

Report to: Cabinet

Date of Meeting 3 December 2025

Document classification: Part A Public Document

Exemption applied: None

Review date for release N/A



Percy Wakley Woods Lease and Future Management as a SANG

Report summary:

The Appropriate Assessment for the final 1137 homes at Cranbrook concluded that there is a requirement for an additional 15.2ha of Suitable Alternative Natural Greenspace (SANG) to mitigate the impact of the houses. Only 1097 homes will actually be provided, reducing the requirement to 14.4ha. Clyst Meadows Country Park will provide 10.24Ha of SANG, meeting part of this requirement, but leaving a balance of 4.16Ha which will need to be met to fully mitigate the early phases of Cranbrook.

Percy Wakley Woods is a 5.4 Ha woodland owned by the Woodland Trust, located within the Grange phase of Cranbrook. Without external support or long-term management funding the Woodland Trust does not have the capacity to absorb the additional management required to meet visitor pressures likely to arise as neighbouring housing and SANG are delivered. The Woodland Trust have offered to lease the woods, for a peppercorn rent, to the Council in order that it can be enhanced and managed as SANG and integrated with adjacent proposed SANG areas.

Natural England who has indicated that with appropriate enhancements and linkages with the surrounding the Grange SANG, approximately 4 hectares of the woodland could be credited as SANG to meet the Cranbrook mitigation shortfall.

A series of access improvements are proposed in 2 phases. An investment and additional funding reserve will provide in-perpetuity (minimum 80 years) to meet annual maintenance costs and capital replacement costs when required. The total budget is £880,000, which can be funded through s106 agreements relating to Habitat Regulations mitigation at Cranbrook.

The Council's Countryside Team will implement enhancements and manage the woodlands until adjacent SANG areas are completed. At this stage the Council will seek to transfer the lease of and management of the woods, with funding to secure in-perpetuity management, to the Responsible Organisation who are managing the adjacent areas, to provide a consistent and efficient management approach.

Is the proposed decision in accordance with:

Budget Yes ☒ No ☐

Policy Framework Yes ☒ No ☐

Recommendation:

That Cabinet:

1. Delegates authority to the Assistant Director – Countryside, Environment & Ecology in consultation with the Assistant Director Place Assets and Leisure, Director of Finance and Director of Governance, in consultation with the relevant Portfolio Holders, to agree and

finalise the lease of Percy Wakley Woods from the Woodland Trust subject to the completion of appropriate legal documentation.

2. Notes the intention to sub-let Percy Wakley Woods to the future *Responsible Organisation*, to provide a continuous management regime for SANG land at the Grange, Cranbrook, and delegates authority to the Assistant Director – Countryside, Environment & Ecology, in consultation with the Assistant Director Place Assets and Leisure, Director of Finance and Director of Governance, in consultation with the relevant Portfolio Holders, to agree management arrangements, transfer of funding to ensure in-perpetuity management of the woods and finalise the sub-tenancy arrangements subject to the completion of appropriate legal documentation.
3. Approves the budget of £502,000 from allocated s106 funding to fund Phase 1 - site improvement works and creation of a £300,000 investment to fund the in-perpetuity management of the woods, with a further budget of £378,000 (for phase 2) to fund further site improvement works to connect Percy Wakley Woods to adjacent areas of SANG at the Grange, Cranbrook as they are delivered on site and provide additional funding to support in-perpetuity management of the woods.
4. Delegates authority to the Assistant Director – Countryside, Environment & Ecology, in consultation with the relevant Portfolio Holders, to enter into appropriate contracts to deliver site improvement works within the agreed budget in accordance with the Council's contract standing orders and financial regulations.
5. Delegates authority to the Assistant Director – Countryside, Environment & Ecology, in consultation with Director of Finance, Director of Governance, and the Assistant Director Planning Strategy & Development Management, in consultation with the relevant Portfolio Holders, to finalise the arrangements for the SANG, including site enhancements, operational management arrangements and creation of an investment for the in-perpetuity management of the site.

