

Title: Dungeness, Romney Marsh and Rye Bay - proposed extended Special Protection Area and new Ramsar site, East Sussex and Kent Lead department or agency: Natural England Other departments or agencies: Defra	Impact Assessment (IA)
	IA No: Defra 1013
	Date: 28/06/2010
	Stage: Development/Options
	Source of intervention: EU
	Type of measure: Secondary legislation
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Summary: Intervention and Options

What is the problem under consideration? Why is government intervention necessary?

The UK Government is committed to delivering a healthy natural environment for the benefit of everyone, both now and in the future. Protecting biodiversity is a critical part of this commitment. Government intervention is needed to protect biodiversity because it is a public good and market incentives alone will not stimulate sufficient conservation effort.

In order to meet our obligations under the Birds Directive 2009/147/EC and commitments under the Ramsar Convention, a Special Protection Area (SPA) extension and Ramsar designation is proposed for parts of the Dungeness, Romney Marsh and Rye Bay Site of Special Scientific Interest (SSSI) and Hastings Cliff to Pett Beach SSSI in Kent and East Sussex.

What are the policy objectives and the intended effects?

Parts of both SSSIs fulfil the formal designation criteria for Wetlands of International Importance under the Ramsar Convention and the UK SPA selection guidelines for an extension to the existing SPA for birds. It is also proposed to revise the existing qualifying interests of the SPA to include eight additional bird species and an assemblage of over 20,000 waterbirds in the non-breeding season.

Designating the site as described will help meet the requirements of the Birds Directive, thereby helping to avoid EU infraction proceedings under the Birds Directive. It will also help to meet UK commitments under the Ramsar Convention.

What policy options have been considered? Please justify preferred option (further details in Evidence Base)

Only one option would achieve the desired outcome: designate the site.

The site's designation is required under the Birds Directive and to meet Ramsar Convention commitments. This option ensures a greater level of protection for the existing qualifying SSSI interest features – i.e. the national designation already in place at the site. A 'do-nothing' option would run the risk of EU infraction proceedings.

The purpose of this IA is to inform the government of the impacts of extending the existing SPA and designating parts of the existing SSSIs as a Ramsar site. It is not aimed at informing the decision about whether to designate the site, which is based on the scientific advice set out in the Departmental Brief.

When will the policy be reviewed to establish its impact and the extent to which the policy objectives have been achieved?	It will not be reviewed
Are there arrangements in place that will allow a systematic collection of monitoring information for future policy review?	Yes

SELECT SIGNATORY Sign-off For consultation stage Impact Assessments:

I have read the Impact Assessment and I am satisfied that, given the available evidence, it represents a reasonable view of the likely costs, benefits and impact of the leading options.

Signed by the responsible SELECT SIGNATORY:..... Date:.....

Summary: Analysis and Evidence

Policy Option 1

Description:

Price Base Year	PV Base Year	Time Period Years	Net Benefit (Present Value (PV)) (£m)		
			Low: Optional	High: Optional	Best Estimate:

COSTS (£m)	Total Transition (Constant Price) Years	Average Annual (excl. Transition) (Constant Price)	Total Cost (Present Value)
Low	Optional	Optional	Optional
High	Optional	Optional	Optional
Best Estimate			

Description and scale of key monetised costs by 'main affected groups'

The IA focuses on additional costs of the extended SPA and Ramsar designations. Both designations are on existing SSSIs, which already have considerable legal protection. Therefore, the proposed designations' costs are likely to be modest. In certain cases, there may be additional survey, mitigation and compensation costs for developers. For this stage of the impact assessment, it has only been possible to quantify the additional management and enforcement costs for competent authorities.

Other key non-monetised costs by 'main affected groups'

Under the Habitats Regulations where proposals may have a significant effect on the site's features, certain cases may result in additional surveys, mitigation and compensation costs for developers. A review of existing consents may also warrant reimbursement where modification or revocation is needed. It has not been possible to quantify these potential costs since they will be very case specific and it is therefore very difficult to generalise.

BENEFITS (£m)	Total Transition (Constant Price) Years	Average Annual (excl. Transition) (Constant Price)	Total Benefit (Present Value)
Low	Optional	Optional	Optional
High	Optional	Optional	Optional
Best Estimate			

Description and scale of key monetised benefits by 'main affected groups'

The natural environment is a public good. Therefore, no market exists for the goods and services that are provided by better site protection. Most of the benefits will accrue in the form of avoided future degradation of the site. Primary valuation work would be needed to quantify and monetise these benefits. This has not been possible due to time and financial constraints. Monetary estimates of the benefits, therefore, are not provided.

Other key non-monetised benefits by 'main affected groups'

Society is likely to value (in total economic value terms) the environmental goods and ecosystem services protected by the designations. More individuals may visit the site to view the wildlife, or would like the option to do so (use value). There will also be non-use values (bequest and altruistic values), as well as other ecosystem service values such as flood regulation and biodiversity values given that this is an internationally important wetland site.

Key assumptions/sensitivities/risks

Discount rate (%) 3.5%

Assumptions have been made regarding the known forthcoming plans and projects that are taking place within the proposed site to determine the designations' impacts. This is detailed in the accompanying evidence base. The SSSI interest features, that now also qualify under the EU/international criteria, are in the majority of cases, being favourably managed. This current level of management would continue under the proposed designations, with minimal extra costs.

A major risk is not designating the site, as this would increase the likelihood of EU infringement proceedings being taken against the UK.

