

# Biodiversity Accounting and Offsetting Guidance for Developers

## Information sheet 4

This information sheet is aimed at developers, developer's agents, and consultants who are interested in applying a system of biodiversity accounting to development and utilising biodiversity offsetting to secure efficiently no net loss to biodiversity. Biodiversity accounting is a mechanism that measures the losses and gains of biodiversity both on-site at the development and off-site should compensation be required, enabling sustainable development to go ahead. For an introduction to the principles of biodiversity accounting, please see Information Sheet 1.

### How can biodiversity accounting and offsetting benefit you?

- Provides greater clarity for developers navigating the planning system. The national metric reduces confusion around the magnitude of impacts, what level of mitigation is required and whether compensation (and how much) is needed – with such losses and gains quantified, local authorities and developers are 'speaking the same language'.
  - This also reduces the risk associated with legal challenge from objectors and third parties.
- Saves time and money by providing a simple, quantified and secure process, more streamlined than the current system. At present, developers can accrue various costs associated with planning authority negotiations and the delivery of any off-site compensation, including;
  - numerous meetings to determine the magnitude of impacts and 'how much' mitigation and compensation is needed;
  - delays in identifying potential compensation receptor site owners and agreeing terms;
  - costs associated with land purchase;
  - unwanted long-term management obligations.

Compensation (if needed) is delivered through biodiversity offsetting and is arranged via the purchase of conservation credits, providing the following benefits:

- A straight-forward mechanism to meeting planning policy and development obligations.



- Provides predictable costs and outcomes that aid project planning.
- Liability for compensation delivery is discharged in-one-go, once permission is received.
- No long-term management costs and liabilities.
- In the right circumstances increased net developable area can be achieved because significant habitat creation can be done off-site.

## The role of Environment Bank

Environment Bank is a broker of offsetting schemes and conservation credits and are experts in biodiversity accounting - we do not own or manage land. Our role is to apply the accounting metric to development, register (and search for) potential compensation receptor sites and then match them to the needs of developers and local planning authorities - the right type of site, of the right size, in the right place, at the right time, for the right cost. Working with the compensation site landowner in the long-term to ensure scheme success. The services we offer include the following:

- Calculation of the biodiversity units impacted by the development (the losses) and the credits (or gains) earned through proposed on-site mitigation.
- Calculation of the residual impact remaining that requires off-site compensation (if permitted).
- Search the Environment Bank Registry for matching compensation sites or actively seek landowners who could fulfill the requirement – a search report can be provided that outlines the sites and credits available, and the estimate costs of those credits.
- Drawing up of the legal and fiscal assurance documents – the Conservation Bank Agreement (the contract between Environment Bank and the chosen compensation site provider) and Credit Purchase Agreement (the contract of sale between Environment Bank and developer).
- Overseeing the production of the compensation site management plan.
- Liaison with the Local Planning Authority on appropriate planning condition or s106 obligation wording and associated approval of the final compensation scheme.
- Long-term administration of the compensation scheme, including set up and managing the dedicated landowner account.
- Enforcement of delivery of the compensation scheme, including risk management associated with the creation/restoration of natural habitats.
- Coordination (or conducting) of monitoring of the compensation site to ensure delivery as per the contract (CBA).

## Find out more;

- about CR investment in conservation credits – see Information sheet 7
- the Registry – see Information sheet 5.

All downloadable from our online library [www.environmentbank.com/library.php](http://www.environmentbank.com/library.php)

## Contact us

To discuss biodiversity accounting for your development or compensation sites, please contact us on 07710 192295 (Louise Martland) or at [admin@environmentbank.com](mailto:admin@environmentbank.com), or see our website [www.environmentbank.com](http://www.environmentbank.com) for more information.