Reason for recommendation:

Delivery of Suitable Alternative Natural Greenspace (SANG) at Percy Wakley Woods is necessary to ensure the Council meets statutory requirements when permitting housing through the Local Plan; this includes addressing the current SANG deficit for Cranbrook to secure compliance with the Habitat Regulations and s106 agreements.

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Portfolio(s) (check which apply):

- ☐ Assets and Economy
- ☐ Communications and Democracy
- ☐ Council, Corporate and External Engagement
- ☐ Culture, Leisure, Sport and Tourism
- ☒ Environment - Nature and Climate
- ☒ Environment - Operational
- ☐ Finance
- ☒ Place, Infrastructure and Strategic Planning

☒ Sustainable Homes and Communities

Equalities impact Low Impact

Climate change Low Impact

Risk: Medium Risk; Failure to bring forward the Percy Wakley Woods SANG would risk being in breach of the Habitat Regulations Assessment of the Local Plan and s106 agreements for Cranbrook Phase 1 (which require delivery of Habitat Regulations mitigation), and could expose the Council to legal challenge or claims from developers who have paid for mitigation and from third parties concerned about non-delivery, with attendant financial, legal and reputational consequences.

Links to background information South East Devon Wildlife – Joint Habitats Sites Mitigation Strategy (2024), [18/1237/MRES | Reserved matters comprising layout, scale, appearance, landscaping and access for the construction of 256 dwellings and associated infrastructure together with the discharge of conditions 2, 17, 19, 20, 22, 23, 26, 28, 30, and 32 of the associated outline consent \(03/P1900\) \(subsequent application in respect of permission 03/P1900 which was accompanied by an environmental statement\). | Land Adjacent To Southbrook Lane Cranbrook New Community \(Phase 4\).](#)

Link to [Council Plan](#)

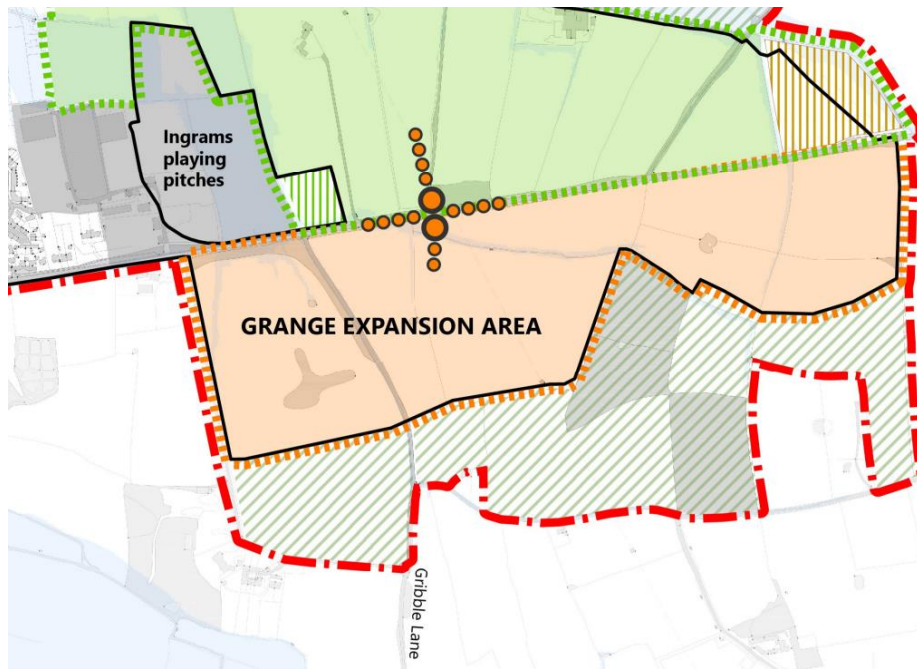
Priorities (check which apply)

- ☒ A supported and engaged community
 - ☒ Carbon neutrality and ecological recovery
 - ☐ Resilient economy that supports local business
 - ☐ Financially secure and improving quality of services
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Report in full

