



Department  
for Environment  
Food & Rural Affairs

# Embedding environmental net gain

CIEEM Spring Conference

March 2019



Forestry Commission  
England



Environment  
Agency

# The context: biodiversity net gain pre-25YEP

- Since the 2012 Defra offsetting pilots, industry has taken up the Defra biodiversity metric and used it to target net gains for wildlife on any given development
- Biodiversity net gain was already being achieved in many infrastructure, housing and commercial development schemes and is required by a growing number of local planning authorities:
  - Housebuilders with net gain commitments include Barratts, Berkley and Redrow
  - LPAs with strong net gain policies include Warwickshire (CC) and Lichfield
  - Infrastructure schemes are increasingly adopting net gain or no net loss approaches



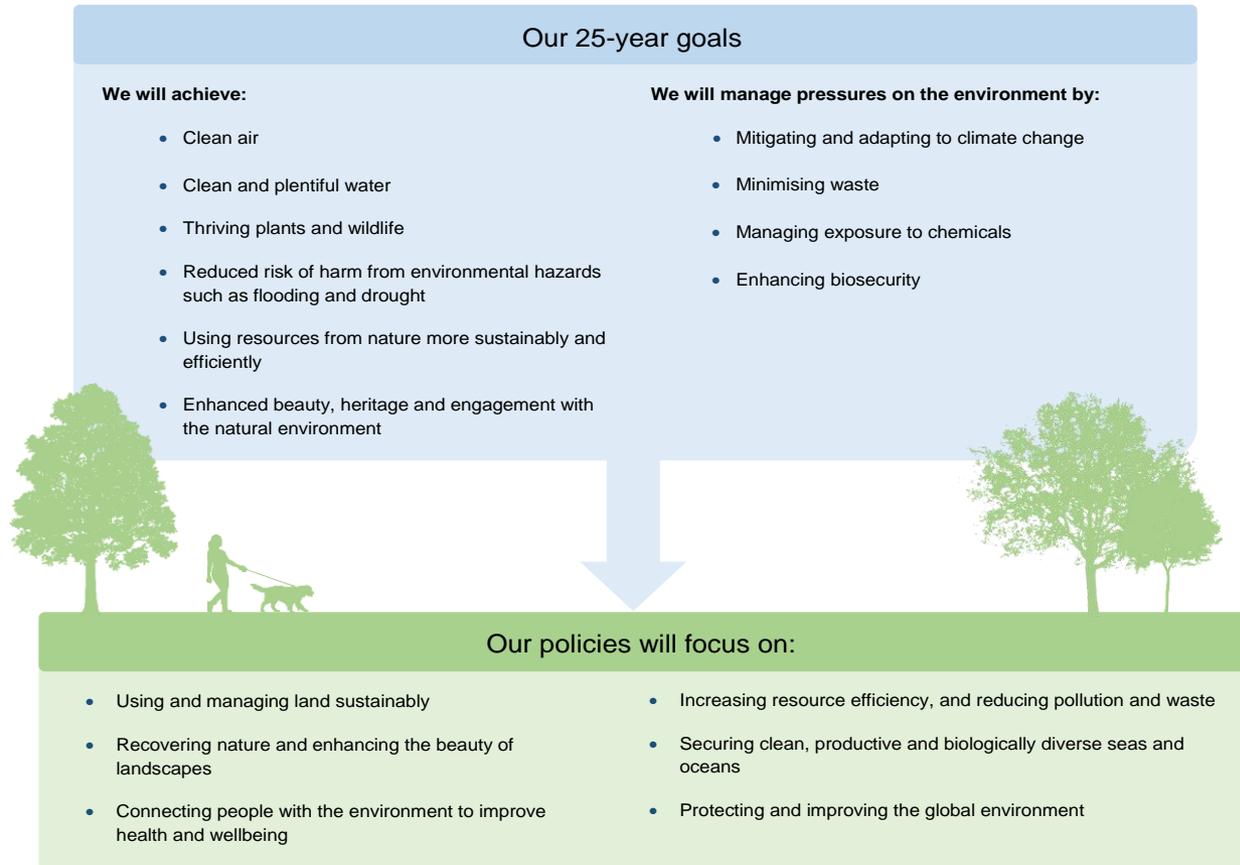
# The 25 Year Environment Plan

It is this Government's ambition to leave our environment in a better state than we found it.

