

AM 637/22

NEW FOREST NATIONAL PARK AUTHORITY

AUTHORITY MEETING – 20 OCTOBER 2022

SOLENT FREEPORT AND INVESTMENT ZONES – UPDATE

Report by: David Illsley, Policy & Conservation Manager

1. Introduction

1.1 This report summarises the current position regarding the Solent Freeport; and the separate (but related) invitation for areas to apply for ‘Investment Zone’ status to boost investment and development issued on 2 October 2022. This is a rapidly evolving area of Government policy and therefore a further update – including the position of neighbouring authorities - will be provided verbally at the meeting as necessary.

2. Solent Freeport Update

- 2.1 The March 2021 the Budget announced eight freeports in England: East Midlands Airport, Felixstowe & Harwich, Humber, Liverpool City Region, Plymouth & South Devon, Solent, Teesside and Thames. Freeports are designated areas where a range of economic incentives are available. These include incentives related to tax, customs, business rates, planning, regeneration, innovation and trade and investment support. Within their wider zone of influence lie part of three English National Parks (New Forest, North York Moors and Dartmoor, see paragraph 2.8)
- 2.2 The Solent Freeport announced by the Government in 2021 includes the Southampton Water Tax Sites (see Annex 1) at Marchwood Port and the strategic land reserve at Dibden Bay; land adjacent to Fawley Refinery; land at Fawley Waterside (the site of the former power station); land at Southampton Airport, Eastleigh; and Dunsbury Park, Havant. Land at Marchwood Port is also designated as a Freeport Customs Site.
- 2.3 The tax and customs benefits of Freeport status are established. In addition, Government guidance¹ states, “*Freeports will provide a supportive planning environment for the development of tax and customs sites through an extension of permitted development rights and incentivising use of local development orders...*”
- 2.4 The delivery of Freeports is locally led by a coalition of key stakeholders. These coalitions were originally formed to respond to the initial competition and have since transformed into a Freeport Governing Body responsible for delivering all aspects of the Freeport. The Solent Freeport members comprise political representatives of Hampshire County Council, New Forest District Council, Southampton City Council, Portsmouth City Council, Eastleigh Borough Council and Havant Borough Council, as well as representation from ABP, Solent Gateway and the Solent LEP.

New Forest National Park Authority engagement in the Solent Freeport proposals

- 2.5 The National Park Authority is not a Solent Freeport Board member, but attends meetings in a non-voting capacity. The Authority is engaging in discussions on the Solent Freeport in a constructive manner, with the aim of ensuring the Freeport delivers green and environmental benefits alongside economic and socially beneficial outcomes.

¹ ‘Information and guidance on Freeports operating within England’ - [Freeports - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/consultations/freeports)

- 2.6 The Solent Freeport is set within a truly exceptional landscape and its zone of influence covers most of the New Forest National Park and unique coastal environments. These areas are vital to our response to climate and nature emergencies, providing natural solutions to the impacts and resilience of our communities and businesses.
- 2.7 The Authority supports investment in local businesses within the context of the New Forest’s unique environment. The legal framework for National Parks is clear that the duty to foster the socio-economic well-being of local communities within the National Park (Section 62 of the Environment Act 1995) is pursuant to the two statutory National Park purposes. We have made it clear that a future-focused Solent Freeport with green credentials should fully understand and support these environmental services, as well as providing a platform for green skills and jobs. The Authority’s position is that there are four specific elements that need to be implemented to enable environmental benefits to be taken account of and delivered by the Freeport:
- a) **Environmental legislation and policy must be fully reflected in the Solent Freeport orientation and ambitions, demonstrating fit with government priorities and principle of ‘public money for public good’ given its particular location and context** – this includes the Environment Act, Agriculture Act, Net Zero Commitments, 30 x 30 aim, Duty of Regard, Green Book on non-fiscal benefits (natural capital), the 10 point plan for a green industrial revolution, Local Plans, Greenprint for South Hampshire, National Park Partnership Plan. The Freeport proposals need to demonstrate compliance with these, including ensuring the integrity of the New Forest and Solent’s internationally designated sites is protected.
 - b) **Baselines of natural capital assets and net zero must be in place to identify opportunities and risks and develop interventions for net environmental gain** - Baselines for Natural Capital and Net Zero are available for the Waterside. These should be used as baselines to set goals for the Freeport zone of influence, with repeats of the work undertaken to demonstrate impact and performance.
 - c) **A clear strategy for the environment and communities in the zone of influence must be developed in partnership; generating a portfolio of projects for investment and improvement of the environment** - A partnership between public, private, third sector and communities to develop a vision, strategy and portfolio of projects to realise environmental and social benefits. The Freeport must play a key role in bringing this forward, working with partners to show environmental, social and economic benefits from rates retention and arrival of the Freeport in the area.
 - d) **Monitoring of performance and clear governance at Board level to show impact and commitment to environmental outcomes** - For the Solent Freeport to be considered ‘world-class’ this needs to be in place and reflected in the Freeport’s business case and operational set-up.

