# **Biodiversity Net Gain**

# **Introduction**

Biodiversity Net Gain (BNG) is a way of creating and improving the state of nature and habitats through planning and development. BNG makes sure new developments have a measurably positive impact ('net gain') on biodiversity, compared to what was there before development.

In England, biodiversity net gain is becoming mandatory under a statutory framework introduced by Schedule 7A of the Town and Country Planning Act 1990 (as inserted by the Environment Act 2021). The government has confirmed that BNG will be mandatory for major development from 12<sup>th</sup> February 2024 and for small sites from 2<sup>nd</sup> April 2024. Some development types will be exempt, further information on exemptions is provided below.

#### **Requirement**

Unless exempt, developments in Chorley must deliver a biodiversity net gain of 10%, known as the Biodiversity Gain Objective.

This means a development will result in more or better quality habitat than there was before development.

Chorley Council is committed to improving our natural environment through conservation, enhancement and creation of habitats (natural, semi-natural and recreated), and improving our biodiversity through this mechanism. The forthcoming Central Lancashire Local Plan will contain a policy on Biodiversity Net Gain.

In the meantime, the Council has prepared this statement to inform developers about BNG requirements in Chorley, which are in line with the national minimum requirement to provide 10% BNG and reflect local needs. Its purpose is to provide a short overview of the process and signpost to information available to support the submission of planning applications. This statement should not be read in isolation, and local plan policies relating to nature, trees and green infrastructure need to also be considered.

#### Which developments need to demonstrate BNG?

The following developments are subject to mandatory BNG:

- major developments from 12<sup>th</sup> February 2024
- small sites from 2<sup>nd</sup> April 2024
- Nationally Significant Infrastructure Projects (NSIPS) from late November 2025

Some developments are exempt from BNG regulations. A list of exempt developments can be found here - <u>Biodiversity net gain: exempt developments - GOV.UK (www.gov.uk)</u>

#### How is BNG Measured?

For the purposes of BNG, biodiversity is measured in standardised Biodiversity Units (BUs) using the <u>statutory biodiversity metric tool</u>. Each development site will comprise a number of habitat parcels, including Area habitats, Hedgerow (linear) habitats and Watercourse habitats. Each habitat parcel within a site will hold a value of Biodiversity Units, calculated using the BNG Statutory Biodiversity Metric Tool, this value is dependent on attributes such as:

• Habitat type

- Size
- Condition
- Distinctiveness
- Location

The value of attributes is either intrinsic (pre-determined) or inputted into the metric and informed by ecological survey using standardised methodology.

There is a requirement for developers to demonstrate that an uplift of 10% BNG will be achieved as a result of the development. The uplift should be achieved onsite, off-site or through the purchase of <u>statutory biodiversity credits</u>, following the BNG Hierarchy. The 10% Biodiversity Gain Objective can be met through a combination of onsite biodiversity gains, registered off-site biodiversity gains (creation or purchase of BUs off-site) and the purchase of statutory biodiversity credits. To achieve the 10% Biodiversity Gain Objective, developments are to follow the Biodiversity Gain Hierarchy, which emphasises that onsite biodiversity gains, and – as a last resort – purchase of statutory biodiversity credits. These mechanisms can be used alone or in combination.

# What information needs to be submitted to the Council?

Planning applications for BNG liable developments will be required to submit a range of information at the application stage. The Council's <u>Validation Checklist</u> sets out what information is required, and refers to the National List and Planning Practice Guidance which has been updated to include the statutory minimum information requirements for BNG.