1. SANG Deficit in Cranbrook

- 1.1 East Devon District Council, as a Competent Authority, is legally required to ensure that the impact of residential development on the SE Devon European Wildlife Sites is mitigated. Suitable Alternative Natural Greenspace (SANG) is one of the required mitigation measures and is through a number of approaches.
- 1.2 In 2018 an Appropriate Assessment for the 1,137 homes at Cranbrook that were yet to received reserved matters planning approval concluded that there is a requirement for 15.2ha of Suitable Alternative Natural Greenspace (SANG) to be provided to mitigate the impacts of these homes. The time period for the submission of reserved matters applications has now expired, meaning that no more than 1097 homes covered by this Appropriate Assessment will be built and requiring 14.4ha SANG provision. (Later phases of Cranbrook, totalling in the region of 4,300 homes, will provide their own SANG – which is currently being delivered through the Cranbrook masterplan and secured through planning applications for each phase.)
- 1.3 Clyst Meadows Country Park will provide 10.24Ha of SANG, meeting part of this need, but leaving a balance of 4.16Ha which will need to be met to fully meet the requirement.
- 1.4 The Grange Expansion Area of Cranbrook will provide approximately 800 homes and will require approximately 15Ha of SANG. This is proposed to be located on the southern edge of this expansion area – as indicated on the Cranbrook Masterplan Policies Map, below:



Extract from Cranbrook Masterplan – Policies Map (Percy Wakley Woods shown in grey)

2. Background

- 2.1 The designation, protection and restoration of European^[1] wildlife sites are embedded in the Conservation of Habitats and Species Regulations 2017, as amended, which are commonly referred to as the 'Habitats Regulations.' Within the Habitats Regulations, local planning authorities, as public bodies, are given specific duties as 'competent authorities' with regard to the protection of sites designated or classified for their species and habitats of international importance. The European wildlife sites that require mitigation through SANG locally are the Exe Estuary Special Protection Area (SPA) and Ramsar site, Dawlish Warren Special Area of Conservation (SAC) and East Devon Pebblebed Heaths SAC/SPA.
- 2.2 SANG mitigation is required in relation to the delivery of housing across that part of East Devon (and Exeter and Teignbridge) that falls within a 10 Km radius of the Pebbled Heaths and the Exe Estuary.
- 2.3 Delivery of SANG is one of the mitigation measures identified through the Habitat Regulations Assessment process, ensuring local planning authorities meet legislative requirements when permitting housing development through the Local Plan. SANG are required to meet Natural England guidance which requires a SANG to be large, natural spaces with a 2.3-2.5km circular walk (accessible all year) and car park and to be maintained in perpetuity (80-100 years).
- 2.4 Failure to deliver SANG to address the deficit in Cranbrook will mean the Council is in breach of both the Habitat Regulations Assessment to the Local Plan, and the s106 agreements for Cranbrook Phase 1 which require delivery of Habitat Regulations mitigation, and would risk legal action from the developers who have paid for mitigation or 3rd parties who may be concerned about failure to deliver the mitigation strategy.

^[1] The designations made under the European Directives still apply and the term, 'European site' remains in use.

3. Percy Wakley Woods – Site Description & SANG Potential

- 3.1 Percy Wakley Woods is a 5.4Ha woodland owned by the Woodland Trust lies immediately adjacent to the Grange phase of Cranbrook. The woods are currently used for low-level recreation (informal footpaths and very limited parking, typically accommodating 2-3 cars). The woodland is currently accessed from a small car park and pedestrian access point on Rewe Lane and would be subsumed within the wider Grange allocation, offering potential for formal inclusion as part of the Grange SANG provision (shown in green on the plan below).



Percy Wakley Woods (outline in red) shown in relation to the proposed Grange phase of Cranbrook.