Solent Freeport ‘Outer Boundary’

- 2.8 During the summer the Government published maps of the Freeport sites - see [Maps of UK Freeports - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/114444/Maps_of_UK_Freeports_-_GOV.UK.pdf) and [Maps of Solent Freeport tax sites - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/114444/Maps_of_Solent_Freeport_tax_sites_-_GOV.UK.pdf). The published maps illustrate both the ‘outer boundary’ and individual ‘tax sites’ of the Freeports, with extracts for the Solent Freeport in Annex 1 to this report.
- 2.9 Following publication of the Freeport maps, the New Forest (Solent Freeport), Dartmoor (Plymouth & South Devon Freeport) and North York Moors (Teesside Freeport) national park authorities raised collective concerns regarding the lack of detail on the interaction between Freeport policy and the existing policy framework protecting National Parks.

The three authorities have sought clarification from the Government on the implications of land within National Parks being in the defined Freeport ‘outer boundary’.

- 2.10 The national park authorities have also sought further reassurances on the planning implications of Freeport status, including the proposed extension of permitted development rights and use of Local Development Orders; potential changes to the national planning policy to promote a deregulated approach to Freeports; and the need to ensure Freeports do not override essential protections for National Parks and the integrity of internationally designated sites through the Habitats Regulations. The opportunities to link Freeports to the green growth agenda and to demonstrate how economic initiatives can maintain and enhance nature capital were also highlighted.
- 2.11 An initial response has been received from Government officers that seeks to provide some reassurances to the affected national park authorities. The response confirms:
- Local planning authorities (including national park authorities) will remain responsible for assessing planning applications within the Freeport areas.
 - The Freeport ‘Outer Boundary’ indicates the area expected to benefit most directly from the Freeport’s economic impacts. It is not the case that the entire area has been earmarked for development or has any special planning status.
 - Current NPPF policy for protected landscapes (including National Parks) continues to apply within Freeport outer zones.
- 2.12 Government officers have also offered a meeting with representatives of the national park authorities, the Department for the Environment, Food & Rural Affairs, and the Department for Levelling Up, Housing & Communities. This is welcomed and will enable a deeper understanding to be gained of the implications of National Park areas being within the Freeport ‘outer boundary’ against the Government’s stated goal to leave our nationally protected landscapes in a better condition for future generations².

3. ‘Investment Zones’ – expressions of interest

- 3.1 Earlier this month the Government opened the process inviting ‘expressions of interest’ for areas of England to be designated as ‘Investment Zones’. Further details can be viewed at [Investment Zones in England: expression of interest - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/news/investment-zones-in-england-expression-of-interest) and [Investment Zones in England - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/news/investment-zones-in-england).
- 3.2 The aim of Investment Zones is, “...to accelerate the housing and infrastructure the UK needs to drive economic growth. They will cut back unnecessary bureaucratic requirements and processes and red tape that slow down development... Investment Zones will bring forward additional development... When proposals come forward for Investment Zones, they will benefit from a liberalised planning process.”³
- 3.3 In terms of planning considerations, sites designated as ‘Investment Zones’ will be subject to a faster and more streamlined approach to gaining planning consent to drive growth and unlock additional housing. This will include the removal of some EU requirements that are considered by the proponents of the Zones to be a burden on development; focusing developer contributions on essential infrastructure; reducing consultation with statutory bodies; and relaxing some key national and local policy requirements. All Investment Zones will have a mandate to boost growth; and recently

² Landscapes Review (National Parks and AONBS) – Government response (January 2022) - [Landscapes review \(National Parks and AONBs\): government response - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/news/landscapes-review-national-parks-and-aonbs-government-response)

³ Investment Zones in England Guidance - [Investment Zones in England - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/news/investment-zones-in-england)

published guidance emphasises that within Investment Zones, “...*the planning system will not stand in the way of investment and development.*”⁴

