

THE ENVIRONMENT BANK LTD

The Environment Bank company has been established to facilitate the delivery of mitigation and compensation schemes associated with planned development. National strategy and policy now requires the planning system not only to mitigate the effects of development on the natural environment, but also to deliver nature conservation enhancements. The EU Birds and Habitats Directives, implemented in the UK through the Habitats Regulations, provide the legal framework for delivery of such schemes whilst at sub-national level Regional Spatial Strategies, Development Plans and Local Development Frameworks provide the policies to ensure development avoids or mitigates environmental impacts. Piecemeal, specific on-site mitigation measures, especially those that relate to ecological resources and nature conservation, are not currently providing sufficient protection of biodiversity. Nor is such mitigation effectively monitored or enforced. The Environment Bank therefore provides the mechanism by which effective biodiversity conservation can be delivered by taking a strategic approach, at various spatial scales, enabling landscapes of substantial worth to be created, managed and maintained within a long-term framework.

The Environment Bank facilitates, for example, government's vision for England as stated in the England Biodiversity Strategy for it to be 'a country – its landscapes and water bodies, coasts and seas, towns and cities – where wild species and habitats are part of healthy functioning ecosystems; where we nurture, treasure and enhance our biodiversity, and where biodiversity is a natural consideration of policies and decisions and in society as a whole'. It engages with the government's agenda of providing places to encourage health and well being of local communities.

The Environment Bank incorporates and promotes the concept of 'Habitat Banking', also known as Mitigation Banking, a concept developed in the US as a means of achieving no net loss of habitats and species. It brokers arrangements between the development community and landowners/land managers, and has sustainable development as its core objective, enshrined in the concept of 'one planet living'.

The Environment Bank provides the mechanism whereby the recommendations of the Barker Review for the use of Planning Gain Supplement (PGS), on the granting of planning permission, can be implemented to provide a network of sites of nature conservation interest including large nature conservation gains outside development sites. PGS helps to develop the environmental sustainability of the Barker agenda. Natural England has recommended that PGS be taken forward as a delivery mechanism for nature conservation enhancements. Consistent with this is government's advice (Circular 5/05) on local development frameworks which are required to 'identify any areas or sites for the restoration or creation of new priority habitats which contribute to regional targets....' The Environment Bank provides the mechanism whereby pooled contributions held from a range of developments, for example using PGS, can be deployed to provide landscape-scale, large cross-boundary initiatives.

The specific **objects** of the Environment Bank are :

- To further the conservation of nature and natural resources in association with planned development through site purchase and habitat creation, site restoration, enhancement and management, and development and achievement of UK and Local Biodiversity Action Plans;
- To bring together funds from sites or strategic plans and to identify suitable places and managers to establish nature conservation and landscape gains;
- To provide management plan and monitoring frameworks at different spatial scales to ensure that what is created and/or managed successfully achieves its conservation targets, and is sustainable and long-term;
- To champion, in association with identified stakeholders, an improved approach to land-use planning, reconciling conflicts between development and nature conservation;
- To provide areas for peaceful recreation, consistent with the Government's initiatives for healthy living.

The Environment Bank is a facility that can be used by the development community to mitigate and compensate for effects associated with, for example, the following types of projects or plans :

- Infrastructure (eg highways, pipelines)
- Housing
- Port developments – seaports, airports
- Climate proofing and achieving carbon neutrality
- Retail developments
- Distribution centres
- Water resources and reservoirs
- Waste management facilities
- Power – renewables, new plant, infrastructure
- Sport and leisure
- Oil and gas
- Minerals

The Environment Bank Ltd also promotes national government policy for adaptation to **climate change** by :

- Providing mitigation corridors to enable species and habitat adaptation to climate change
- Establishment of **Ecological Networks** to facilitate habitat connectivity and permeability, conserving species range and ecological variability, conserving and enhancing patch variability
- Restoring extensive areas of semi-natural habitat
- Delivering broader landscape conservation enhancements
- Advising and achieving cross-cutting themes concerning government activities and land ownership
- The provision of a facility for mitigation trading similar to the established carbon trading business

How will it work ? Through consultation with statutory nature conservation advisers, planning authorities and other stakeholders, identified impacts and effects of development plans, or plans and projects associated with strategic development plans or regional spatial strategies, require appropriate mitigation or, in some cases, compensation. The developer purchases credits from the Environment Bank which are used to fund the creation and/or management of an ecological resource. The delivery of the resource is made at either the local or wider environment level. Situations also arise where credits from a range of development schemes are pooled and large sites created, providing substantial added value through landscapes that people can visit and enjoy, thereby improving their health and well being.

Examples of projects which the Environment Bank can provide include :

- Created wetlands adjacent to or networked to existing nature conservation areas such as Special Protection Areas, Special Areas of Conservation, Sites of Special Scientific Interest;
- Funding for the management of existing sites of nature conservation interest to bring them into favourable condition;
- Development and achievement of UK and Local Biodiversity Action Plans
- Sites for the establishment of metapopulations of reptiles and amphibians;
- Creation and management of broadleaved woodlands;
- Creation and management of wet grasslands for the benefit of plants and waterfowl;
- Creation of saltmarsh associated with adapting to climate change impacts on coastal processes;
- Creation and management of upland reserves for the benefit of key botanical and breeding bird communities and to function as carbon sinks.

In each case, local communities are engaged to take 'ownership' of projects, forming liaison and working groups or area-based consultation groups, to oversee project

implementation and ongoing management with our advice and guidance. Credits from the Environment Bank are used to purchase land, to enter into agreements with landowners, and to provide core funds for capital and ongoing management of sites. Landowners benefit by using schemes as a means of diversification. Large schemes are expected to create their own income streams over time through, for example, the attraction of visitors, making landscapes more accessible to a wider range of people.

To discuss individual projects and for help in negotiating and providing mitigation solutions, contact :

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