- 3.2 The Woodland Trust have indicated that, without external support or long-term management funding, it does not have the capacity to absorb the additional management requirements and visitor pressures likely to arise as the neighbouring developments come forward. Therefore the Woodland Trust has offered to lease the wood to East Devon District Council for a 99-year term at a nominal rent of £1, enabling a long-term management solution to be put in place.
- 3.3 Officers have met with Natural England who have indicated that, in principle, with appropriate enhancements and linkages with the surrounding the Grange SANG, approximately 4 Ha of the woodland could be credited as SANG to meet the Cranbrook mitigation shortfall.
- 3.4 Planning advice has been sought and confirms that a change of use to SANG is not required as the land is already used for recreational access, which supports the expedient use of this woodland as part of the SANG network. (We propose to apply for a Lawful Development Certificate confirm the change of use.)
- 3.5 These combined factors — ownership, limited current recreational pressure, the Woodland Trust's willingness to lease, and Natural England's provisional agreement — make the site a practical and timely candidate for inclusion in the mitigation package for Cranbrook. Combined with Clyst Meadows, Percy Wakley Woods would therefore provide the required SANG to meet the 14Ha SANG deficit in Cranbrook.

4. Site Management

- 4.1 The lease for Percy Wakley Woods will include the ability to sub-let management of the site to a suitable organisation to ensure a continuous approach to management across the Grange SANG.
- 4.2 A site management plan for the Percy Wakley Woods will be prepared and agreed with the Woodland Trust to set out short and long-term responsibilities and management arrangements. In the short term the Council's Countryside Team will assume day-to-day management to ensure the site is maintained, that visitor impacts are monitored, and that any early enhancements are delivered.
- 4.3 Once the adjacent areas of the Grange SANG are delivered, the intention is to sub-let the woods to provide a consistent management approach to the adjacent SANG areas. The intention is that the entirety of Grange SANG, including Percy Wakley Woods, will be managed consistently under a single, joined-up regime with transparent management responsibilities for the local community. This transfer will be accompanied by funding to meet the costs of in-perpetuity management (see section 7 of this report below).
- 4.4 The long-term management organisation (*Responsible Organisation*) will be agreed in accordance with the Grange s106 agreement (clause 2.9). If required sub-letting, funding transfers and management arrangements will be subject to detailed legal and governance review prior to completion.
- 4.5 In relation to the ongoing ownership and management of the Percy Wakley Woods SANG, the Grange s106 agreement requires that:

"To maintain or procure the maintenance of the SANGS in perpetuity (a period of at least 80 years) in accordance with the SANGS Specification. Before the issue of the Final Certificate the Responsible Organisation shall be agreed jointly by the Owner and the District Council (both acting reasonably and having regard to both the cost of in-perpetuity maintenance and the management regime of other SANGS in the Cranbrook Plan Area with the aim of achieving a consistent approach to overall management where possible)."

**Where: Responsible Organisation means the District Council or other such organisation as agreed jointly by the Owner and District Council who would be responsible for commissioning the operational management of the SANGS.*

- 4.6 This approach will ensure that:
 - i. Management arrangements are consistent with other SANGS within the Cranbrook Plan Area, and clearly legible to the local community.
 - ii. Long-term obligations (minimum 80 years) are secured through either direct funding or structured annual contributions.
 - iii. Financial sustainability is underpinned by legal agreement, with costs transparently apportioned to cover site management and future capital replacement.
 - iv. The Responsible Organisation is appointed only once agreed jointly between the Owner and District Council, providing assurance of appropriate governance.

5. Proposed improvements to site

- 5.1 As part of the ongoing commitment to enhancing public open spaces within Cranbrook, a programme of landscape improvements has been prepared for Percy Wakely Woods. The proposals, designed by the landscape architects, seek to improve accessibility, visitor experience, and ecological value, whilst ensuring the woodland continues to provide a safe and enjoyable environment for the community.
- 5.2 The key improvements and enhancements proposed are illustrated on the plans at Appendix 1, and summarised below:

Access and Pathways

- Widening of footpath entrances and provision of accessible gates.
- Construction of new 2.0m wide self-binding gravel footpaths and 1.2m boardwalks across damp ground.
- Levelling of uneven natural paths with rolled gravel aggregate.
- Clearance of vegetation at corners to improve sightlines and safety.

