

Guidance for Local Planning Authorities

Information sheet 2

This information sheet is intended to assist local planning authorities interested in implementing a system of biodiversity accounting - where the impacts (and any mitigation/gains) of development are measured in a transparent and consistent way. Compensation is arranged (via a purchase of conservation credits), where appropriate, so that sustainable development and no net loss can be delivered.

For an introduction to the principles of this system, please see Information Sheet 1: Biodiversity accounting – An introduction.

Why apply biodiversity accounting to development?

To ensure high-nature-value habitat that is not statutorily protected is accounted, and compensated for, if lost.



The need for this already exists within the planning process, but current compensation activities are often inconsistent and complex. A simpler, streamlined process where a standard metric is used to quantify impacts (losses) and gains provides benefit to all participants. Planning authorities and developers across England have been telling us they want a system that removes the need for lengthy negotiations around what level of damage (if any) to the environment (and any subsequent compensation) is 'acceptable' – this system, where a metric is applied consistently, does that.

To address no-net-loss in biodiversity and achieve environmentally sustainable development associated with incremental impacts to the wider countryside.

Under the accounting metric all land has, from the outset, an ecological value and therefore the impacts on the biodiversity value of that land (through loss to development or agricultural practice), which may have never been previously assessed and compensated for, can now be measured, quantified and properly compensated for. This system offers planning authorities and developers the chance to account for all of the impacts on local habitats, in order to deliver and demonstrate more environmentally 'sustainable development' consistent with the National Planning Policy Framework.

How to introduce biodiversity accounting into your planning system:

1. If your authority's Local Development Framework/Local Plan is undergoing revision, biodiversity accounting can be referred to within revised environmental policy wording and be introduced as supplementary planning guidance. We can provide you with example wording. Similarly, pre-application guidance and validation checklists could also incorporate similar wording to make it clear to applicants that a biodiversity accounting system (a metric) will be applied to all development and off-site compensation will be required if residual impacts are calculated. For a full guide to implementing this mechanism in your planning system, please download our free planning toolkit 'Assessing impacts – biodiversity' (www.environmentbank.com/library.php)
2. At any stage, ie during consideration of land allocations, pre-planning application stage, during preparation of the EIA and Environmental Statement, Environment Bank can assess a development's impact, calculate any required compensation in conservation credits and provide a developer and planning authority with a brief report. This can normally be achieved quickly using the information in an existing EIA. If an EIA is not available (i.e. because the development is exempt, it is poor condition arable land or has been assessed at the screening stage when an EIA is not required), calculations can still usually be done based on the habitat area to be lost. The accounting metric is a useful tool to help you 'check' whether proposed onsite mitigation is sufficient to ensure no net loss and to demonstrate that a development is 'sustainable' - a table of calculations can be provided for transparent decision making.
3. If a compensation requirement is calculated a conservation credit purchase to deliver the compensation can be delivered through the planning system via a planning condition or s106 obligations. Legal advice is clear that a credit purchase to deliver compensation can be imposed successfully via negative conditions i.e. with planning permission granted subject to conditions obliging certain requirements to be discharged before development can commence. Delivery via CIL is not appropriate. To discharge a condition or obligation, a developer provides a Conservation Credit Certificate as proof of purchase of the credits as part of the post planning permission documents to be submitted for approval before they can proceed with the development. *Precise condition and s106 obligation wording has been formulated by Environment Bank's legal team (including scrutiny by planning Counsel) and tested by other planning authorities. This is found within the planning toolkit mentioned above, available on our website..*

How can Environment Bank help?

Environment Bank provides independent biodiversity accounting calculations for development and matches suitable receptor sites to compensation requirements. Local authorities also play a role in pre-approving the receptor site (or sites) which have been identified to meet the calculated requirement. We offer support and advice to planning authorities and professional services to developers, including:

- Calculate the impacts of development using the biodiversity accounting metric.
- Calculate any compensation requirements, in conservation credits.
- Produce accounting and site search reports to accompany planning applications.

- Maintain a ready supply of potential compensation receptor sites on the Environment Bank Registry.
- Actively search for suitable receptor sites if matching sites are not found on the Registry.
- Calculate the conservation credits available for sale at matching receptor sites.
- Draw up legal and fiscal assurance documents to secure compensation – including a Conservation Bank Agreement and Conservation Credit Purchase Agreement.
- Oversee the production of a detailed management plan and associated management costings for the receptor site.
- Provide planning condition or obligation wording to local authorities – amongst other wording and guidance, found in our toolkit (see below).
- Set up and manage the dedicated landowner account that will deliver payments for receptor site management in the long-term.
- Monitor and enforce delivery of the receptor site management to ensure delivery of the compensation.
- ❖ We also offer 'scoping' reports in which we provide detailed analyses of the potential demand and supply for conservation credits in an area (for a county, for example), using a predictive biodiversity accounting model.



The toolkit

We've collated our experience and good practice into a toolkit 'Assessing impacts – biodiversity' for planners and local authority ecologists, including: what example wording looks like for local plans, planning conditions and s106 obligations, how the metric works, and how to communicate impact calculations to developers. This is now available for download (go to www.environmentbank.com/library.php) by any local authority who is interested.

Habitat banks

Implementing a system of biodiversity accounting where any compensation required for a development's impacts is arranged via 'habitat banks' is a streamlined, cost-effective solution. Such bank sites are already being set up across the country, so that conservation credits can be quickly and easily sold from large wildlife schemes. Habitat banks give planners and developers access to a simple compensation solution, regardless of the size of the development, so that *all* development can be sustainable. To find out more, please see information sheet 11 – Habitat banks.

Contact us

To discuss your requirements or find out more, please see our website www.environmentbank.com contact us on 07710 192295 (Louise Martland) or at admin@environmentbank.com.