Areas eligible to apply for Investment Zone status

- 3.4 Investment Zones in England will be considered following a rapid expression of interest process open to mayoral combined authorities. Where a mayoral combined authority does not exist – such as South Hampshire for example – upper-tier local authorities or Freeports (with the backing of relevant upper-tier local authorities) will be invited to submit expressions of interest. Submitted authorities are expected to have engaged relevant local planning authorities during development of their expressions of interest. Applications were open from 2 October – 14 October 2022 and therefore a further verbal update will be provided at the Authority meeting given that timescale.
- 3.5 The Government has stated that Freeports are ideally placed to capitalise on the new Investment Zone offer to deliver investment, jobs and growth. The aim is that both programmes should complement each other.
- 3.6 It is important to emphasise that the submission of an Investment Zone expression of interest can only happen after local in principle approval is confirmed (Section 3.1 of the submission form). Government guidance confirms this includes approval from local planning authorities, constituent authorities and district councils. The guidance states that if evidence of local planning authority support is not provided, the proposal will fail.
- 3.7 The New Forest National Park Authority is the sole statutory planning authority for the National Park area and therefore any Investment Zone expression of interest covering any site or land within the New Forest National Park would require approval in principle from the Authority. In correspondence with the Campaign for National Parks (7 October 2022), the Secretary of State at the Department for Levelling Up, Housing and Communities confirmed, “*Local Planning Authorities, which includes National Park Authorities, have to support any proposal for a specific site that comes forward into the Expression of Interest. Proposals for a site without that local consent will not be taken forward in the process and therefore cannot become an Investment Zone.*”⁵ As part of the Investment Zone expression of interest process, submissions are required to identify whether the proposed development would be on land within a National Park, an Area of Outstanding Natural Beauty, SSSI or Green Belt.

New Forest National Park Authority position on Investment Zone proposals

- 3.8 Government policy set out in the National Parks Circular – cross-referenced in both the National Planning Policy Framework (2021) and the National Planning Practice Guidance resource – states, “...*the town & country planning system is a key instrument in the achievement of Park purposes. Planning legislation has a major impact on the form and location of development, is a vital tool for managing the impact of development on landscape and biodiversity and a key part of conserving and enhancing cultural heritage, including the built heritage in Park settlements...*” – paragraph 136.
- 3.9 The New Forest National Park is afforded the highest planning protection in relation to landscape and scenic beauty. In addition, there is a well-established national planning policy position that major development should be refused within National Parks other

⁴ As above (³)

⁵ [Campaign for National Parks correspondence with Secretary of State](#) (Department for Levelling Up, Housing and Communities) – October 2022

than in exceptional circumstances (paragraph 176 of the NPPF). These planning protections for National Parks are essential to the delivery of their statutory purposes.

- 3.10 The Government’s response to the National Landscapes Review (January 2022) reinforces this, stating, *“A strong and effective planning system must sustainably balance protections with supporting local communities and economies. This balancing exercise must be carried out differently in protected landscapes, to ensure their statutory purposes and special qualities are meaningfully protected...As we consider planning reforms, we recognise the special role that protected landscapes hold within the planning system and will continue to explore opportunities for how this role could be developed further.”*
- 3.11 Given the recognition that the planning system is a ‘vital’ tool for managing development impacts in National Parks, it is inconceivable that the Authority would support the principle of Investment Zone sites within the National Park. Such status introduces relaxed planning controls, removes legislation that currently protects some of the most important areas of the New Forest, and shortens consultation with statutory bodies. Such an approach is incompatible with the delivery of the statutory Park purposes and the recognition that the ‘planning balance’ in National Parks is weighted differently.

4. Conclusions

- 4.1 Both the national Freeport and Investment Zone agendas are rapidly evolving and play key roles in the Government’s drive for accelerated economic growth. As further proposals have emerged the Authority has been in contact with Defra officials to seek consistency across Government departments regarding the various policy initiatives and the implications for national parks. The Authority’s position is based on the delivery of the statutory National Park purposes and related socio-economic duty.
- 4.2 The Authority has sought to engage in the Solent Freeport proposals, with the aim of ensuring the Freeport delivers environmental ambitions alongside economic drivers. Section 2 of this reports sets out the Authority’s approach to date. Further clarification is sought from the Government on the implications of the Freeport outer boundaries, with affected national park authorities clear that **the inclusion of National Park land within a Freeport ‘outer boundary’ must not result in the essential protections for National Parks and the integrity of internationally designated nature conservation sites being overridden. Any extended permitted development rights should only apply to specific tax and customs sites and not the whole of the ‘outer boundary’.**
- 4.3 The Investment Zone process requires submissions to (i) identify whether sites are in National Parks; and (ii) evidence support from the relevant planning authority. As the sole planning authority for the National Park area, this gives the Authority a clear role in the process – a fact recently confirmed by the Secretary of State in October 2022. **In our role as the sole statutory planning authority for the New Forest National Park area, the Authority does not support the principle of Investment Zone designation for sites within the National Park due to the incompatibility of a liberalised planning approach with the high level of protection afforded to the National Park.**
- 4.4 Investment Zone designation on sites outside the National Park would not require evidence of support from the Authority. There may be issues in the future with Investment Zone sites positioned close to the National Park boundary and in such scenarios the Authority would rely on the existing legal ‘duty of regard’ towards the National Park purposes and relevant national planning policy to try to influence proposals as well as effective partnership working practices.