Impact on admin burden (AB) (£m):			Impact on policy cost savings (£m):	In scope
New AB: n/a	AB savings: n/a	Net: n/a	Policy cost savings:	No

Enforcement, Implementation and Wider Impacts

What is the geographic coverage of the policy/option?	Other				
From what date will the policy be implemented?	01/08/2010				
Which organisation(s) will enforce the policy?	Defra, Natural England and other competent authorities				
What is the annual change in enforcement cost (£m)?	£0.01m				
Does enforcement comply with Hampton principles?	Yes				
Does implementation go beyond minimum EU requirements?	No				
What is the CO ₂ equivalent change in greenhouse gas emissions? (Million tonnes CO ₂ equivalent)	Traded: nochange		Non-traded: nochange		
Does the proposal have an impact on competition?	No				
What proportion (%) of Total PV costs/benefits is directly attributable to primary legislation, if applicable?	Costs: n/a		Benefits: n/a		
Annual cost (£m) per organisation (excl. Transition) (Constant Price)	Micro	< 20	Small	Medium	Large
Are any of these organisations exempt?	No	No	No	No	No

Specific Impact Tests: Checklist

Set out in the table below where information on any SITs undertaken as part of the analysis of the policy options can be found in the evidence base. For guidance on how to complete each test, double-click on the link for the guidance provided by the relevant department.

Please note this checklist is not intended to list each and every statutory consideration that departments should take into account when deciding which policy option to follow. It is the responsibility of departments to make sure that their duties are complied with.

Does your policy option/proposal have an impact on...?	Impact	Page ref within IA
Statutory equality duties¹ Statutory Equality Duties Impact Test guidance	No	
Economic impacts		
Competition Competition Assessment Impact Test guidance	No	
Small firms Small Firms Impact Test guidance	No	
Environmental impacts		
Greenhouse gas assessment Greenhouse Gas Assessment Impact Test guidance	No	
Wider environmental issues Wider Environmental Issues Impact Test guidance	Yes	p13
Social impacts		
Health and well-being Health and Well-being Impact Test guidance	No	
Human rights Human Rights Impact Test guidance	No	
Justice system Justice Impact Test guidance	No	
Rural proofing Rural Proofing Impact Test guidance	No	
Sustainable development Sustainable Development Impact Test guidance	Yes	p14

¹ Race, disability and gender Impact assessments are statutory requirements for relevant policies. Equality statutory requirements will be expanded 2011, once the Equality Bill comes into force. Statutory equality duties part of the Equality Bill apply to GB only. The Toolkit provides advice on statutory equality duties for public authorities with a remit in Northern Ireland.

Evidence Base (for summary sheets) – Notes

Use this space to set out the relevant references, evidence, analysis and detailed narrative from which you have generated your policy options or proposal. Please fill in **References** section.

References

Include the links to relevant legislation and publications, such as public impact assessment of earlier stages (e.g. Consultation, Final, Enactment).

No.	Legislation or publication
1	Departmental Brief: Dungeness, Romney Marsh and Rye Bay: Proposed extensions to and change of name of the Dungeness to Pett Level Special Protection Area and a proposed new Ramsar site May 2010
2	Department for Business, Innovation and Skills Impact Assessment Toolkit – a guide to undertaking an Impact Assessment and completing the IA template version 1.0 1 April 2010 www.bis.gov.uk/ia-guidance
3	Directive 2009/147/EC of the European Parliament and of the Council of 30 November 2009 on the conservation of wild birds (this is the codified version of Directive 79/409/EEC as amended) http://ec.europa.eu/environment/nature/legislation/index_en.htm
4	Strategic Framework and guidelines for the future development of the List of Wetlands of International Importance of the Convention on Wetlands (Ramsar, Iran, 1971) Third edition, as adopted by Resolution VII.11 (COP7, 1999) and amended by Resolutions VII.13 (1999), VIII.11 and VIII.33 (COP8, 2002), IX.1 Annexes A and B (COP9, 2005), and X.20 (COP10, 2008) http://www.ramsar.org/cda/en/ramsar-documents-guidelines-strategic-framework-and/main/ramsar/1-31-105%5E20823_4000_0
5	European Community Directive on the Conservation of Natural Habitats and of Wild Fauna and Flora (92/43/EEC) Second Report by the United Kingdom under Article 17 on the implementation of the Directive from January 2001 to December 2006
6	Statutory Instruments 2010 No. 490 Wildlife Countryside the Conservation of Habitats and Species Regulations 2010

+ Add another row

Evidence Base

Ensure that the information in this section provides clear evidence of the information provided in the summary pages of this form (recommended maximum of 30 pages). Complete the **Annual profile of monetised costs and benefits** (transition and recurring) below over the life of the preferred policy (use the spreadsheet attached if the period is longer than 10 years).

The spreadsheet also contains an emission changes table that you will need to fill in if your measure has an impact on greenhouse gas emissions.

Annual profile of monetised costs and benefits* - (£m) constant prices

	Y ₀	Y ₁	Y ₂	Y ₃	Y ₄	Y ₅	Y ₆	Y ₇	Y ₈	Y ₉
Transition costs										
Annual recurring cost	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01
Total annual costs										
Transition benefits										
Annual recurring benefits										
Total annual benefits										

* For non-monetised benefits please see summary pages and main evidence base section



Microsoft Office
Excel Worksheet

Evidence Base (for summary sheets)

1. Purpose

Dungeness, Romney Marsh and Rye Bay Site of Special Scientific Interest (SSSI)² covers an area of over 9,000 ha and includes wetland areas of international significance. Parts of the site are designated as a Special Area of Conservation (SAC) under the Habitats Directive (92/43/EEC) and classified as a Special Protection Area (SPA) under the Birds Directive (2009/147/EC), which together form a network of European protected areas known as Natura 2000. Please refer to the maps in Annex 3 for further information.

The site is unique and provides valuable habitats for wildlife. Natural England has recommended to Department for Environment, Food and Rural Affairs (Defra) that:

- The existing SPA (almost 1,500 ha) be extended to cover a much larger area (over 4,000 ha) of the SSSI;
- Eight new bird species and an assemblage of over 20,000 water birds are added to the qualifying interests; and
- Parts of the site (almost 6,500 ha) be designated for listing under the Ramsar Convention.