Visitor Facilities

- Installation of new benches on level gravel platforms and use of felled trees for natural stump seating.
- Provision of dog bins at entrances and along walking routes.
- Educational signage to promote awareness of woodland and coppice management.
- Entrance signage and route markers to improve wayfinding.

Habitat and Vegetation Management

- Opening up and enhancement of existing glades to support biodiversity.
- Management of hazel coppice to encourage regeneration.
- Thinning and crown lifting of dense canopies for improved woodland health.
- Removal of pond weed and reseeding of pond edges with appropriate wildflower mixes.
- Creation of brash piles for wildlife habitat, sited away from public paths.
- Reseeding of ditch areas and introduction of meadow and pond-edge planting.

Boundaries and Structures

- Retention of existing post-and-rail fencing with additional dog-proof fencing where required.
- Temporary fencing to prevent access to old footpaths and farmland.
- Future provision for a new footbridge across wet ground.
- Introduction of a woodland archway entrance sculpture to create a sense of arrival.

- 5.3 Works are planned to be delivered in two phases. Phase 1 will comprise initial works to enhance access through the woods and provide additional signage, dog-waste bins etc in 2026.
- 5.4 Phase 2 will provide connections to the adjacent areas of SANG by providing extended paths, signage and gateway features. These works will be undertaken in parallel with the delivery of the adjacent SANG areas (current at the outline planning stage) – and it is envisaged that these works will be required in 5-10 years' time (2030-2035).

- 5.5 The proposed paths, signage, benches etc would be classed as permitted development under the Town and Country Planning (General Permitted Development) (England) Order 2015 (Part 12 – Local Authorities).
- 5.6 In summary, these proposals will deliver a range of ecological, recreational, and amenity benefits. They will enhance the usability and accessibility of Percy Wakely Woods, ensure the woodland is managed to maintain and enhance its biodiversity value, and provide improved facilities for visitors. Collectively, the works represent a balanced approach to conservation and public enjoyment of this valued community woodland.

6. Cost Estimate and Budget

- 6.1 The estimated costs of the proposed works, including management funding, are summarised below:

Phase 1

Survey and Design Fees	£50,400
Site Works	£126,500
Contingency (20%)	£25,300
Management Investment	£325,000
Total	£527,000

Phase 2

Additional Design Fees	£25,000
Site Works	£147,500
Contingency (20%)	£34,500
Inflation (10 years)	£71,000
Management Funding	£100,000
Total	£378,000

Grand Total	£905,000
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- 6.2 The estimated cost of annual management of the Woods is estimated to be £9,000 per annum (including maintenance of paths, signage and seats, woodland management and emptying of dog waste bins), plus cyclical capital replacement costs (to replace paths and site furniture).
- 6.3 It is proposed to fund these costs in-perpetuity (80 years minimum) through a £325,000 investment in CCLA Local Authority Property Fund (or similar), plus a £100,000 reserve saved in a ring-fenced account. This amount allows for 6.75% investment cost, annual fees and inflation, and is based on an average annual net return of 3.5% per annum. Officers have undertaken due-diligence work with an Independent Financial Advisor and the CCLA to ascertain the potential returns on investment and risks should the investment perform poorly and ensure that the investment accords with the Council's financial policies.
- 6.4 The £325,000 investment has been modelled as being sufficient to provide an annual return of at least £9,000 (plus inflation) and sufficient funding for capital replacement works when required. The £100,000 reserve is proposed to provide additional funding should the investment fail to perform in certain years. Excess returns generated by the investment would

be retained within the reserve to provide a financial reserve to support capital replacement works and unexpected site costs (e.g. storm damage or vandalism).

7. Funding

7.1 S106 funding in relation to Habitat Regulations mitigation for Cranbrook is set out below:

Current s106 contributions already collected	£886,618
Outstanding s106 contributions	£166,000
Total	£1,052,618
Estimated additional future contributions*	£500,000

*(*Dependent on final housing numbers)*

7.2 £530,358 of collected contributions have already been allocated to Clyst Meadows SANG. The balance, £522,260, is sufficient to fund Phase 1 works at Percy Wakley Woods and the initial £300k investment for future management.