The 25 YEP aims to deliver cleaner air and water in our cities and rural landscapes, protect threatened species and provide richer wildlife habitats. It calls for an approach to agriculture, forestry, land use and fishing that puts the environment first.

This requires everyone to make better decisions.

- Manage the environment based on **natural capital** to do so.
- Manifest through the **ten goals**.

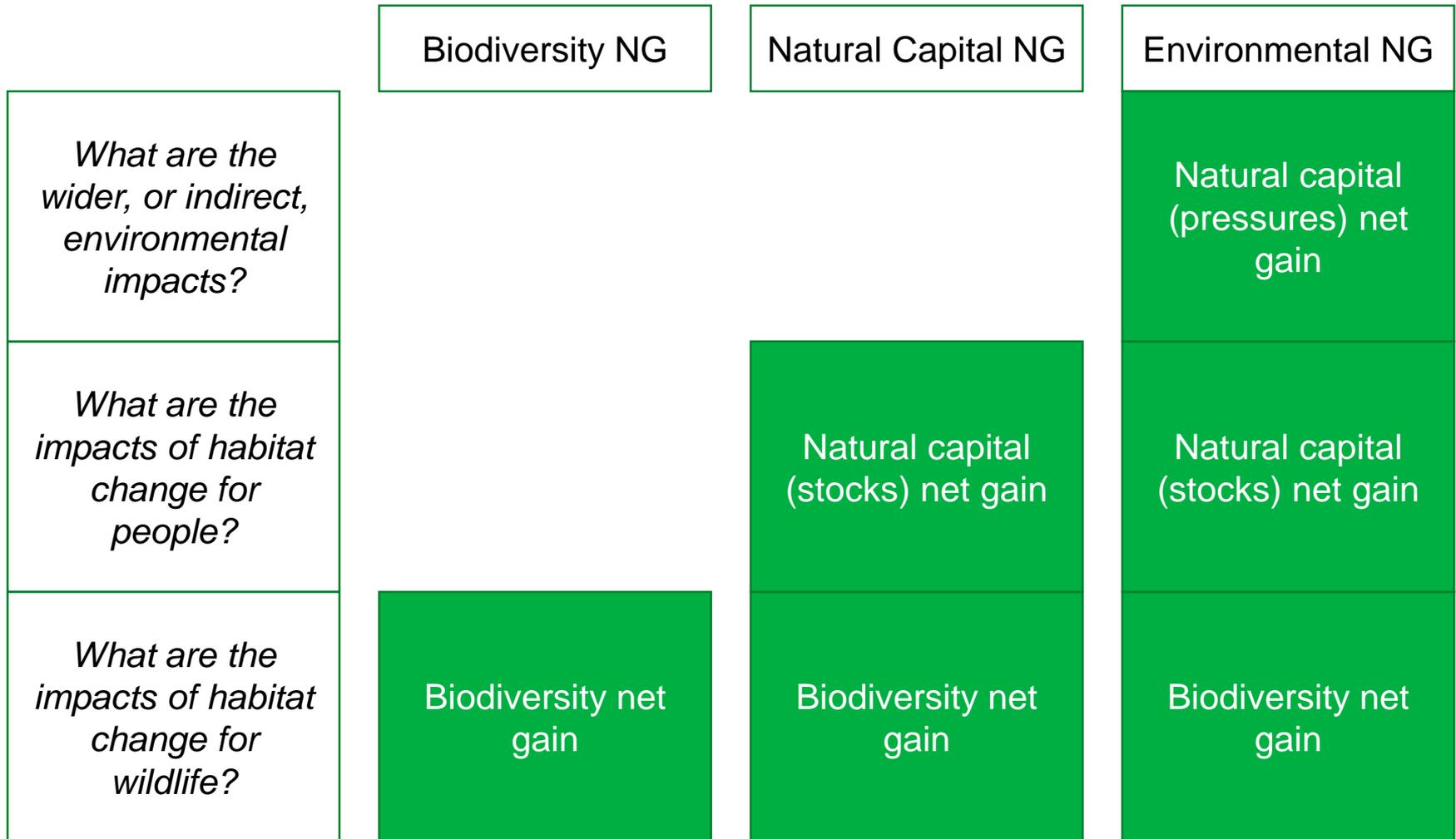


# The trajectory set by the 25YEP



- We said we will:
  - “Embed an ‘environmental net gain’ principle for development, including housing and infrastructure”
- And actions included:
  - “Making sure that existing requirements for net gain for biodiversity in **national planning policy** are strengthened, including **consulting on whether they should be mandated alongside any exemptions that may be necessary**”
  - “Working with interested parties to reduce costs to developers by **expanding the net gain approaches** used for wildlife to also include wider natural capital benefits such as flood protection, recreation and improved water and air quality – streamlining environmental process, whilst achieving environmental gains.”
  - “Working with interested parties to **improve and expand the range of tools and guidance that support biodiversity net gain** approaches, including through the future incorporation of natural capital measures. “
  - “Exploring ways in which **national spatial data and strategies** could support and improve the benefits achieved through environmental net gain”

# Environmental net gain: what it means



# Environmental net gain: a potential framework

|                      |   |  | Examples of what might be measured in practice  |
|----------------------|---|--|---|
| <b>Environmental</b> | <b>Natural capital stocks:</b> natural assets including biodiversity assets, such as terrestrial and aquatic habitats or species diversity, which underpin the asset's capacity to deliver ecosystem services | <b>Biodiversity:</b> habitats and the wildlife species they support                                  | Wildlife habitats (as measured by the Defra biodiversity metric)<br>Protected species' habitats / populations   |
