



# South East Devon Habitat Regulations Executive Committee

## *Finance Report*

*Neil Harris  
Countryside, Environment & Ecology  
East Devon District Council  
October 2025*



Legal comment/advice:

EDDC Legal have read the report and have no comments to make.

DEM.1-0007/October 2025/RAH

Finance comment/advice:

The financial implications are set out in the report.

<b>Public Document:</b>	Yes
<b>Exemption:</b>	None
<b>Review date for release</b>	None

## Recommendations

**It is proposed that the Executive Committee:**

- 1. Notes the update on the overall financial position including contributions received, expenditure and anticipated contributions (from signed S106 and CIL).**
- 2. Notes the assessment of the partnership's financial position, apportioning of those funds in line with the updated strategy and identification of the appropriate planning obligation contribution rates across the region.**
- 3. Requests the partner authorities to revise planning obligations for habitat regulations mitigation contributions to match those shown in Table 2, index-linked on an annual basis.**

Equalities impact: Low

Risk: High

This is an update, repeated annually, on the current financial position of developer contributions (both collected and anticipated) for Habitat Regulations mitigation across the three partner authorities. It is important that appropriate and sufficient funding is collected in order to ensure sustainable delivery of mitigation in the short, medium and long term.

## 1. Summary

1.1 The purpose of this report is to update members of the Executive Committee on the overall financial position of developer contributions received by the partner authorities as mitigation payments towards measures identified in the South East Devon Wildlife – Joint Habitats Sites Mitigation Strategy<sup>1</sup> (“the Strategy”).

1.2 The report sets out details of the contributions received from inception to date and anticipated income from contributions where planning permission has been granted but the contribution has not yet been paid.

1.3 With the adoption of the new Strategy, revised costs for the Strategic Access Management and Monitoring (SAMM) mitigation measures have been identified and the partnership's financial position assessed. Adjustments to developer contributions are recommended (considering current reserves), and the tariffs should be reviewed annually to account for inflation, administrative costs, and any changes in costs or housing delivery.

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<sup>1</sup> Link to the document can be found on the homepage at [www.southeastdevonwildlife.org.uk](http://www.southeastdevonwildlife.org.uk)

1.4 Revised costs for Suitable Alternative Natural Greenspace (SANG) will be set out in the new SANG Delivery Plan, currently being developed by the partner authorities. The plan will be presented at a future meeting of the Executive Committee. As SANG delivery is funded through the Community Infrastructure Levy (CIL), the Delivery Plan will affect future SANG income forecasts. As the plan is not finalised, it is not yet possible to include SANG income in the forecast shown in Table 3 below.

1.5 Updated housing forecasting/SAMM income has been made available from each partner authority and are reported below in Table 3. These projections have also been used to assist in outlining the indicative 5 year Delivery Plan, reported separately<sup>2</sup>.

1.6 In order to maintain consistency as far as possible with the Housing and Economic Land Availability Assessment (HELAA) methodology of forecasting income, amounts expected from signed planning obligations are now included within the forecast figures.

1.7 As is established practise now, rather than forecasting receipt of these amounts in the immediate future, this recognises that the period between planning permission and commencement varies and assumes a steady but cautious rate of delivery over the five years of the plan. For the purposes of this report, this category of applications was treated as one potential receipt, spread according to the phasing assumed by HELAA. Analysis individually by date of planning approval would not be meaningful, as some of these applications now date back to the earliest years of the partnership/interim arrangements and have not conformed to average delivery assumptions.

1.8 There remains the risk that some approved applications in this category will be withdrawn or expire. However, all authorities agreed that once permission is commenced, it can remain live and active, with no timeframe on reaching contribution trigger dates. It is therefore deemed more prudent to assume a more phased approach, with ongoing reviews of older applications.

1.9 Forecast figures were put together using the market conditions model for calculating housing delivery rates as per the joint HELAA methodology.

1.10 Expenditure is an amalgamation of East Devon District Council financial download figures and Teignbridge information (in relation to SANGS and other relatively minor items such as accountancy and monitoring support).

1.11 Due to the differences in approach and information constraints, there are limitations on the level of analysis, for example over exactly which income streams are used to fund recharges.

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<sup>2</sup> 2025-26 Annual Business Plan and 5Yr Delivery Plan.

