

Appendix B:

Biodiversity Net Gain Overview.

Section 1: Existing Biodiversity Policy and implications of Environment Bill 2021 on PCC

The principles of Biodiversity Net Gain are built upon both a recognition of the need to preserve the benefits provided by the natural world, flood prevention, pollination, amenity, urban heat island effect reduction etc. and the existing foundation of protections within statutes and the National Planning Policy Framework.

Section 15 of the NPPF outlines the general principles that all developments should, where possible, maintain the natural environment, while providing stronger protections for habitats and species with higher value. Almost all of these policies are not quantifiable and leave much to interpretation regarding how to compare the value of the natural environment vs a new development. Section 15 is useful for establishing protections for rare habitats and species and egregious cases of natural destruction.

The Peterborough City Council Adopted Local Plan 2019 goes further by establishing protections specific to the Peterborough area and asking to deliver a net gain where possible.

The Environment Act 2021 has created a wide range of new protections for the natural environment and requirements for planning applicants to demonstrate this protection in addition to the policies discussed above. The implementation of the Environment Act 2021 results in establishing the Biodiversity Net Gain Objective, which creates a statutory duty on all planning applications to achieve a 10% increase in biodiversity from the baseline of the site. Certain applications will be exempt from the objective, such as Householder applications. The majority of minor and major applications will have a statutory duty to achieve the Biodiversity Net Gain Objective. A 10% Biodiversity Net Gain requirement can be either achieved onsite (within the red line boundary), through habitat creation and enhancement, or achieved offsite through payments to landowners that can demonstrate an uplift in Biodiversity units. Either way the habitat creation or enhancement will have to be maintained for the minimum of 30 years.

The implementation of the Environment Act 2021 will have wide reaching implications for the:

- Planning service – increase in burdens on application validation, application assessment and site monitoring. New duty to have “regard” for the Local Nature Recovery Strategy, to be published by the Cambridgeshire Combined Authority in Winter 2024.
- Applicants – additional costs of Biodiversity Net Gain implementation and new reporting requirements.
- Development design – pushes consideration for onsite wild areas much higher in the design agenda, potential for lower density housing as more space may be needed to devote to green infrastructure.
- Wider Peterborough City Council landscape – Agricultural land likely to be given over to offsite biodiversity unit production, resulting in large areas of species rich grassland, woodland and new water bodies.

Section 2: How does the Environment Bill 2021 Impact the Local Plan process

As a Local Planning Authority Peterborough City Council has limited opportunities to influence the implementation of Biodiversity Net Gain through policy to create a more locally appropriate method. Local policy is limited to influencing:

- which habitats will be considered “strategically significant”;
- where off site biodiversity net gain units are created;
- if any additional “net gain” over the mandatory 10% will be imposed; and
- How off site Biodiversity Net Gain units will be delivered i.e. level of public access, acceptable boarder habitat etc.

The Environment Bill 2021 imposes a requirement for all Local Authorities to produce a Local Nature Recovery Strategy, a document which aims to provide direction for biodiversity recovery efforts and create a country wide Nature Recovery Network of habitats. The responsibility to produce this document has been delegated to the Cambridgeshire Combined Authority who is now the responsible body, Peterborough City Council is closely involved within the creation process as a stakeholder and data provider. The Local Nature Recovery Strategy will be required to be "regarded" within planning consideration, recommend certain habitats to be “strategically significant”, provide a map of the county showing ideal locations for biodiversity creation and recommended methodology for that creation.

We are currently undertaking an exercise to collect evidence to assess the potential to create a policy of requesting greater than 10% biodiversity net gain. This evidence will either support a percentage larger than 10 or demonstrate that any amount over 10% will result in making too many additional developments unviable. Several other Local Planning Authorities have implemented policies that mean planning applications should be targeted at 15-25% net gain in biodiversity. The exercise will demonstrate the potential consequences on viability of targeted net gain at a variety of percentages.

Targeting higher percentages will result in either larger proportions of developments being dedicated to green infrastructure, or a greater number of offsite units being required, resulting in more land being used to create natural spaces.

Section 3: Delivery challenges & changes to development design

This is the first time that a principle like Biodiversity Net Gain has been implemented across the world. As such predicting difficulties and the scale of new burdens is difficult, we can however list the areas where there may be increased workloads:

- New documents at application submission will require assessment by validation staff and new methods for document assessment will need to be adopted.
- Planning Officers and Consultants will require new skills in ecological assessment.
- Every applicable planning application will require a condition discharge for the new mandatory Biodiversity Net Gain condition.
- Any offsite unit purchases will need to be legally secured using either a Section 106 agreement or a Conservation Covenant. If a Section 106 agreement is used, then Peterborough City Councils Legal Department will need to be involved.
- Ongoing monitoring of newly created habitats may create further workload demand over the next 30 years.

It is expected that offsite Biodiversity Net Gain Units will cost developers around £30,000-

45,000. One result of this cost may be that developers may skew towards altering designs to accommodate as many on site units as possible. Due to this I expect that development design may be significantly altered, a reduction in density, larger areas of edge green space, attempts to create natural habitats within urban areas may all become common. The Biodiversity Net Gain objective may fundamentally alter design priorities for developers.

An alternative is that the cost of offsite units is determined to not justify the loss of housing density by developers. In this case, assuming there are sufficient off site unit providers in the Peterborough City Council area, I expect the more agricultural land to be given over to wildflower meadows predominantly, but some woodland and new water bodies as well. Fundamentally changing the wider landscape.

There is scope for Peterborough City Council land to be used for delivery of offsite Biodiversity Net Gain Units. This may be able to provide valuable funding for the Biodiversity Areas around the city such as Gunthorpe Park or Cuckoos Hollow. However due to the scale of the sites this is unlikely to provide many units or be practical on the open market. These areas however could be more prudently used for mitigation for inhouse highways works.

Fundamentally it can be seen that the Statutory Biodiversity Net Gain Objective as drastically increased the importance of biodiversity creation and protection from a developer's perspective, while also providing a vehicle for private funding into nature recovery. Due to both of these reasons there is justification to be very hopeful for the future of Peterborough Cities wildlife.

Rowan Rumball
Senior Wildlife Officer
Peterborough City Council
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