

14 October 2022

Rt. Hon Simon Clarke MP
Secretary of State for Levelling Up, Housing and Communities

CC:
Alan Mak MP
Member of Parliament for Havant

Dr Julian Lewis MP
Member of Parliament for New Forest East

Dr Alan Whitehead MP
Members of Parliament for Southampton Test

Paul Holmes MP
Member of Parliament for Eastleigh

Dear Secretary of State,

Re: Investment Zones in England – Solent Freeport

I wanted to follow up on your letter of 2 October 2022 on the growth plan and confirm that Solent Freeport would like to express an interest in converting the Freeport to an investment zone, but not on an automatic basis for the reasons given below.

The Solent Freeport provides a unique opportunity to deliver on the Government's plan for growth, realising the levelling up agenda, bringing jobs, investment, and prosperity to some of our most deprived communities - with targeted and effective support. The Solent proposition, in addition, provides an opportunity to add resilience and capacity to one of the UK's most important port assets and advance the transition to net zero. Our partnership is committed to delivering this important programme of work - one that will drive economic growth and investment across the Solent in a way that is right for our area.

The area is at the vanguard of environmental innovation and decarbonisation; accelerating the achievement of Net Zero, through a focus on clean growth, green skills, and jobs including the redevelopment of a former Power station to an exemplar 'intelligent' merchant town. The coast is rich with natural, environmental, heritage and cultural assets and is protected by designations for its wildlife, habitats, inter tidal habitat and landscape character and cultural heritage values. The adjoining area includes significant assets including two national parks and multiple landscape and historic features that create the uniqueness of the area known as the Solent. Designations are international, national, or local and there is a focus on growth that not only protects natural assets but also enhances them for future generations.

Progress to this stage has been rapid and this is testament to the strength of the local collaboration which we have built. Central to this has been a shared vision for greater prosperity in the Solent; through levelling up our coastal communities; leveraging significant private investment; catalysing

innovation, infrastructure delivery, skills development, progress towards establishing the Solent as a pre-eminent low carbon cluster; and, of course, boosting international trade through the Solent to underpin national ambitions for a truly Global Britain.

The Solent Freeport has a unique and diverse offering for international investors; with a diverse partnership ranging from cities to national parks, and connectivity across road, rail, water, and air complementing our world-renowned maritime links. The focus is on delivering this growth in a way that protects and enhances our natural assets, creating employment opportunities close to or within existing settlements, reducing the need to travel and enhances the environment for future generations. The unique environmental assets of the Solent will be an integral component of the Freeport, being valued as a strength to be enhanced.

The opportunity to secure the same tax benefits as investment zones on our existing tax sites would mean the Solent Freeport is ideally placed to capitalise on offering such tax benefits and it will undoubtedly accelerate the delivery of our existing plans including bringing forward investment at a much more rapid pace.

You have very helpfully set out that investment zones are not about rolling back environmental protections, and this has been very well received. In contrast the guidance does not provide the same clarity or assurance, and this is a key consideration for the Solent Freeport. We want to ensure that transformational growth supported by Solent Freeport is achieved in a way that reduces carbon and adapts to the significant challenges posed by climate change. Therefore, we are harnessing the Solent's unrivalled natural capital to pioneer clean growth technology and adaptation to drive productivity within the Freeport and across the wider region's business and employment base. An integral component of this will be enhancing the quality of internationally designated environmental assets. We are planning to go further and use some of the retained business rates for biodiversity and habitat creation projects and carbon capture initiatives.

In conclusion we are submitting this expression of interest on the basis that our tax sites can secure the same fiscal incentives as Investment Zones, securing tax incentives over a 10-year period to 2032 rather than the current period which expires in September 2026. This will open wider investment opportunities and allow our area to reach its full economic potential ensuring that the benefits are felt by our residents and businesses. A core component of this is supporting the continued success of our National parks and Areas of Outstanding Natural Beauty (AONB). Protecting these assets are vitally important and it is therefore key that we maintain current environmental protections with no dilution of planning powers.