7.3 A further £360,740 would be required to deliver Phase 2 works (estimated to be required in 2030-2035) and provide the further £100,000 additional management funding reserve. This funding will meet through the future s106 contributions – leaving a balance of c£137k for other habitat mitigation measures.

7.4 A summary of estimated costs and funding is provided at Appendix 1.

8. Conclusion

8.1 This report sets out s106 funded proposals for provision of 4Ha of SANG at Percy Wakley Woods, to meet the outstanding deficit in SANG identified in the Appropriate Assessment for 18/1237/MRES.

8.2 It is recommended that Cabinet support the lease of the land from the Woodland Trust and deliver of enhancements and management of the woods by the Countryside Team in the short term, and transfer to a future in-perpetuity management organisation (alongside additional site enhancements) to provide a continuous area of SANG to the south of the Grange phase of Cranbrook.

Financial implications:

9.1 The report sets out the proposed use of allocated s106 funding (for Habitat Regulations Mitigation) for delivery on site in 2 phases (£202k in phase 1, and a further £278k in phase 2), and in-perpetuity management funded to be requested from CIL (£325k, followed by a further £100k in phase 2). Officers have undertaken modelling to identify the investment required to provide in-perpetuity for the management of the site (£9k per annum, plus capital replacement costs), with a reserve identified to meet any short-term funding shortfall to minimise financial risk. As with any investment there is a risk that investments fail to generate the required financial return, in which case management costs will need to be met by the authority. Should the 'Responsible Organisation' be Cranbrook Town Council there is potential for any future shortfall in management funding to be met through the local precept.

Legal implications:

9.2 Legal services have not provided legal advice in respect of this project at this stage. Due diligence will be required alongside the appropriate legal documentation. Dependent on

workloads within Legal Services and other priority work this project may need to be outsourced and appropriate funding will need to be allocated. The potential mechanism for the in-perpetuity funding is a novel concept for the Council and external specialist advice will be needed to ensure that any arrangement provides the correct and appropriate solution for the Council (ALW/003803).

Appendix 1 – Summary of Costs and s106 Funding

Phase 1 (enhancements to existing woodland to improve SANG capacity)

Land agreement (Peppercorn agreement) £1 (+ legal fees)

Delivery Costs (inc fees) £202,000

Investment for future management* £300,000

(* Based on investment of £300k plus £100k reserve to cover in-perpetuity management costs (80 years) at estimated £9000 p/a plus capital replacement costs)

Total (including £25k contingency) £502,000

Phase 2 (connections to adjacent SANG areas)

Delivery Costs (inc fees and inflation) £278,000

Additional management reserve £100,000

Total (including £30k contingency) £378,000

Grand Total (investment in Phase 1) £880,000

Proposed funding

Current s106 contributions total £886,618

Outstanding s106 contributions £166,000

Total £1,052,618

Potential additional future contributions* £500,000

(*Dependent on final housing numbers)

Clyst meadows allocation £530,358

Balance (available now) £522,260

Remaining Budget after Phase 1 £17,260

Additional Funding required for Phase 2 £360,740

(£378,000 – £17,260)

Estimated remaining s106 funding £139,260

(£500,000 - £360,740 - for Habitat Regulations Mitigation)

[illegible]

DATE	10/06/00	BY	10/06/00	DATE	10/06/00
PROJECT: SITE					
Perry Weekly Woods, Cranbrook					
SHEET					
Site Plan (Sheet 1 of 2)					
10/06/00 20056 1-110-100-XX-DR-L - 0101					
S2 FOR INFORMATION					
P1	August 2005	Sheet	1-500 @A1		
10/06/00 20056			1-110-100-XX-DR-L 20056		



lhc design

- DESIGN
- ARCHITECTURE
- INTERIORS
- LANDSCAPE