The designation of sites of UK, European and International importance is an established system, and has been implemented under existing UK guidance and legislation for many years. Recently, the submission of a Departmental Brief, which presents the formal advice to Government, has required an accompanying impact assessment (IA), as part of the Government's Better Regulation Executive guidance (Department for Business, Innovation and Skills, 2010).

Defra³ has asked Natural England⁴ to submit an Initial Impact Assessment to accompany the Departmental Brief proposing these European and International designations.

The Dungeness, Romney Marsh and Rye Bay Departmental Brief sets out the ecological evidence for these recommended designations. Pursuant to the Birds Directive, the decision about site selection and boundaries should only be based on ornithological criteria and social and economic considerations should not be taken into account. With this in mind, this IA *informs* the Government and stakeholders of the potential economic, social and environmental impacts of the proposed designations.

2. Background

Dungeness, Romney Marsh and Rye Bay SSSI is located on the south coast of England, on the border of East Sussex and Kent. This large area contains a variety of coastal habitats, ranging from shingle beaches to various types of wetlands and open waters. It supports nationally and internationally important numbers of birds, which use the area throughout the year. It also contains internationally important wetland habitats, as well as rare and threatened wetland animals and plants.

Dungeness is the UK's largest shingle structure (JNCC website, 2010⁵), and consists of a large, cusped shingle foreland (a low-lying triangular ness) with a complex pattern of ridges reflecting its accretion and development over hundreds of years. A feature of the site, thought to be unique in the UK is the small depressions formed within the shingle structure, which support fen and open-water communities (JNCC website, 2010⁶).

² SSSIs are legally protected sites (under s28(i) of the Wildlife and Countryside Act 1981) for their flora, fauna or geological or geographical special interest features.

³ Defra is the government department responsible for setting legislation, policy, regulations and guidance for a number of environmental issues

⁴ Natural England is an independent statutory Non-Departmental Public Body, which works closely with Defra to deliver the Government's strategic objectives. Natural England's statutory purpose is to ensure that the natural environment is conserved, enhanced and managed for the benefit of present and future generations, thereby contributing to sustainable development.

⁵ JNCC website Dungeness SAC page, www.jncc.gov.uk/protectedsites/sacselection

⁶ JNCC website Dungeness to Pett Level SPA page, www.jncc.gov.uk/protectedsites/specialprotectionareas

The site's shingle and associated wetland habitats are of international importance and occur in very few places outside north-west Europe. The area is particularly important for water vole, great crested newt, avocet, marsh harrier, medicinal leech, marsh mallow moth, De Folin's lagoon snail, greater water parsnip, slender hare's ear and Warne's thread moss to name a few of the site's conservation interest features.

3. Problem under consideration

As a member of the European Union, the UK is committed through national legislation to implement EU Directives, which include measures for biodiversity. The UK Government has an on-going obligation under European and International legislation to formally designate, protect and enhance areas that meet specific biodiversity criteria.

The special conservation features within the existing Dungeness, Romney Marsh and Rye Bay SSSI now fulfil the criteria for listing Wetlands of International Importance (Ramsar sites) and for an extension to the existing SPA, together with a revision of the existing qualifying interests to include eight additional bird species and an assemblage of over 20,000 water birds (please refer to the Departmental Brief for further information).

These additional designations would give a greater level of protection to this unique site of international significance.

4. Rationale for intervention

Government intervention is required to protect habitats and species. The natural environment has public good characteristics⁷ which means that market incentives alone will not stimulate sufficient (i.e. the socially efficient level of) conservation effort. As a result, sites like Dungeness, Romney Marsh and Rye Bay are at risk of degradation from human activities and development pressures.

The proposed designations give greater protection to this site by complying with the requirements of EU and international legislation these development pressures and impacts will be better managed and mitigated, which will conserve the integrity of this important wildlife site for present and future generations.

Furthermore, at a more practical level, designating the site should lessen the risk of EU infraction proceedings by helping to meet the UK Government's European commitments on biodiversity.

5. Policy objectives and Intended effects

The policy objective is to designate the site. The proposed SPA classification and Ramsar designation reflect and conserve the area's diversity of wetland interest. They also give greater protection, to these wetland features and their associated wildlife, e.g. the bird assemblage, greater water parsnip and water vole, which together are an important component of the SSSI's renowned and extraordinary diversity.

6. Description of options considered (including baseline/do nothing)

Only one option has been considered: to designate the site – as a Ramsar⁸ and extend the existing SPA⁹ to include eight new bird species and a bird assemblage of over 20,000 water birds to the qualifying interests.

⁷ A public good is one that is non-excludable (everyone can consume it should they wish) and non-rival (one person's consumption does not affect someone else's consumption).

⁸ The UK is a signatory to the Ramsar Convention on Wetlands of International Importance. Article 2.1 provides that each contracting party shall designate suitable wetlands within its territory for inclusion in a List of Wetlands of International Importance. This site qualifies as a Ramsar, Wetlands of International Importance by meeting the Kampala 2005 criteria.

⁹ European Directive 2009/147/EC on the Conservation of Wild Birds (codified version) (the Birds Directive) (formally 79/409/EEC) aims to promote the maintenance of biodiversity. Under Article 4.1 of the Birds Directive the UK (as a Member State) is required to identify and designate the most suitable sites for the protection of rare or vulnerable wild birds (listed in Annex I of the Directive). Article 4.2 requires similar measures for regularly occurring migratory species, e.g. large assemblages of waterbirds to ensure their survival and reproduction in their area of distribution

Do nothing (i.e. maintain the site's status quo) is not a genuine option because the interest features of the site qualify for classification under the Birds Directive and listing under the Ramsar convention. Not designating the site would run the risk of the UK Government being in contravention of EU and International commitments. The baseline is only used in this IA to identify and compare costs and benefits of the proposed designations against.

Other options were not considered because designation of the site is required under the Birds Directive and to meet commitments under the Ramsar Convention.

