participation in the Partnership.

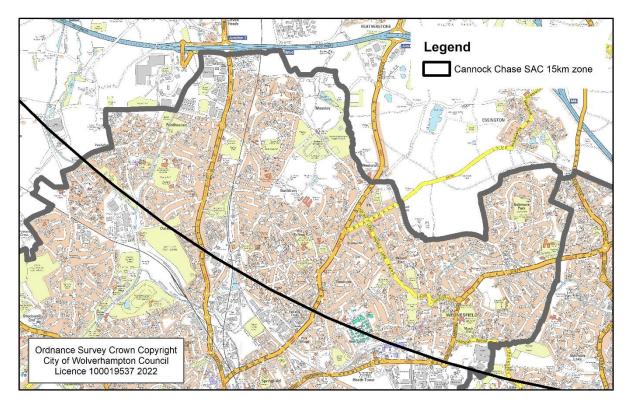
3.0 Changes to Evidence and Contributions System

- 3.1 To support Local Plan reviews, including the emerging Black Country Plan (BCP), the Partnership commissioned a new Visitor Survey in 2018 and a new Impact Study (called the Planning Evidence Base Review) in 2020. The Visitor Survey found that the geographical spread of visitors to the SAC had not changed significantly since 2012. However, the Impact Study found that the amount of new housing planned from 2022-40 within the 8-15km zone had increased dramatically since 2013. A large proportion of this extra housing originates in Walsall, and to a lesser extent Wolverhampton, through green belt releases proposed in the draft BCP. This means that the combined harm to the SAC from visitors will now be greater, and more of that harm will originate from within the 8-15 km zone.
- 3.2 The Impact Study proposes a new mitigation programme costing £6.3 million, which would be sufficient to mitigate for the harm caused by visitors from planned new housing over the period 2022-2040. In accordance with the amount and geographical spread of new housing proposed across the 15km zone, the JSB agreed on 4 August 2021 that a single charge of £290.58 (subject to annual index linked increase) per net new home within 15km of the SAC would be adopted across the Partnership area, commencing on 1 April 2022.
- 3.3 In order to implement the new contributions system, the Partnership authorities agreed to sign up to a new Cannock Chase SAC Partnership MOU (draft attached as Appendix 1 to this report) and a new Cannock Chase SAC Partnership Financial Agreement (draft attached as Appendix 2 to this report), which will enable Stafford Borough Council to administer funds on behalf of the Cannock Chase SAC Partnership and the other competent authorities. The MOU is anticipated to operate for five years, after which evidence will be updated and the MOU reviewed.

4.0 Implications for Wolverhampton

4.1 It is anticipated that 1,364 new homes will be given planning consent within the 15km Cannock Chase SAC Zone of Influence during 2022-2040, including 835 homes on sites proposed in the draft BCP and a windfall allowance for small sites of less than ten homes (of which there are approximately 13 each year).

4.2 To facilitate the introduction of the new contributions system, which will affect all planning applications submitted from 1 April 2022 onwards within 15km of Cannock Chase SAC (as shown on Map 2), "Planning Guidance to Mitigate the Impact of New Residential Development on Cannock Chase SAC" for Wolverhampton has been produced (attached as Appendix 3 to this report).



Map 2 Area of Wolverhampton within 15km of Cannock Chase SAC

- 4.3 Under the new Guidance, from 1 April 2022 onwards, all outline or full planning permissions granted which generate net new homes will be required to make a contribution of £290.58 per home towards Cannock Chase SAC mitigation measures, subject to an annual index linked increase. The requirement will also apply to prior approval applications and permitted development which propose net new homes and other forms of development which may increase visitors to the SAC, such as hotels. This contribution will be secured either through a Unilateral Undertaking (UU) or a Section 106 agreement, to comply with the Habitat Regulations. A template UU forms part of the Planning Guidance. The contribution will be paid by the developer before development commences.
- 4.4 Developers will retain the option to carry out a Habitat Regulations Assessment of their development and propose bespoke mitigation measures. However, the contributions system should be cheaper and simpler and therefore most developers are expected to choose this option.