We welcome the commitment from Government to work closely with applicants and your letter of 7 October 2022 to the Campaign for National Parks where you set out the clear commitment to National Parks and AONB and protected sites. This includes the confirmation that National Planning Policy for these areas will continue to apply. All coalition partners in the Solent Freeport want to ensure that such areas are treated with care and consideration. Part of the success of our investment zone will be to ensure the protected status in National Parks and AONB are preserved. They are also valued by Solent Freeport for the fundamental contribution they make to the biodiversity and environmental wealth as well as culture, health, and well-being.



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We wish to make clear our ambition to work with your department to gain the opportunities of Investment Zone designation to the Solent Freeport in a way that ensures the current level of environmental protection is assured for the future and on the clear and unequivocal understanding that conversion of Solent Freeport to an Investment zone will not include a streamlining of planning, deregulation, or a dilution of the environmental protections that are currently in place.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'B. R. Johnson'.

Brian Johnson
Chair, Solent Freeport Consortium Limited





Department for Levelling Up,
Housing & Communities

Rt Hon Simon Clarke MP
Secretary of State for the Department for
Levelling Up, Housing and Communities

***Department for Levelling Up, Housing and
Communities***

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www.gov.uk/dluhc

Our Ref: 21234478

7th October 2022

Dear Dr Rose O'Neill,

National Parks and Investment Zones

Thank you very much for your letter of 3rd October on behalf of the Campaign for National Parks, and for taking the time to set out your concerns regarding the future of National Parks and Investment Zones.

National Parks and Areas of Outstanding Natural Beauty (AONB) deliver growth through the tourism and agricultural sectors, make a fundamental contribution to our country's biodiversity and environmental wealth and are of significant importance to communities for cultural, health and well-being pursuits. They underpin our commitment to protect 30% of our land by 2030. They also contain many vibrant businesses and communities that should be further supported for continued success. National Parks and AONBs are therefore part of our very identity as a country. Protecting these assets is of the utmost importance, and our planning system is a key mechanism for doing so.

Investment Zones are an important new growth opportunity for our country against a challenging economic landscape. The government anticipates setting up a specific number of Investment Zones across the country. These will enable local places to drive growth, boost productivity and unlock housing development in specific sites ripe for development that areas themselves have put forward to become Zones - while also respecting this government's commitment to high environmental outcomes.

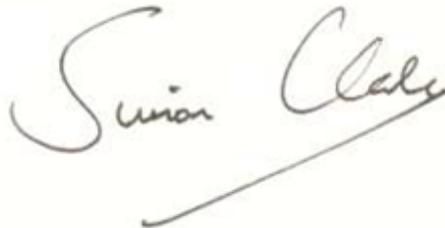
We will not impose Investment Zones on any local area or on any specific site. Instead, local leaders will work in partnership with local and wider stakeholders – including organisations like yours – to identify appropriate specific sites to become Investment Zones and put them forward into our Expression of Interest process. The size of an Investment Zone site will therefore vary depending on the local context and local preferences. 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.

That is why I want to be very clear; we will not be downgrading the strong and long established protections for National Parks, Areas of Outstanding Natural Beauty and protected sites. National planning policy for these areas, and for other important land such as that covered by the Green Belt, will continue to apply. Accordingly, the published Expression of Interest specifically asks whether the proposed development would be on land that is in or adjacent to these areas, to ensure we treat them with appropriate care and consideration. It also makes clear that successful Zones must agree to mitigate environmental impacts of development.

Within Zones in the early stages of planning, there will be a new faster and more streamlined consent to grant planning permission to encourage new development to come forward. This consent will reduce many of the burdensome requirements which have made the planning of large sites slower and more complex than it should be, to enable developers to bring forward good quality development which responds to the market. We will work with local areas to consider exactly how Investment Zones can best accelerate development in their area. However, I have been very clear that key planning policies, such as those that protect our built heritage, will continue to apply in sites selected to become Investment Zones, as will matters of public safety - such as flood risk protection, and building regulations. Moreover, some sites proposed by local areas are likely to be part way through the planning consenting process, and in these cases a separate consent mechanism may not be required.

Thank you again for writing to me on this issue. I hope this has given you reassurance about the protected status of National Parks and AONB in Investment Zones, and the key role of local choice and consent in the establishment and design of the Zones.

Yours sincerely,

A handwritten signature in black ink that reads "Simon Clarke". The signature is written in a cursive style and is positioned above a horizontal line.

RT HON SIMON CLARKE MP