7. Costs and benefits of site designation

This IA focuses on the additional costs and benefits of the proposed extended SPA and Ramsar designations. Both designations are on existing SSSIs, which already have considerable legal protection. Therefore, the proposed designations' costs are likely to be modest.

Together, the proposed designations increase the proportion of the existing SSSI site covered by a European or International designation by an additional 53% from the baseline of 36% to 89%.

For the purpose of this IA, all costs and benefits, where monetised, are discounted over a ten period.

7.1 Costs

There are two main areas of potential costs, both associated with the application of The Conservation of Habitats and Species Regulations 2010 ('the Habitats Regulations')¹⁰ to future plans and/or projects on a European/Internationally designated site.

1. Certain cases may result in additional surveys, mitigation and compensation costs for proposers of these plans/projects, e.g. developers.
2. Additional enforcement costs¹¹ for competent authorities, e.g. Natural England or local planning authorities.

The Habitats Regulations are used to determine whether a proposed plan/project would have a likely significant effect¹² on the European site¹³. Furthermore, under Planning Policy Statement 9¹⁴, the Government has clarified that 'listed Ramsar sites, also as a matter of policy, should receive the same protection as designated SPAs and SACs'. There are a number of stages under the Habitats Regulations, which need to be addressed by competent authorities¹⁵ (e.g. planning authorities), in consultation with Natural England, where a plan or project is not directly connected with or necessary to the management of the site's conservation interest features. This includes the consideration of feasible alternatives, mitigation measures and compensation. Please refer to the flowchart in Annex 4 for further information.

Future proposed plans and/or projects taking place within the site (esp. the additional 53%) would need to be assessed under the Habitats Regulations, to determine if they have a detrimental impact on the

¹⁰ The Conservation of Habitats and Species Regulations 2010 replaced the Conservation (Natural Habitats &c.) Regulations 1994 (as amended) on 1 April 2010.

¹¹ In this IA, the term enforcement costs refers to the additional administration costs competent authorities may incur undertaking Habitats Regulations assessment as a result of the proposed European/International designations, which will cover an additional 53% of the site.

¹² Likely significant effect is a term used in both the Habitats Directive 92/43/EEC and the Habitats Regulations (The Conservation of Habitats and Species Regulations 2010). However, pursuant to case law (Waddenzee C-127/02), likely significant effect is interpreted as meaning that there may be (as opposed to is likely to be) a significant effect. This means that a precautionary approach is taken to ensure that no reasonable scientific doubt remains regarding the effects of a plan/project, which by themselves or in combination with other plans or projects, affect the site's conservation objectives.

¹³ The Habitats Regulations provide for the designation and protection of 'European sites', the protection of 'European protected species', and the adaptation of planning and other controls for the protection of European Sites. 'European Sites' are defined in regulation 8 and include candidate Special Areas of Conservation (cSACs), Sites of Community Importance (SCIs), Special Areas of Conservation (SACs) designated under the Habitats Directive and Special Protection Areas (SPAs) classified under the Birds Directive (note that the Habitat Regulations do not include classification provisions for SPAs).

¹⁴ Planning Policy Statement 9, Biological and Geological Conservation (PPS9), paragraph 6.

¹⁵ Regulation 7 of the Conservation of Habitats and Species Regulations 2010 defines a competent authority and includes ministers of the Crown, public bodies and local authorities.

site's integrity and/or its conservation interest features. Until a project/plan has been through this process, it is difficult to ascertain the costs associated with that particular plan/project.

As part of this Habitats Regulations assessment, a competent authority can require the proposer to submit further information, e.g. wildlife surveys, to enable the competent authority to assess whether there is likely to be a significant effect on a European site, as a result of proposer's plans or projects. In most instances, the plan or project can only be agreed once a competent authority has ascertained there will be no adverse effect on the integrity of the European site. In some cases, a range of measures may be required to counteract any possible adverse effects on the site's interest features.

Natural England, as the government's statutory nature conservation adviser, will often suggest what these measures might entail. They may include measures to avoid, minimise or reduce adverse effects. Together, these are referred to as *mitigation measures*. Occasionally, under specific circumstances, a proposed plan or project may need to secure compensatory habitat (*compensatory measures*) to maintain the coherence of the Natura 2000 network.

Any future projects and/or plans may result in additional surveys, mitigation and compensation costs. It is not possible to predict what all future projects/plans might be that would need to be assessed against the Habitats Regulations. Most large plans/projects are already subject to an Environmental Impact Assessment (EIA), which is mandatory for projects as defined in the Town and Country Planning (Environmental Impact Assessment) (England) Regulations 1999 (as amended)¹⁶.

When a site becomes a European site, under regulation 63 of the Habitats Regulations, competent authorities are required to carry out a review of existing consents that may affect the site, and either affirm, modify or revoke the consent. This also extends, as a matter of policy to Ramsar sites. Where a competent authority reaches the conclusion that there would be an adverse effect on the integrity of the site, it should consider whether to modify or revoke the consent. In cases where the authority considers modification or revocation is warranted, the Government will consider reimbursing local authorities where the costs are high, where the action taken was no more than necessary to remove the risk to the site and less costly alternatives have been fully explored.

There are a number of known forthcoming projects/plans, including some large, high profile ones, which are at various stages of progress. For all these forthcoming cases, it is not feasible to provide cost estimates, as these cases have yet to reach a stage where they can be assessed under the Habitats Regulations. These forthcoming, larger EIA projects/plans may also affect the existing European SAC and SPA designations and as a result require an assessment under the Habitats Regulations. Given this, any additional costs resulting from the proposed designation may be moderate.

Annex 5 contains illustrative examples, based on known forthcoming cases, to give an indication of where additional surveys, mitigation and possibly compensation measures might be necessary. These examples are used only to give a flavour of the type of case issues that may arise as result of the proposed designations.

7.2 Management (Administration costs) and Enforcement costs

These additional costs would only apply to competent authorities, e.g. Natural England, local planning authorities and other public bodies, like the Ministry of Defence or the Environment Agency.