**Table 1.** Developer contributions received (less expenditure) to 31/03/25.

<b>Charging zone/period</b>	<b>Total received to 31/03/25</b>	<b>Total expenditure to 31/03/25</b>	<b>Balance to 31/03/25</b>
SANGS	£4,369,275 <sup>3</sup>	-£3,176,928	<b>£1,192,347</b>
Dawlish Warren On site	£1,163,554	-£559,361	<b>£604,193</b>
Exe Estuary On site	£1,722,269	-£699,316	<b>£1,022,953</b>
Pebblebed Heaths On site	£1,331,849	-£785,794	<b>£546,055</b>
EDDC CIL <sup>4</sup>	£1,697,321	-£195,705	<b>£1,501,616</b>
<b>Total</b>	<b>£10,284,268</b>	<b>-£5,417,104</b>	<b>£4,867,164</b>

## **2. Funding allocation for the new Strategy**

2.1 Developer contributions held on account from the previous Strategy have been reviewed in light of the funding framework identified in the new Strategy, which allocates SAMM costs across four categories:

1. All sites (Staffing, operational, project, monitoring and support costs).
2. Exe Estuary specific.
3. East Devon Pebblebed Heaths specific.
4. Dawlish Warren specific.

2.2 In principle, the most logical way to apportion existing funds would be to map them directly to the categories of the new strategy. However, because the “All sites” category represents 93% of total costs, applying this approach immediately would risk compromising delivery of on-site mitigation on the protected sites.

2.3 Given that there are already sufficient funds to cover “All sites” mitigation for at least the next 5 years, there is no reasonable justification for restricting investment in site-specific measures. Instead, it is recommended that funds on account for Dawlish Warren, the Exe Estuary and Pebblebed Heaths be used first to reserve the overall costs of the five-year business plan (plus a 15% contingency) for those sites (in addition to the five-year “All sites” costs). This ensures delivery of appropriate on-site mitigation over the plan period.

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<sup>3</sup> Discrepancy with 2024 Finance report. This represents the amount raised through partnership contributions for Dawlish Warren Countryside Park and toward future SANG delivery. It excludes the Housing Infrastructure Fund (HIF) grant from Homes England for Ridgetop Park SANG in SW Exeter.

<sup>4</sup> This is the sum reserved for measures identified by EDDC as infrastructure. Therefore, it can be spent as appropriate (on site infrastructure, Exe and Pebblebed Heaths, SANG).

2.4 Any remaining funds are then allocated to the “All sites” category moving forwards<sup>5</sup>. Future contributions are then calculated according to the cost categories. Under the previous Strategy approach, contributions for Dawlish Warren, the Exe Estuary and Pebblebed Heaths also included a proportionate allocation towards “All sites” mitigation and monitoring<sup>6</sup>. This continuity means the new funding allocation method is both transparent and rooted in established practice.

**Table 2.** Allocation of existing funds and updated per dwelling cost of new Strategy.

Cost Category	Total cost <sup>7</sup>	Dwellings <sup>8</sup>	Strategy £ per dwelling <sup>9</sup>	£ Share of On Account Funds <sup>10</sup>	% of On Account funds <sup>11</sup>	Total cost less share of On Account <sup>12</sup>	Updated per dwelling cost <sup>13</sup>
All sites	£23,907,129	29,111	£821.24	£1,502,035	69.12%	£22,405,094	<b>£769.64</b>
Exe	£832,600	27,197	£30.61	£267,585	12.31%	£565,015	<b>£20.77</b>
Heaths	£809,000	16,717	£48.39	£223,946	10.30%	£585,054	<b>£35.00</b>
Dawlish	£300,000	2,395	£125.26	£179,634	8.27%	£120,366	<b>£50.26</b>
<b>Total</b>	<b>£25,848,729</b>	<b>-</b>	<b>-</b>	<b>£2,173,200</b>	<b>100%</b>	<b>£23,675,529</b>	<b>-</b>

2.5 While established caveats around housing delivery (and therefore income) remain, current forecasts show that this approach will allow the partnership to maintain mitigation delivery, build the in-perpetuity fund, and hold a secure, positive balance across all categories at the end of the five-year business plan.