|                      |   | <b>Ecosystem services:</b> the capacity of habitats to provide wider ecosystem and cultural services | Water quality regulation<br>Air quality regulation<br>Recreation<br>Carbon storage and sequestration<br>Flood water regulation<br>Enjoyment and appreciation of wildlife                                      |
|                      | <b>Natural capital pressures:</b> direct and indirect pressures on national and international natural capital stocks  |  | Energy efficiency<br>Water efficiency<br>Transport efficiency<br>Waste and recycling efficiency<br>Construction materials and processes<br>Light and noise pollution<br>Recreation impacts on protected sites |

# Environmental net gain: where we are



|  | Environmental NG                     |  |
|--|--------------------------------------|--|
| <i>What are the wider, or indirect, environmental impacts?</i> | Natural capital (pressures) net gain | Listening: Exploring new options across government and seeking views from stakeholders including businesses and NGOs   |
| <i>What are the impacts of habitat change for people?</i>      | Natural capital (stocks) net gain    | Trialling: Developing and testing new metrics and approaches such as Natural England's Eco-metric, the Natural Capital Planning Tool and approaches to natural capital mapping |
| <i>What are the impacts of habitat change for wildlife?</i>    | Biodiversity net gain                | Strengthening: Increasing uptake, updating approaches and metrics, increasing understanding and consistency in approach  |

# Net gain consultation

- The consultation document sets out the potential structure for mandatory biodiversity net gain proposals.
- We also set out the potential scope of wider environmental net gains (separately from mandatory proposals) that could be pursued through policy.
- **The net gain consultation closed on 10 February 2019**



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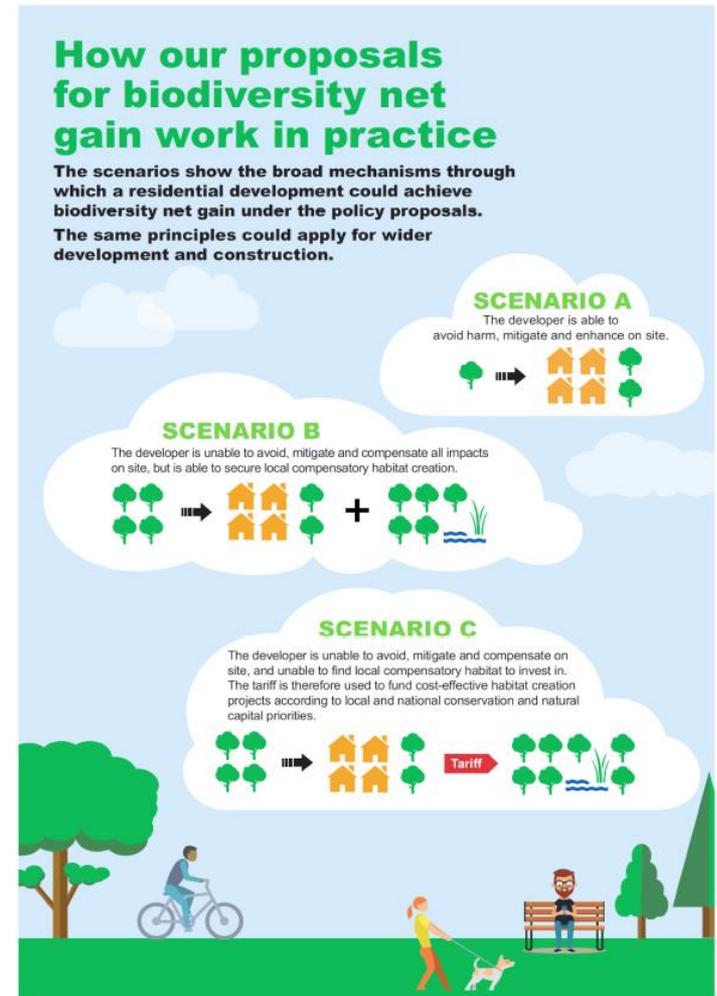
## Net gain