SSSIs are already taken into account by local planning authorities, other public bodies, landowners and occupiers, with a legal interest in the land, for example, someone who has a formal lease agreement to graze land within a SSSI.

Where a SSSI also has a EU/International designation in place, competent authorities must consider both national and international site designations because the European legislative requirements are slightly different to those applied to SSSIs. The proposed designations result in an additional 53% of the site, in which proposed plans and/or projects would need assessment under the Habitats Regulations (Annex 4). This is likely to create additional assessment work, for these organisations as the Habitats Regulations, would apply to a larger area.

¹⁶ Town and Country Planning (Environmental Impact Assessment) (England and Wales)(Amendment) Regulations 2000.

These assessments are proportionate and as such, the amount of work involved varies according to the specific case.

The main areas of Natural England's work that need consideration under the Habitats Regulations are:

- Landowners/occupiers – Dealt with under Section 28E of the Wildlife and Countryside Act 1981 (as amended) referred to as “consent”¹⁷
- Work by or commissioned by public bodies, known as competent authorities or Section 28G bodies¹⁸– Dealt with under Section 28H of the Wildlife and Countryside Act 1981 (as amended) known as “assent”
- Planning issues – Dealt with under Section 28I of the Wildlife and Countryside Act 1981 (as amended) referred to as “advice”

By using case history it has been possible to estimate the increase in administration costs as a result of the designation, this is shown in the table below. It has also been possible to surmise the amount of time that has been spent on Habitats Regulations work over the past year. This was then converted into hours and multiplied by the equivalent hourly wage of an individual earning £40,000 (total remuneration including pension costs and national insurance contributions). The new designations result in 53% of the site, increasing from 36% currently, falling within an EU/International designation. It has been assumed that the time spent on administration and therefore the costs will increase by 50% (assuming increasing marginal productivity¹⁹).

The table below shows an employee earning £40,000 a year. The case history is displayed in the row: *EU existing site* below; the impact of the designation is shown in the row: *Proportion of new designated area (53%)*. All costs are discounted using treasury guidelines of 3.5% (HMT, 2008)²⁰

	Natural England's consents, assents work time/costs	Natural England's planning advice time/costs	LPAs Habitats Regulations time/costs	Other competent authorities Habitats Regulations time/costs
EU existing site (36%)	41.5 days £53,098	15 days £19,192	60 days £76,769	30 days £38,384
Proportion of new designated area (53%)	62.25 days £79,647	22.5 days £28,788	90 days £115,153	45 days £57,576

Total administration costs are currently estimated at £234,327 and are estimated to increase to £351,490. This is an increase of £93,722 for the ten year period, £9,372 a year. A sensitivity analysis for a total remuneration of £30,000 to £50,000 gives a range of £70,291 to £117,152 (£7,029 to £11,715 a year).

Other areas of work are enforcement, monitoring and reporting. Where necessary, Natural England undertakes enforcement action under existing SSSI legislation. This work is not expected to be impacted by the proposed designations as they are underpinned by an existing SSSI. The additional monitoring and reporting work falling to Natural England and on the JNCC's established EU reporting arising from the proposed designations would have a marginal impact, by increasing the size and range of designations on the existing SSSI.

Natural England has an obligation to safeguard the existing SSSI designated features. Section 28G bodies also have a duty²¹ to take account of SSSI features. Where these same SSSI features also meet the qualifying criteria, they become part of the European/International designated features. Therefore, in conclusion, there is likely to be only minor impacts on workloads and administration costs as a result

¹⁷ This is Natural England's written authorisation giving permission for an operation listed on the OLDs to be carried out.

¹⁸ Regulation 7 of the Conservation of Habitats and Species Regulations 2010, defines a competent authority and includes ministers of the Crown, public bodies and local authorities.

¹⁹ An individual will become more efficient at completing similar tasks, thus can do more in a less amount of time.

²⁰ HM Treasury Intergenerational wealth transfers and social discounting: Supplementary Green Book guidance 2008.

²¹ Schedule 9 of the Countryside and Rights of Way (CROW) Act 2000 amends provisions of the Wildlife and Countryside Act 1981, and places a duty on public bodies to further the conservation and enhancement of SSSIs.

of the proposed designations.

7.3 Benefits

The benefits associated with the proposed designations are:

- Increased protection of European and International wetland habitats and their associated wildlife
- Contribution towards the UK's compliance under existing international, European and UK legislative requirements to designate suitable sites
- More consistent decision making on proposed plans and/or projects, which reduces the risk of legal challenges.

The main benefit of designating the site is its extra level of protection, which ensures that this unique, internationally important environmental site, is protected now and for the future. Society is likely to place a large value on this site due to its uniqueness and importance, both in direct terms, so called use values and in non-use values (bequest and altruistic values). The site also provides important ecosystem services, which will have a large monetary value; such as biodiversity, carbon sequestration and storage and flood alleviation.

It is beyond the scope of the IA at this stage to value these benefits, however, in later IA stages it is hoped, some if not all of these benefits, can be costed possibly using the value transfer approach.

8. Wider impacts

The wider impacts of the designation are expected to be minimal due to the specific and localised nature of the proposed designations.

8.1 Wider benefits to society

There may however, be some wider benefits to society as follows:

- A. The increased coverage of the site under a Natura 2000 designation (from 36% to 89%) gives the site a higher 'nature' profile. This may provide some new business opportunities in the sustainable tourism sector but it is not possible to speculate and quantify what these may be and the extent to which visitor numbers might increase or simply be displaced from elsewhere in the UK.
- B. There will also be non-use values (bequest and altruistic values), as well other potential ecosystem service values such as flood regulation and biodiversity values.

9. Risks and assumptions

9.1 Risks

Not designating the site presents a risk of legal proceedings being taken against the UK Government for failing to designate sites that meet the ecological criteria, by its own National Courts and/or the European Court of Justice.

9.2 Assumptions

No assumptions have been made at this IA stage.