#### In Summary:

Where development would be subject to the general biodiversity gain condition, the application must be accompanied by <u>minimum information</u> set out in Article 7 of The Town and Country Planning (Development Management Procedure) (England) Order 2015:

- confirmation that the applicant believes that planning permission, if granted, the development would be subject to the biodiversity gain condition;
- the pre-development biodiversity value(s), either on the date of application or earlier proposed date (as appropriate);
- where the applicant proposes to use an earlier date, this proposed earlier date and the reasons for proposing that date;
- the completed metric calculation tool showing the calculations of the predevelopment biodiversity value of the onsite habitat on the date of application (or earlier date) including publication date of the metric used to calculate that value;
- a statement whether activities have been carried out prior to the date of application (or earlier proposed date), that result in the loss of onsite biodiversity value ('degradation'), and where they have:
  - A statement to the effect that these activities have been carried out;
  - The date immediately before these activities have been carried out;
  - The pre-development biodiversity value of the onsite habitat on this date;
  - The completed metric calculation tool showing the calculations; and
  - Any available supporting evidence of this.
  - a description of any <u>irreplaceable habitat</u> (as set out in column 1 of the Schedule to the Biodiversity Gain Requirements (Irreplaceable Habitat) Regulations 2024) on the land to which the application relates, that exists on the date of application, (or an earlier date); and

• plan(s), drawn to an identified scale which must show the direction of North, showing onsite habitat existing on the date of application (or earlier proposed date), including any irreplaceable habitat (if applicable).

If this information has not been provided, the local planning authority must refuse to validate the application. Within the planning application form applicants will be asked to confirm whether this information accompanies the application. Where these details have been provided elsewhere in accompanying documents, applicants are encouraged to cross-reference to these rather than duplicate this information within the application form.

All BNG liable developments will be required, by standard condition, to submit a Biodiversity Gain Plan no earlier than one day after planning permission has been granted. The Council must approve the Biodiversity Gain Plan (discharging the pre-commencement condition) before works can begin.

#### **Biodiversity Gain Hierarchy**

The Biodiversity Gain Hierarchy for the purpose of the statutory framework for BNG is set out in Articles 37A and 37D of the Town and Country Planning (Development Management Procedure) (England) Order 2015. This hierarchy is distinct from the mitigation hierarchy set out in the NPPF.

As set out in the Government's guidance on BNG, developers must follow the Biodiversity Gain Hierarchy and prioritise avoiding loss or degradation to existing biodiversity and habitats on a development site. Where loss cannot be avoided, developers should seek to minimise the loss, and provide any compensation through enhancing retained habitat and creating new habitat to achieve the Biodiversity Gain Objective.

At this point, the additional measures required to provide a minimum of 10% gains (not just compensate for losses) can be considered. Ideally, habitats should be created or enhanced on the same site as the development (on-site). Where BNG is not wholly or partly achievable on-site then the delivery of BNG off the development site (off-site) must be considered. Off-site land may be sourced from other land in the developer's ownership, on publicly owned land (Council ownership), land in private ownership (in agreement with the landowner) or from land brokers/habitat banks.

All off-site BNG should be provided 'local' to the source-development site. To ensure that the benefits of development are retained in the areas affected by development, developers should prioritise off-site gains to be delivered within the Chorley area, not outside of it. The Council may provide their own opportunities for off-site habitat creation or enhancement through the sale of biodiversity units, on council owned habitat land, to developers.

#### Approach to securing biodiversity net gain off-site

Off-site BNG can be delivered by securing a bespoke site(s) for net gain, or from purchasing Biodiversity Units from a site on the BNG habitat market made available by other landowners. All off-site habitats must be registered on the National Register, managed by Natural England, which are then allocated to a specific development(s). As per national requirements, biodiversity net gain must be subject to long term management and monitoring, for a minimum of 30 years. BNG delivery, management, maintenance and monitoring requirements must be secured through planning conditions, and/or legal agreements, through Section 106 Agreements or Conservation Covenants. Each acquired off-site Biodiversity Unit must be allocated to the development on the National Register before the General Biodiversity Gain Condition can be discharged. The Council will also use a local register to record on-site BNG and off-site BNG, for the purposes of its environmental monitoring requirements.