**Table 3.** 5 Year forecast of income/housing delivery.<sup>14</sup>

Year	All sites	Dawlish Warren	Exe Estuary	Pebblebed Heaths	Total
<b>25-26</b>	£518,946	£-	£14,008	£10,958	£543,912
<b>26-27</b>	£396,711	£56,225	£10,708	£8,377	£472,022
<b>27-28</b>	£691,140	£7,086	£18,656	£14,594	£731,476
<b>28-29</b>	£625,720	£3,769	£16,890	£14,279	£660,658
<b>29-30</b>	£631,877	£1,910	£17,056	£18,444	£669,287
<b>Total</b>	<b>£2,864,395</b>	<b>£68,990</b>	<b>£77,318</b>	<b>£66,652</b>	<b>£3,078,008</b>

<sup>5</sup> With the exception of forecasted income at Dawlish Warren in 26-27 only (see Table 3). This is to ensure a viable ongoing mitigation fund as compared with Exe Estuary and Pebblebed Heaths funds.

<sup>6</sup> See Tables 27 & 28, pg224 South-East Devon European Site Mitigation Strategy.

<sup>7</sup> The total lifetime cost identified in the new Strategy for SAMM mitigation measures.

<sup>8</sup> The total number of dwellings identified in the new Strategy according to each cost category.

<sup>9</sup> The per dwelling amounts identified in the Strategy for SAMM mitigation measures.

<sup>10</sup> The total amount of existing funds to be reserved in each category.

<sup>11</sup> The percentage of the total existing funds reserved in each category.

<sup>12</sup> The revised, total cost of SAMM measures for each category after reserving the percentage of existing funds.

<sup>13</sup> The updated per dwelling amounts after allocating existing funds.

<sup>14</sup> Based on allocation of funds in section 2. Figures assume current rates for two years (to cover existing permissions), then new rates from year three (see Table 2). Note: does not include inflation.

2.6 Table 4, below, shows the estimated expenditure on continuing measures (staff, resources, operational budgets, etc), mitigation over the period 2025-30 and projected remaining balance at the end of 2029/30.

**Table 4 – Recommended SAMM expenditure by year and projected remaining balance of funds as at end of 2029/30.<sup>15</sup>**

Year	Cost category				
	All sites spend	Dawlish Warren spend	Exe Estuary spend	Pebblebed Heaths spend	Total spend
<b>2025-26</b>	£437,690	£106,500	£50,250	£51,200	<b>£645,640</b>
<b>2026-27</b>	£551,177	£30,600	£70,125	£54,264	<b>£706,166</b>
<b>2027-28</b>	£577,807	£5,202	£48,535	£29,339	<b>£660,883</b>
<b>2028-29</b>	£573,445	£8,490	£31,571	£34,820	<b>£648,325</b>
<b>2029-30</b>	£617,386	£5,412	£32,202	£25,112	<b>£680,113</b>
<b>Total</b>	<b>£2,757,504</b>	<b>£156,204</b>	<b>£232,683</b>	<b>£194,736</b>	<b>£3,341,127</b>

  

<b>Remaining balance end 2029-30<sup>16</sup></b>	<b>£1,608,925</b>	<b>£92,421</b>	<b>£112,221</b>	<b>£95,861</b>	<b>Total remaining balance £1,909,428</b>
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2.7 While this approach provides a logical and transparent way to allocate existing funds to the new strategy, it should be noted that the framework still allows for future flexibility. The in-perpetuity fund (essentially, the “total remaining balance”) together with appropriately worded planning obligations, means that adjustments to the amounts identified for spend in each cost category per year remain possible.

2.8 In practice, this means the partnership can shift funds between the “All sites” category and the site specific categories if extra investment is needed in one or more areas at a given time. These adjustments are acceptable<sup>17</sup> as long as funds are later rebalanced, ensuring that delivery across all categories remains secure.

<sup>15</sup> Recommended expenditure as reported separately (See 2025-26 Annual Business Plan and 5Yr Delivery Plan). Includes annual inflationary increases at a nominal 2%.

<sup>16</sup> Remaining balance considering existing funds (Table 2), forecasted income (Table 3) and recommended expenditure 2025-30.

<sup>17</sup> Provided that the terms of any applicable planning obligation/s are adhered to.

2.9 Furthermore, the scheduled five-year strategy review provides an additional opportunity to revisit planning obligations and funding allocations in light of changing circumstances, ensuring that the approach remains robust, balanced, and responsive to future needs.

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Natural England comment:

Natural England have read the draft reports and have no comment to make.