10. Administrative burden and policy savings calculations

Not applicable. The proposed designations do not relate to the Government simplification targets and as such do not affect policy savings or generate an administrative burden.

11. Implementation plan

Following a ministerial decision on the proposed designations set out in the Departmental Brief. Defra will advise Natural England, to undertake a public consultation on the proposed designations, which is scheduled for the summer/autumn of 2010. It is likely that any IA consultation will also take place at this time.

12. Summary

A key way of protecting our biodiversity is having a network of protected areas where organisms can thrive. These sites are known as 'designated sites' and preserve the best of England's wildlife. The option set out in this IA is to designate the site. This fulfils the UK Government's on-going obligations under UK, European and International legislation to conserve and enhance biodiversity.

The existing UK legislation already has full and sufficient legal effect, so no additional policy change requirements are needed beyond the declaration of the two new designations of SPA and Ramsar.

Annexes

Annex 1 should be used to set out the Post Implementation Review Plan as detailed below. Further annexes may be added to provide further information about non-monetary costs and benefits from Specific Impact Tests, if relevant to an overall understanding of policy options.

Annex 1: Post Implementation Review (PIR) Plan

A PIR should be undertaken, usually three to five years after implementation of the policy, but exceptionally a longer period may be more appropriate. A PIR should examine the extent to which the implemented regulations have achieved their objectives, assess their costs and benefits and identify whether they are having any unintended consequences. Please set out the PIR Plan as detailed below. If there is no plan to do a PIR please provide reasons below.

<p>Basis of the review: [The basis of the review could be statutory (forming part of the legislation), it could be to review existing policy or there could be a political commitment to review];</p>
<p>Review objective: [Is it intended as a proportionate check that regulation is operating as expected to tackle the problem of concern?; or as a wider exploration of the policy approach taken?; or as a link from policy objective to outcome?]</p>
<p>Review approach and rationale: [e.g. describe here the review approach (in-depth evaluation, scope review of monitoring data, scan of stakeholder views, etc.) and the rationale that made choosing such an approach]</p>
<p>Baseline: [The current (baseline) position against which the change introduced by the legislation can be measured]</p>
<p>Success criteria: [Criteria showing achievement of the policy objectives as set out in the final impact assessment; criteria for modifying or replacing the policy if it does not achieve its objectives]</p>
<p>Monitoring information arrangements: [Provide further details of the planned/existing arrangements in place that will allow a systematic collection systematic collection of monitoring information for future policy review]</p>
<p>Reasons for not planning a PIR: [If there is no plan to do a PIR please provide reasons here]</p> <p>The policy will not be separately reviewed. The UK has established monitoring and reporting mechanisms are in place, to ensure that the existing SSSI interest features (of which the proposed SPA and Ramsar site features are a subset) are conserved and enhanced. The Joint Nature Conservation Committee (JNCC) undertakes periodic reviews of its Natura 2000 Network and uses this data to report progress, on behalf of the UK Government, to the European Union.</p>

Annex 2: Supporting Information on Specific Impact Tests

Natural England having referred to the Specific Impact Tests guidance concludes that there are no detrimental impacts as a result of the proposed designations.

There will be some positive benefits arising from the proposed designations, which have the intended effect of protecting biodiversity. This is most relevant to the wider environmental issues, sustainable development specific impact tests. There may also be some small positive benefits under the rural proofing specific impacts tests, arising from the increased wildlife tourism potential of the area. These have not been quantified and overall they are unlikely to affect the UK's economic standing.

Statutory equality duties

The proposed designations will not disadvantage people as it applies equally to all individuals, organisations and businesses within the SSSIs.

Race Equality

Natural England concludes that the proposed designations will not impact on race equality.

Gender Equality

Natural England concludes that the proposed designations will not impact on gender equality.

Disability Equality

Natural England concludes that the proposed designations will not impact on disability equality.

Justice system

Legal Aid Impact Test

The proposed designations do not create any new criminal sanctions or civil penalties

Human Rights

The proposed designations do not have a disproportionate impact on people of a different age, ethnicity, gender, disability, religion or belief, or sexual orientation and is consistent with the Human Rights Act 1998.

Economic Impacts

Small Firms

At present, Natural England considers that the impacts of the proposed designations would be the same regardless of the size of the business operating within the area. Nevertheless, Natural England is unable to completely rule out the possibility that small firms may be disproportionately impacted upon as a result of the proposed designations, which would result in a greater proportion of the existing SSSIs being given an international designation. This means that any future proposals would need to be assessed under the Habitats Regulations.

Competition

The competition assessment focuses on the impact of the proposed policy on competition in affected markets, assessing whether or not the policy is likely to have a significant impact on competition.

The Office of Fair Trading competition assessments guidance sets out four competition assessment questions, to be considered by policy makers and economists undertaking a competition assessment. Natural England has sought advice from its economists and concluded that the proposed designations do not restrict the abilities of firms to choose the price, quality, range or location of their products, nor will it lead to a differentiation in costs between new and existing businesses. Therefore, it would not impact on competition or affect suppliers currently operating within the SSSI or those wishing to undertake activities within the SSSI.

Environmental Impacts

Greenhouse gas assessment

Will the proposal lead to change in the emission of Greenhouse Gases?

The proposed designations on Dungeness, Romney Marsh and Rye Bay SSSI and Hastings Cliff to Pett Beach SSSI are judged by Natural England to have a neutral impact on the UK government's carbon dioxide (CO₂) account.

Climate Change adaptation

It is Natural England's view that the proposed designations will not alter the site's ability to adapt to climate change.

Wider environmental issues

The proposed designations will contribute towards conserving the natural environment and as a result the will have a positive environmental impact.

Natural England used Defra's checklist, to consider whether the policy proposal has significant wider environmental impacts, and concluded that there are no detrimental environmental impacts.

Social Impacts

Could the proposal have a differential impact on:

Children and young people?

