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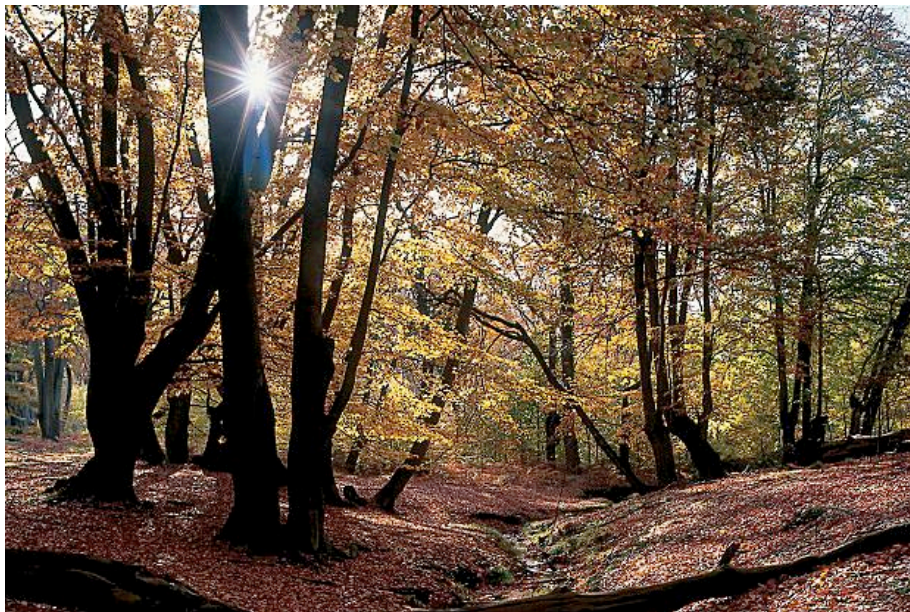
Housing developers to pay ‘conservation tax’

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Which is the more important: a barn owl or a butterfly? It seems nonsensical to ask, yet housebuilders are being told to solve the sort of equation that any naturalist would reject.

Developers could be made to pay for new conservation areas under government plans to attach a financial value to the wildlife found on every piece of land converted for housing, industry or roads.



Income from the scheme would be given to wildlife trusts and conservation groups, Woodfall Wild Images

The system of “conservation credits” would generate tens of millions of pounds each year to finance the creation of new wetlands, woodlands and habitats for endangered species.

In an interview with *The Times*, Richard Benyon, the Environment Minister, said that the credit system would result in overall gains for wildlife, with landowners and developers required to create more “natural capital” than they destroyed.

A landowner seeking planning permission for a housing estate would have to obtain an independent assessment of the damage to nature and then purchase the appropriate number of credits before the development began.

The money would be given to wildlife trusts and conservation groups that have identified areas suitable for restoration. The system, which will be presented in a Natural Environment

White Paper in the spring, will allow one type of habitat to be replaced with another as long as it is worth the same number of credits.

Environmental groups support the idea in principle, but are concerned that it could unleash a wave of development in sensitive areas of countryside. They also fear that the scheme would result in protracted disputes over the value of different types of land and different species.



Environmental groups are concerned that the plans could unleash a wave of development, Tom Pilston for The Times

Paul Morling, head of economics at the RSPB, said: “How do you trade an orchid off against a skylark? It will be very complicated and all the NGOs [non-governmental organisations] will not be in agreement.



The RSPB said: "How do you trade an orchid off against a skylark?", Richard Packwood/Photolibary/Getty Images

“This could go a long way to meeting the gap in conservation funding, but it must not become a licence to trash.”

Mr Benyon said: “It has to be transparent. Some will think it’s a licence for developers to develop where they would not otherwise be allowed to do so, but it’s not. It’s a complete added bonus for natural capital. It can’t just be that you build a supermarket and you just replace the grassland one-for-one in a neighbouring field. There has to be a net gain for biodiversity.”

He said that existing funding mechanisms for conservation had failed to stem the loss of biodiversity in Britain. The minister admitted that the scheme would add to the cost of building new homes.

“You don’t unlock new money without it having an impact on development but if it’s done in the right way it need not be an inhibitor,” he said. “We don’t want to spook people away from doing things like affordable housing or major infrastructure projects.”

Mr Benyon said that the credits would have to be calculated and allocated by an independent body. He added that the number of credits per acre would depend on the rarity of the wildlife that the area contained. He said that any newly protected area would have to be in the same region as the development.

“If you are building a new power station on the East Coast, you can’t offset that by creating somewhere in the Welsh Marches.”

The Country Land and Business Association, whose members control or manage more than half the rural land in England and Wales, said that developers already compensated communities through planning obligations to provide amenities.