### Consultation proposals

December 2018

# Biodiversity net gain policy proposals

- We propose that net gain for biodiversity should:
  - Complement and reinforce national planning policy.
  - Support the mitigation hierarchy, which avoids, minimises, remediates and as a last resort compensates for adverse impacts on biodiversity.
  - Secure measurable benefits for biodiversity, so that we contribute to national and international environmental priorities and provide benefits for the local communities where development takes place.
  - Not weaken the strong protections for designated wildlife habitats or irreplaceable habitats set out in national planning policy. This means that where projects result in damage to irreplaceable habitats, or designated features of internationally or nationally protected sites, these should be appropriately mitigated or compensated for, even if net gain in other (non-protected or 'replaceable') habitats is achieved.



# Policy details

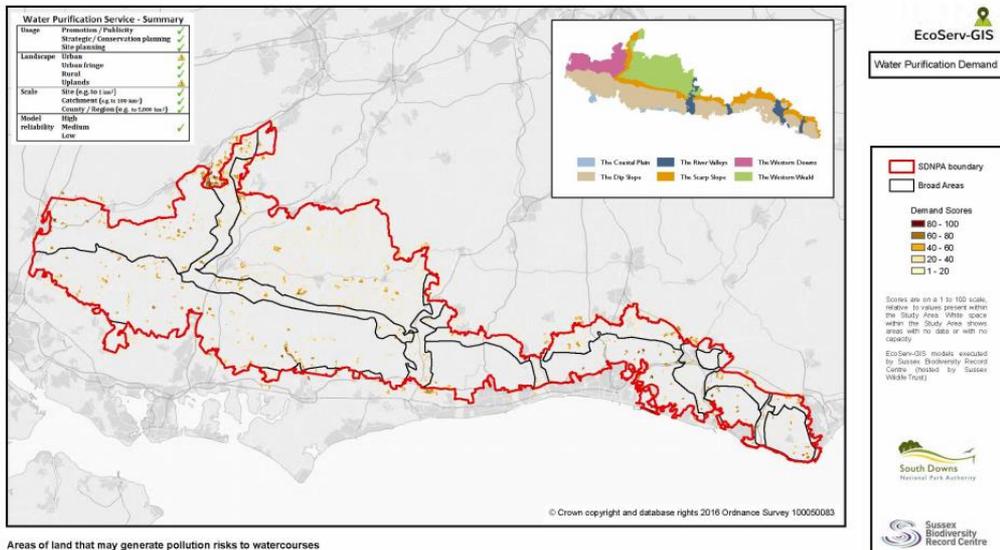


Photo: London Wildlife Trust

- Amongst a number of other issues, the consultation asked about:
  - Scope and potential exemptions
  - The level of required 'gains'
  - The updated Defra biodiversity metric
  - Baselines
  - Mapping
  - How a tariff on shortfalls against net gain might function
  - The role of conservation covenants
  - Monitoring and enforcement
- It also sets out a table of key evidence gaps that we are seeking to fill through consultation and wider engagement.