Older people?

Could the proposal have a differential impact on:

Income groups?

Devolved countries?

Particular regions of the UK?

The proposed designations are deemed by Natural England to have no differential impacts on different age groups, income groups or devolved countries. The proposed designations due to their location, will affect a particular region of the UK. This is only due to the proposed designations locations, which are geographically specific to the Dungeness, Romney Marsh and Rye Bay SSSI and Hastings Cliff to Pett Beach SSSI, which together cover parts of Kent and East Sussex.

Health and well-being

Natural England used the Department of Health's health impact assessment screening questions to conclude that a detailed health impact assessment is not needed.

Rural proofing

Rural proofing is the process used to assess how policies will work for rural people and places, to ensure that these policies are implemented fairly and effectively and do not disadvantage rural communities.

Natural England, having referred to the Commission for Rural Communities rural proofing guidance concludes that the proposed SPA and Ramsar designations will not have a significant adverse impact on rural communities.

Sustainable development

Natural England considers that the proposed designations will positively contribute towards the Government's sustainable development principles. Dungeness, Romney Marsh and Rye Bay SSSI is a unique area, supporting plants and animals, many of which are now uncommon in the wider countryside. Protecting this area's biodiversity is an investment that benefits both present and future generations within the UK and within a European and International context.

The objective of the proposed designations is to enhance the UK's protection of important biodiversity areas. This actively supports the Government's Five Principles of Sustainable Development, which recognised biodiversity within these Principles as one of the basic resources, which needs protection.

Annex 3: Site Maps

The following maps show the extent of the existing SSSI designation (Map 1), the existing European SAC and SPA designations (Map 2) and the proposed extension to the SPA and the new Ramsar designations (Map 3).



**Map1 existing
SSSI designation...**



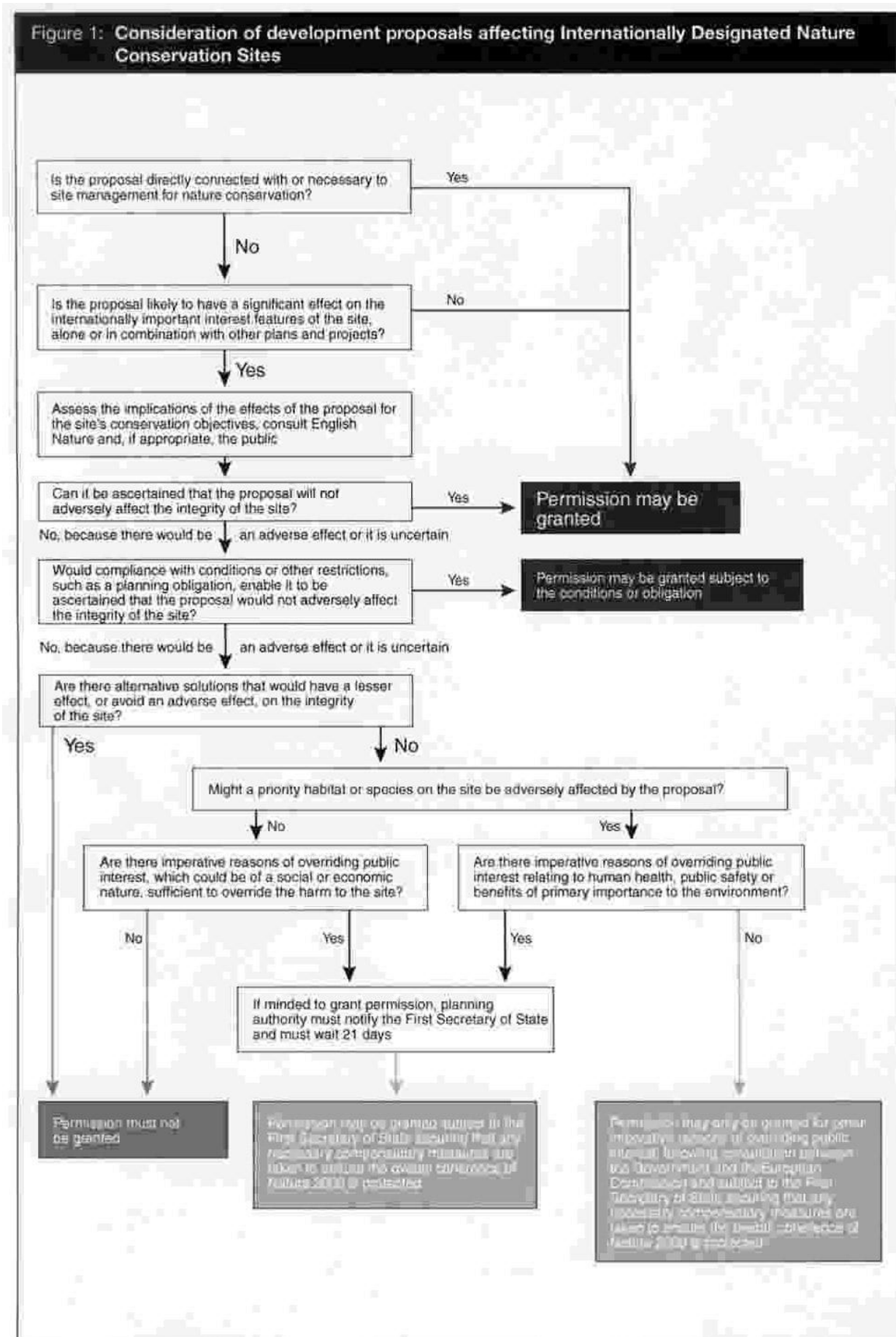
**Map2 existing
SAC SPA designat.**



**Map3 proposed
SPA Ramsar desig.**

Annex 4: Overview of Habitats Regulations

Taken from Government Circular: Biodiversity and Geological Conservation – Statutory Obligations and their Impact within the Planning System Office of The Deputy Prime Minister ODPM Circular 06/2005 August 2005



Annex 5: Illustrative examples, based on known forthcoming cases, to give a flavour of the type of case issues that might require additional surveys, mitigation and possibly compensation measures under the Habitats Regulations.

