

Biodiversity Net Gain (BNG)

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What is Biodiversity Net Gain (BNG)?

Biodiversity Net Gain (BNG) is an approach to development, and/or land management, that aims to leave the natural environment in a measurably better state than it was beforehand.

- **BNG will be calculated using a new metric developed by Defra that attributes biodiversity unit values depending on the habitat types present and their condition, assessed following a standard methodology. The difference in units before and after intervention generates a percentage change figure.**
- **Developers must follow a mitigation hierarchy to avoid impacts first, and then deliver BNG on the developed site, if possible. If this is not possible, they can achieve BNG by purchasing biodiversity units delivered offsite, as compensation, by themselves or others. All habitats created or enhanced to generate biodiversity units will have to be secured for at least 30 years.**
- **Under the Environment Act 2021 all planning permissions (with a few exemptions) granted in England will have to deliver at least 10% BNG compared to the pre-development condition, with implementation anticipated to commence in November 2023.**
- **Some Local Planning Authorities, including Chelmsford City Council, are going further and requiring 20% BNG to be delivered.**

Reasons for piloting BNG on ECC land

- To be prepared prior to BNG commencing in November – These will be test sites for ECC and the LPAs to work out the practical BNG challenges prior to the go live date
- Early Adopters are likely to benefit from quicker sale of BNG units and higher BNG Unit prices - there will be a high demand for BNG sites in 2023 and it is likely a buoyant market will develop to provide these credits to those that need to deliver BNG sites
- BNG sites will be required across the 12 Essex LPAs and the 2 Unitary Authorities. The more remote a BNG site is from the development, the more costly it will be for the developer to deliver. This will almost certainly lead to BNG sites being developed in Local Planning Authority Areas. The ECC BNG sites will meet some of the demand in 2 of the 12 Essex LPAs
- The provision of sites suitable for local BNG is crucial to enabling development and will be crucial for supporting growth in Essex.
- Two ECC owned sites have been identified that have the potential to provide BNG.

The ECC BNG sites

A 7 hectare site adjacent to the Mersea Outdoor Pursuits Centre

- The site is in Colchester Borough
- Currently in arable production, with a coastal erosion issue
- The plan is to create grassland and scrub habitats to benefit farmland birds such as Turtle Dove, Corn Bunting and Yellow Wagtail in particular
- Management of the grassland will be by grazing with cattle
- Scrub will require cyclical coppicing once established
- Lower field to provide a natural transition to intertidal habitats
- The plan accommodates the existing public right of way



The ECC BNG sites

A 9 hectare area of the restored landfill site called Martin's Farm, near St Osyth.

- The site is within Tendring District
- It is a restored landfill site with a mixture of grassland and scrub habitats and is well-used by the community
- The plan is to improve the “condition” of some of the grassland and some of the scrub by introducing structural diversity
- This involves:
 - changing the cutting regime of some of the grassland
 - coppicing rides, glades and edges into scrub blocks
- It will be important to accommodate the existing public use of the site



BNG Financials for the ECC sites

The 2 projects would deliver the following over 30 years in addition to improving the biodiversity of the sites:

Summary

- Sales of credits to developers (or ECC) are expected to be **£2.5m** in total and be completed by year 5 at the latest
- For an initial ECC investment of **£242,000**, there is a **£1.02m** surplus over 30 years
- Investment is made in years 1 and 2, both projects are cumulatively cash positive & financially self-sustaining from year 3 onwards
- ECC have 30 year liability for the sites, which will cost an estimated **£1.5m** at an assumed 2.5% inflation rate over 30 yrs

Non-Financial Benefits

These BNG Pilots on ECC land will have substantial non financial benefits, namely they will:

- Act as pathfinders for all BNG land providers in Essex exemplifying that this new tool can deliver Biodiversity effectively and in a financially sustainable way
- Enhance local Biodiversity
- At Mersea - reduce flooding by absorbing surface water, improve water quality by reducing run off and allow water to be filtrated through the soil & replenish the below ground water table
- Enable local areas overall resilience to the effects of climate change
- Give access to local communities to walk and use the sites improving their health and wellbeing
- At the end of the 30year agreement, the sites will be free to enter a Defra agri-environment scheme or equivalent

BNG Long term benefits for Essex

BNG will have substantial benefits for Essex, Southend and Thurrock:

- Based on an estimated 108,000 new dwellings in Essex up to 2036
- This would require an estimated 6442 BNG Credits for Essex only
- Valued at £168 million in Essex, plus the 2 Unitary Authorities BNG value = £200 million
- However this is based on a number of broad brush conservative assumptions so the £200 million could well be an under estimate
- Six units would be a rough average delivered offsite; bearing in mind that arable land has a baseline of 2 units per hectare, that means an average net gain value of 4 units per hectare. This would deliver 1916 hectares of nature sites
- 1916 hectares equates to 13.5 Hyde parks
- 1916 hectares is 3.5% of the additional natural Green Infrastructure we need to create to meet 30% target. So this is significant, as it is one of the many tools in the GI toolbox eg ELMS, Carbon, Water Co credits, EA Flood schemes, FC tree planting, private landowners rewilding

Questions