Recommendations:

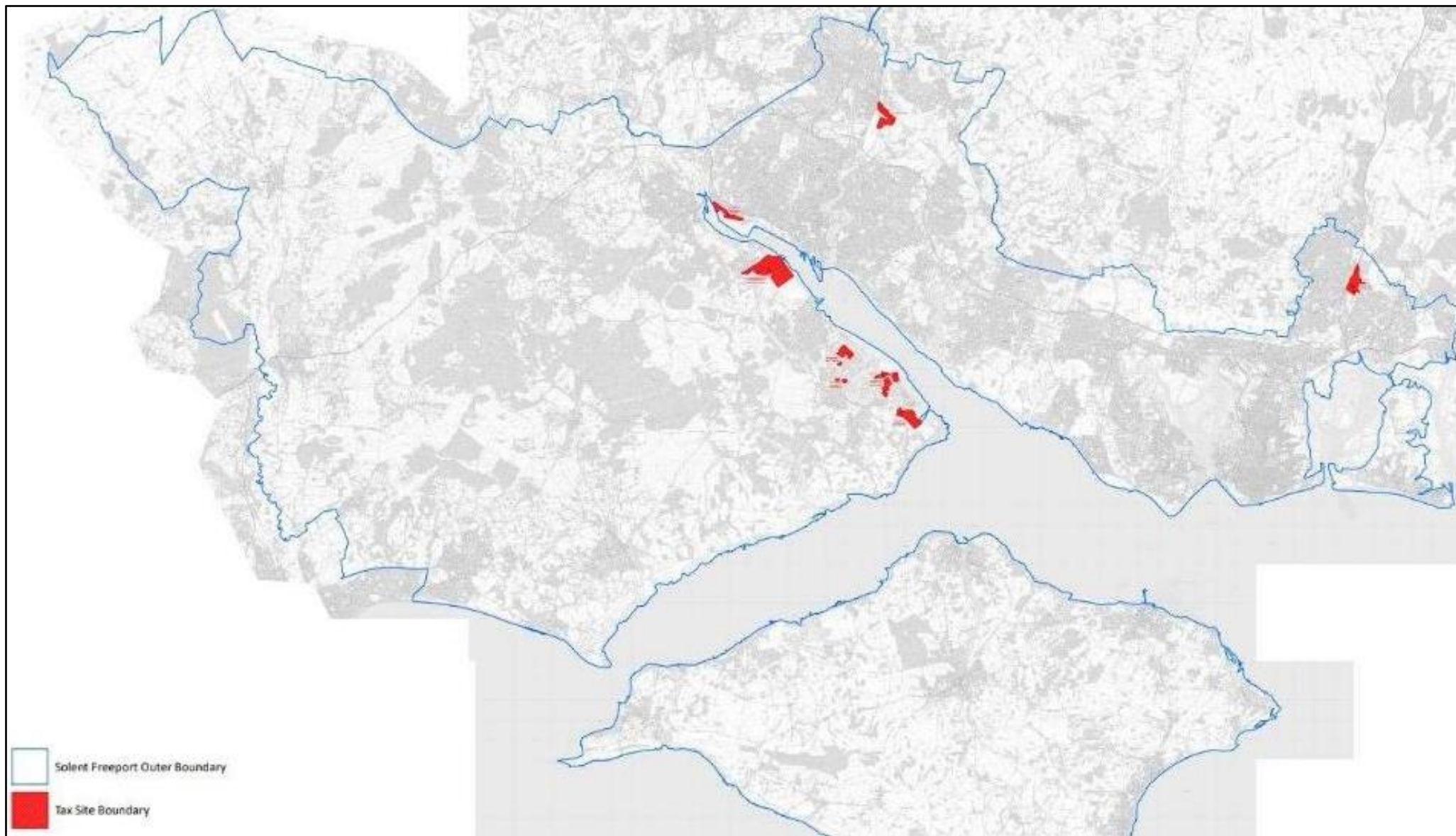
- a) **Members note the current position in relation to both the Solent Freeport and Government Investment Zone proposals set out in this report; and**
- b) **Members endorse the position set out in the report in relation to the Solent Freeport (paragraph 4.2) and Investment Zone site designation (paragraph 4.3). Both the Freeport and Investment Zone programmes must be consistent with the protection afforded to National Parks in primary legislation.**

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Papers: **AM 637/22** – cover paper
Annex 1 – Solent Freeport maps

Equality Impact Assessment: No impacts have been identified.

Annex 1 – Solent Freeport maps – outer boundary (blue) and tax sites (red)



Solent Freeport – Tax Site boundaries in the New Forest