London Airport Ashford – Lydd

Two separate Planning Applications, relating to the construction of a new passenger terminal building, car parking and a runway extension were submitted to Shepway District Council. In March 2010, Shepway District Council resolved to grant both planning applications subject to the completion of a suitable Section 106 legal agreement and appropriate planning conditions²². In reaching the resolution to grant planning permission, the Council concluded that the proposed developments would not have an adverse impact on the integrity of the Dungeness to Pett Level Special Protection Area or on the integrity of the Dungeness Special Area of Conservation.

In June 2010, the Secretary of State decided to call in the proposed expansion plans for London Ashford Airport at Lydd for determination.

Environment Agency – Folkestone to Cliff End Flood and Erosion Management Strategy

The strategy's purpose is to plan and coordinate technically sound, environmentally acceptable and economically viable proposals for flood and erosion risk management for the strategy area over the next 50-100 years. The strategy's Appropriate Assessment and Statement of Case did not fully consider the proposed designations.

Therefore, a number of coastal defence schemes being developed now for implementation over the next 10 will need to assess the effects on the proposed SPA and Ramsar designations. Based on the informal discussions to date, some of the schemes have been able to take account of the proposed designations. For the remaining schemes, Natural England considers that the majority of the EA's proposals are likely to need additional surveys, mitigation and potentially compensation.

The schemes are:

- Environment Agency (EA) flood defence scheme - Rother tidal walls east.
- EA flood defence scheme - Lydd Ranges.
- EA flood defence scheme - Romney Sands.

Mineral Plans

Both East Sussex County Council and Kent County Council are reviewing their Minerals and Waste Development Framework, Development Plan Documents (DPDs). These DPDs will together form the Spatial Strategy for Minerals and Waste in both counties. Kent is in the early stages of this process, whilst East Sussex has reached a preferred options stage. National policy requires these strategies to look forward a minimum of 15 years from adoption. Natural England is a statutory consultee and is currently discussing the DPDs in more detail with both county councils.

Local planning authorities (LPAs) need to consider all extant planning permissions²³ that may affect a European site as soon as possible after the sites designation. Under the 2010 Habitats Regulations, LPAs are required to review all extant planning permissions, including outline permissions, granted by them that are likely to have a significant effect on a European site, either individually or in combination with other plans or projects and following that review, to affirm, modify or revoke such permissions. This is in consultation with Natural England and may ultimately result in the LPA being liable to pay any compensation as a result of revoking, modifying or discontinuing the permission. In cases where the LPA considers modification or revocation is warranted, the Government will consider reimbursing local

²² The Government Office of the South East on behalf of the Secretary of State has issued an Article 14 direction to Shepway District Council directing Council not to grant planning permission on these applications without specific authorisation.

²³ Meaning those granted permissions, which have not been implemented at all, and those, which have not been fully implemented.

authorities where the costs are high, where the action taken was no more than necessary to remove the risk to the site and less costly alternatives have been fully explored.

Current thinking is that the DPD proposals would need additional surveys to determine whether mitigation, restoration or potentially compensation would be required. However, at this stage, there are too many unknowns to determine if there are likely to be any additional costs.

Annex 6: Methodology for determining the extent of the SSSI falling within the proposed designations and require assessment under the Habitats Regulations

Every SSSI in England comprises one or more Units, which are linked to one or more interest features. Dungeness, Romney Marsh and Rye Bay SSSI, is divided up into 194 units. Each Unit is assessed to determine its condition on a regular basis and given a rating of favourable, unfavourable recovering, unfavourable no change, unfavourable declining and unfavourable destroyed.

As part of the IA, it was decided to take a proportionate approach to determining if any additional requirements would be needed as a result of the extension to the existing SPA area and the addition of 8 new qualifying bird species together with and the new Ramsar designation. Each of the 194 SSSI Units was reviewed, to see if it fell within the proposed SPA and Ramsar designation boundaries.

Methodology

1. Identify all the SSSI Units that are not part of the proposed SPA and Ramsar designation boundaries and eliminate them from the IA assessment process. 30 Units (16%) of the SSSI fell into this category.
2. Identify all the SSSI Units that are being proposed as part of the extended SPA and new Ramsar designation, but were not already covered by the existing SPA or SAC designations. These units would need to be assessed under the IA process as they are now covered by EU/International designations, in addition to their underlying SSSI designation. 103 units were identified as being covered by the new designations only. This equates to just over half of the whole site (53%).

In most instances, this would not require a change in the Unit's management as it is already being managed to conserve and enhance the SSSI's interest features. These same features now also qualify under the EU/International criteria. However, it may result in a future additional administration costs on Natural England and other competent authorities, which are required by law to determine whether **new** proposals would impact on the integrity of the site under the Habitats Regulations.

3. Identify all the SSSI Units that are already covered by an existing European designation, i.e. an SAC and/or an SPA designation and would also have the new designations applied. All these units would be underpinned by both the SSSI designation and a European designation. As a result, these units are already being managed to conserve and enhance the designated interest features in accordance with SSSI legislation and the Habitat Regulations.

However, it was important to determine whether any additional management requirements, would be necessary as a result of the proposed new designations. In the majority of cases, no additional management was needed, since these units are already designated as a site European importance. There are also no additional administration costs on either Natural England or other competent authorities as they are already obliged by law to determine whether new proposals would impact on the integrity of the site. This applied to 61 Units (31%) of the whole site.

In conclusion, the majority of the site is already being managed favourably for the SSSI interest features. These existing SSSI features underpin all the existing EU designations and will also form part of the new designations features. Therefore, any additional management is negligible.

The main impact of the proposed new designations is on future proposals, which would be subject to the Habitats Regulations and in these instances, competent authorities, in consultation with Natural England would assess them.