# The wider picture: local natural capital planning

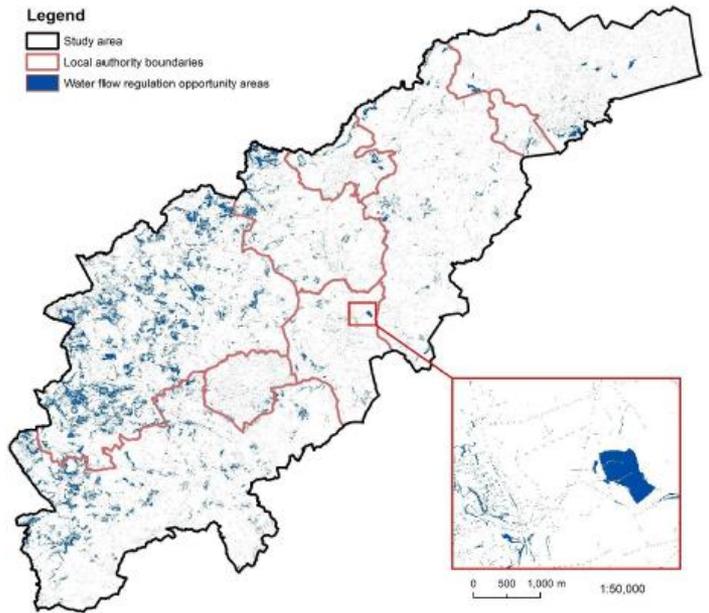
- Measuring obligations and achievement through biodiversity metrics, and then delivering compensation in a way that meets natural capital priorities might achieve these wider benefits in the short or medium term before the mainstreaming of more sophisticated metrics.



Areas of land that may generate pollution risks to watercourses



## Water flow regulation - opportunity areas

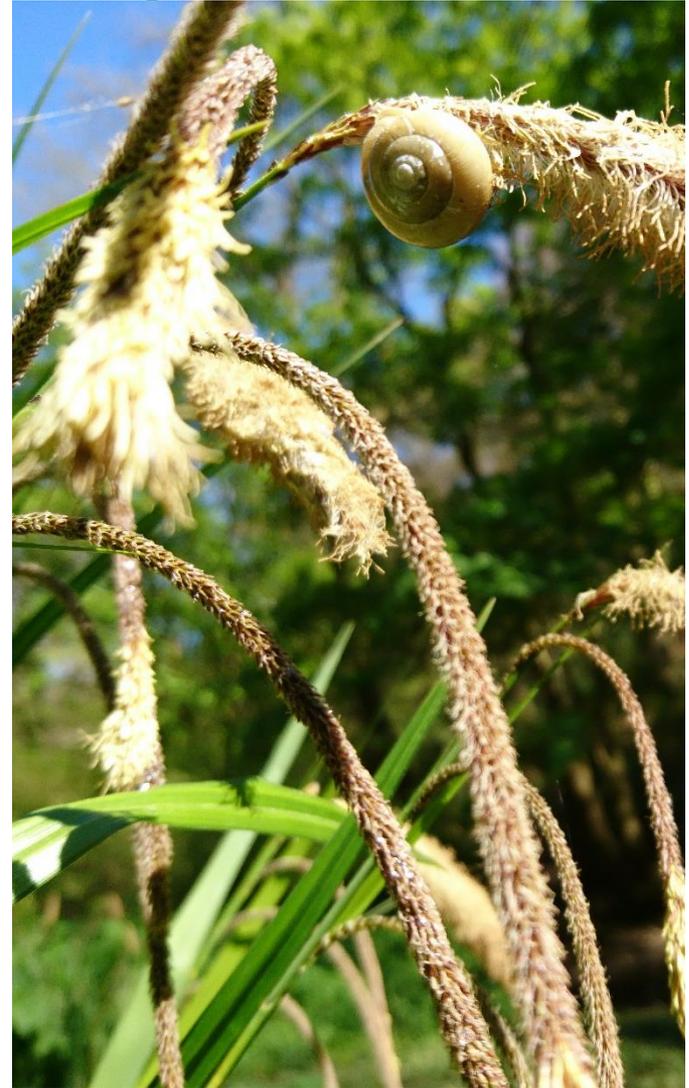


The top 10% of areas with the greatest opportunity to reduce water flow, with constraints removed

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# Next steps for biodiversity net gain

- The Environment Bill
  - Spring Statement announcement
- The engagement and policy refinement processes for biodiversity net gain haven't stopped
- Questions for CIEEM members:
  - Is the ecology sector ready?
  - What can government do to help CIEEM members and others prepare for biodiversity net gain?
- Implementation and review



# End

- Thanks for listening
- Please feel free to put further questions, suggestions or evidence to:  
[max.heaver@defra.gsi.gov.uk](mailto:max.heaver@defra.gsi.gov.uk) or [lindsay.roome@defra.gsi.gov.uk](mailto:lindsay.roome@defra.gsi.gov.uk)