4.5 Under the Financial Agreement (Appendix 2), the contributions paid by developers to CWC will be paid to Stafford Borough Council, as scheme administrator, on 1 April and 1 October each year. The contributions will then be spent by the Partnership on projects forming part of the Detailed Implementation Plan which forms Appendix 2 of the MOU.

5.0 Evaluation of alternative options

- 5.1 The following alternative options have been considered:
 - Option one would be to make no change to the existing planning contributions system. This could result in challenges to the legal basis of planning decisions made within 15km of Cannock Chase SAC and the soundness of the emerging Black Country Plan.
 - Option two would be to implement the recommendations of this report. This would result in a more robust legal basis for planning decisions and the Black Country Plan review.

6.0 Reasons for decisions

6.1 Option two (to implement the recommendations of this report) has been selected because the proposed contributions system and participation in the Cannock Chase SAC Partnership would result in a more robust legal basis for planning decisions and the Black Country Plan review.

7.0 Financial implications

7.1 All costs associated with participation in the Cannock Chase SAC Partnership are covered within existing approved Planning revenue budgets. There are no direct financial costs to the Council from implementing the new Cannock Chase SAC contributions system. [VS/09022022/L]

8.0 Legal implications

- 8.1 Cannock Chase is a Special Area of Conservation (SAC). A SAC is a strictly protected site designated under the European Community Habitats Directive. The Habitats Directive is primarily transposed in England under the Conservation of Habitats and Species Regulations 2017 (as amended).
- 8.2 The UK Government and devolved administrations are required to establish a network of important high-quality conservation sites that will make a significant contribution to conserving the habitats and species and to take appropriate steps to avoid deterioration of the natural habitats and habitats of species, as well as significant disturbance of species, for which the site is designated.
- 8.3 A formal assessment of the implications of new plans or projects which are capable of affecting the designated interest features of a SAC is required before deciding whether to undertake, permit or authorise such a plan or project.

8.4 As detailed in the body of the report and subject to approval the Council is required to enter into a Memorandum of Understanding and a Funding Agreement. The Council's Legal Services has reviewed and provided advice on both of these agreements. [JA/14022022/E]

9.0 Equalities implications

9.1 The adoption of a contributions system to mitigate the potential impact of new housing development upon Cannock Chase SAC is required to meet the Council's obligations under the Conservation of Habitats and Species Regulations 2017 and to support the emerging Black Country Plan. An equalities impact assessment will be produced for each iteration of the Plan as part of the Sustainability Appraisal. The Planning Guidance attached as Appendix 3 to this report will be a material planning consideration in the determination of planning applications to be weighed in the balance alongside the Council's duties under the Equalities Act.

10.0 All other implications

- 10.1 Introduction of the contributions system and participation in the Cannock Chase SAC Partnership will have positive environmental implications and support the emerging Black Country Plan (BCP). A Sustainability Appraisal (SA) is being carried out throughout the BCP process. SA is a process for evaluating the environmental consequences of proposed policies and proposals to ensure sustainability issues are fully integrated and addressed at the earliest appropriate stage. The overall aim of the SA process is to inform and influence the development of the Plan and maximise its sustainability value.
- 10.2 Visitors to Cannock Chase from Wolverhampton may have the opportunity to appreciate the enhanced environment created by the proposed mitigation.
- 10.3 There are no human resources implications arising from the recommendations of this report.

11.0 Schedule of background papers

- 11.1 Cabinet, 8 December 2010, Black Country Core Strategy Adoption
- 11.2 Individual Executive Decision Notice, 11 August 2015, <u>Cannock Chase Special Area of</u> <u>Conservation Partnership Memorandum of Understanding</u>
- 11.3 Cannock Chase SAC Planning Evidence Base Review Stage 2, Footprint Ecology (July 2021)

12.0 Appendices

- 12.1 Appendix 1: Cannock Chase SAC Partnership Memorandum of Understanding (draft)
- 12.2 Appendix 2: Cannock Chase SAC Partnership Financial Agreement (draft)
- 12.3 Appendix 3: Planning Guidance to Mitigate the Impact of New Residential Development on Cannock Chase SAC