If a developer cannot achieve 10% net gain on-site or off-site, they must buy statutory biodiversity credits from the government. The use of statutory credits is intended to be a last resort option for developers and the credit prices have intentionally been set at a high rate, which is not market competitive, to dissuade their use and encourage BNG to be delivered local to the source development. The Council would only expect statutory credits to be used in exceedingly rare and exceptional circumstances, with strong evidence provided to justify their use. Indicative statutory biodiversity credit prices are set out at <u>Statutory biodiversity</u> credit prices - GOV.UK (www.gov.uk). These prices are indicative to help developers plan ahead. It should be noted that statutory biodiversity credits are subject to a 'spatial risk multiplier,' which means developers must purchase 2 statutory credits for every 1 biodiversity unit that requires compensation. Fractions of credits are available to purchase.

# S106 agreements for biodiversity net gain

A S106 agreement can be agreed between the Council and developer to mitigate impacts of development, including obligations relating to the delivery of significant<sup>1</sup> on-site biodiversity enhancements, registered off-site biodiversity gains and the use of statutory credits. The S106 may cover the following:

- Management and monitoring arrangements
- Dealing with excess net gains to be used for other developments
- Off-site gains
- Circumstances where credits can be used as a last resort

Where the Council provide Biodiversity Units for sale, BU costs will be calculated based on the total value of habitat to be created and/or enhanced, and the cost of creating/enhancing, maintaining and monitoring that habitat for the 30-year period (statutory minimum), and other associated costs such as legal and admin fees. These costs will be calculated on a site–by-site and habitat-by-habitat basis.

# **Biodiversity Gain Plan**

All planning applications that qualify for mandatory BNG will be subject to the General Biodiversity Gain Condition (GBGC) which is to be discharged prior to commencement. The GBGC has its own separate statutory basis as a planning condition under paragraph 13 of Schedule 7A of the Town and Country Planning Act 1990. A Biodiversity Gain Plan must be submitted and approved by the local planning authority in order to discharge the GBGC; the Biodiversity Gain Plan is to be submitted no sooner than 1 day after the granting of permission.

The Biodiversity Gain Plan sets out how the Biodiversity Gain Objective of at least a 10% gain will be met for the development granted planning permission. It must contain a number of matters to enable the planning authority to determine whether the biodiversity gain objective has been met.

A developer may want to submit a draft biodiversity gain plan alongside the planning application for information and discuss this plan with the local planning authority prior to determination of the application, although this is not a minimum information requirement, it is

<sup>&</sup>lt;sup>1</sup> It is to the LPA's discretion to determine the 'significance' of on-site habitats that are to be secured by legal agreement. Non-significant habitats, in terms of Biodiversity Net Gain, may also be required to be legally secured if considered to be of ecological value.

encouraged. There is a standard <u>Biodiversity Gain Plan template</u> available to complete which brings together many of these matters into one document.

Developers should consider BNG in the early stages of planning and site design, to ensure that the pre-commencement condition of the Biodiversity Gain Plan is achievable and likely to be discharged. Seeking pre-application advice regarding mandatory BNG is encouraged.

#### **Useful Links**

Planning Practice Guidance on BNG - Planning practice guidance - GOV.UK (www.gov.uk)

Step-by-step guide setting out BNG requirements for developers - <u>Meet biodiversity net gain</u> requirements: steps for developers - GOV.UK (www.gov.uk)

Step-by-step guide for land managers - Land manager step-by-step guidance

The Biodiversity Net Gain Statutory Instruments explained

Biodiversity Net Gain guidance - What you need to know

BNG guidance collection page

The Biodiversity Gain Site Register Regulations 2024

The Biodiversity Gain Requirements (Exemptions) Regulations 2024

The Biodiversity Gain Requirements (Irreplaceable Habitat) Regulations 2024

The Biodiversity Gain (Town and Country Planning) (Modifications and Amendments) (England) Regulations 2024

Statutory biodiversity metric tools and guides

Creating a Habitat Management and Monitoring Plan for Biodiversity Net Gain

Natural England's habitat management and monitoring plan templates - Guest Natural England Blog (Mike Burke, Head of Sustainable Development)

Conservation covenants: list of designated responsible bodies - GOV.UK (www.gov.uk)

Statutory biodiversity credit prices - GOV.UK (www.gov.uk)