

Biodiversity net gain consultation workshop: off-site BNG delivery and opportunities for local authorities

March 2022

Agenda

Introduction	Off-site BNG in the consultation and local authority roles
Discussion session 1	Planning policy and decision-making and off-site delivery
Discussion session 2	Opportunities for local authorities: providing off-site gain sites and habitat banking
Summing up, next steps and feedback	

Finish at 4pm

Off-site biodiversity gains

- Mitigation and spatial hierarchies apply:
 - **Avoid, then mitigate** impacts before resorting to **compensation**
 - On-site delivery first, followed by local off-site, then the wider off-site market
- Developers can deliver off-site biodiversity gains
 - on other landholdings, or
 - purchase biodiversity units on the market.
- **Delivery locally will be encouraged** by policy and guidance.
 - Also incentivised by the Biodiversity Metric spatial multiplier.
- Areas outside the local area will be allowed if local opportunities are insufficient.
- Spatial nature strategies, such as Local Nature Recovery Strategies (LNRS), should be used to **target delivery** of off-site biodiversity gains.
 - Links to local strategies are incentivised by the Biodiversity Metric strategic significance multiplier.

Off-site biodiversity gains

- Need to follow the **Biodiversity Metric rules**.
- Must be **maintained for at least 30 years**.
- Need to be **secured through a conservation covenant or planning obligation**.
- Need to be **registered prior to final approval of the biodiversity gain plan**.
- Defra will publish further guidance for decision making and how to consider on-site and local off-site options before looking further afield. They are interested to know what will be most helpful.
- Off-site habitat **does not need to be created or enhanced before a site is registered or allocated to a development**.
 - Proposal = compensatory habitat delivery to commence no more than 12 months after biodiversity gain plan approval.
 - This will be required either through the site register or biodiversity gain plan.

Market for biodiversity units

- Any landowners will be able to create or enhance habitats for the purpose of selling biodiversity units
 - provided they **meet BNG off-site requirements** and demonstrate no significant adverse impacts on protected and priority habitats.
- Planning authorities will be able to sell biodiversity units from their own land or act as a broker for 3rd party units, providing they:
 - Manage any associated conflicts of interest;
 - **Comply with the same rules and requirements that apply to other biodiversity unit suppliers;**
 - **Do not direct developers to purchase biodiversity units from them in preference** to other market suppliers that are able to deliver equivalent or better outcomes; and
 - **Do not charge developers a tariff for delivery of off-site gains** unless associated with specific gain sites that are registered and allocated to the development in question.
- Defra is seeking views on whether to allow a developer **to use or sell excess biodiversity units** as off-site gains for another development if they exceed the statutory requirement on-site.
- Defra **do not propose to establish a centralised trading platform** for biodiversity units or for the UK government to take on other roles which could be performed by the private sector.

Habitat banking

Habitat banking = where habitat is created or enhanced in advance of development

- Will **not be a policy requirement, but will be encouraged.**
- Can help smooth out supply and demand by completing necessary works to establish the habitat in advance and banking the resulting units, so they are **available for sale when needed by developers.**
- Defra recognise the benefits of habitat banking and are considering **how to best support it**, and how they can provide clarity on the minimum requirements to develop investment plans.
- A habitat bank would need to be **able to record and provide suitable monitoring information** to demonstrate that the initial works to create or enhance the habitat had been completed by a given date.
- Habitat creation or enhancement for BNG will need to be done **after 30 January 2020.**
- When units are sold to a developer, they will need to be secured by legal agreement and registered.

Biodiversity gain site register

- **Publicly available register** of off-site gains.
- **Clear criteria** for registration to ensure sites are providing legitimate gains for biodiversity.
- For **sites that already have plans for habitat creation and/or enhancement and a link to a development.**
- **NOT** a platform for landowners to advertise potential BNG off-site areas.
- **Registration is required for inclusion of off-site gains in a development's biodiversity gain plan.**
- Online application.
- Register operator will assess whether the application meets criteria
 - the site will need to be **subject to a conservation covenant or a planning obligation** that will require habitat enhancement.
 - **Habitat management and monitoring plans** will be required. It is not intended that the operator checks the content of these – this would be managed via the planning obligation or conversation covenant.
- **On-site units will not need to be registered**, but Defra are looking at how on-site information can be included or linked to.

Statutory biodiversity credits

Credits sold from the UK Government to the developer:

- To **avoid delays in the planning system** if developers are unable to deliver net gain on-site or off-site locally/through the wider market.
- **In case the market cannot meet demand** for biodiversity units from day one.
- **Last resort:** developers must demonstrate that they are unable to achieve net gain on-site or off-site either locally or further afield.
- Preference is for developers to purchase credits prior to final approval of the biodiversity gain plan.

Further guidance will be published to support decision-making by developers and planning authorities.

The consultation asks if there are alternatives to the proposed credit scheme.

Statutory biodiversity credits

- Government credit price review will determine how the price for **statutory** biodiversity credits will be set.
- Initial credit price will be published in advance of biodiversity net gain becoming mandatory.
- Credit sales will be facilitated by a digital sales platform.

- Revenue from credit sales will be invested in **strategic habitat creation and enhancement that delivers long-term environmental benefits.**
- Sites delivered through the credits scheme will need to **meet all the same BNG requirements** as on- and off-site gains, except that sites will **not need to link to a particular development.**

Local authority roles in off-site BNG

- Planning authority:
 - policy
 - development management decision-making
- Landowner:
 - providing off-site biodiversity gain sites
- Habitat banking:
 - Facilitator / lead / partner - setting up and running a local habitat bank

Discussion session 1: planning & off-site BNG

- In your role as a planning authority, where do you need more clarity on off-site delivery and related aspects, in regard to
 - Setting planning policy; and
 - Making planning decisions, including approving a biodiversity gain plan?
- The consultation outlines that more guidance will be provided to support decision-making, for example on whether a developer has adequately considered the on-site and local off-site options before looking further afield.
 - What should this guidance cover?
 - What other guidance or information would be helpful to make the proposals work?
 - When do you need guidance?
- Do you think there is a role for accreditation or standards for off-site delivery?

Discussion session 2: opportunities for local authorities

- Do you see a role for your local authority in providing offsite gain sites? If so, what further information do you need to do this?
 - When do you need further information or guidance?
- Do you see a role for your local authority in local habitat banking? If so, what further information do you need to do this?
 - The consultation sets out proposals to support habitat banking and asks if more is needed to enable and encourage this.
 - What do you think is needed to enable and encourage habitat banking?
 - And when do you need this?

Next steps

What do you think?

How did we do?

- More topic-focused events:
 - Evaluation, monitoring and enforcement
 - Process for TCPA development
 - Additionality
 - Biodiversity gain plan
- Ongoing support through PAS project

Don't forget to respond to the consultation! It closes 5 April.

For more information:

Look at our website:

<https://www.local.gov.uk/pas/topics/environment/biodiversity-net-gain>

Sign up to the PAS bulletin:

<https://www.local.gov.uk/pas/our-work/keep-touch>

Follow us on Twitter  : @pas_team

Email: pas@local.gov.uk