

Delegated Officer Report

Decision Maker: Paul Clifford, Director of Economy

Date of Decision: 06/06/2023

Subject: Biodiversity Net Gain preparation for supply sites

Report Author: Georgina Brownridge

Ward (s): Failsworth East, Royton North, Royton South, Saddleworth South, Saddleworth West and Lees, Shaw, St Mary's and Waterhead

Reason for the decision: To give background on work to prepare for Biodiversity Net Gain (BNG) and seek approval to commission work to prepare for BNG supply sites.

Summary: To seek approval to commission the Greater Manchester Environment Fund to undertake preparatory work on seven shortlisted BNG supply sites. This work will consist of habitat condition assessments, defining habitats enhancements, metric analysis, costed management plans and identification of unit costs.

What are the alternative option(s) to be considered? Please give the reason(s) for recommendation(s): Option 1 - Prepare for BNG in advance - To commission Greater Manchester Environment Fund (GMEF) to undertake preparatory work to for supply sites for off-site Biodiversity Net Gain (BNG). This would enable the council to take a proactive role and bring on board the necessary expertise and experience to identify the best sites in the borough to spend the financial contributions secured through BNG and, in doing so, opportunities for enhancing nature recovery. Upfront resources will be needed for this work, to prepare for BNG in advance of development contributions towards BNG starting to be collected. However, additional burdens funding

for BNG has been allocated to the council which can fund this upfront work.

Option 2 – Do the minimum - To not commission the work set out under option 1 and to undertake the work as and when the developer engages at a later stage. This option may be more costly on a reactive basis and may result on off-site BNG contributions going outside the borough if there are time delays.

Option 3 - Do nothing. Leave developers to find own off site BNG solutions. This would mean that off-site delivery is unlikely to be on the council's own land or within the district and could be anywhere across the country therefore nature recovery would not be maximised within Oldham. This would also mean officers are reacting to developments and off-site recovery needs which is more time consuming than a planned proactive approach.

Consultation: including any conflict of interest declared by relevant Cabinet Member consulted.

N/A. Oldham Council is working with Greater Manchester Combined Authority (GMCA) and Greater Manchester Ecology Unit (GMEU) to help prepare for BNG.

Recommendation(s):

That Option 1 above is agreed and implemented.

Implications:

What are the financial implications?

The Council has received £26,807 additional burdens funding from Government to support implementation of mandatory Biodiversity Net Gain (BNG) as a 2022/23 grant settlement which it has carried forward to use in 2023/24 in line with the terms and of the grant.

The GM Nature Recovery Group has expressed the importance of utilising this funding effectively to ensure we are prepared and can capitalise on the opportunities mandatory BNG will bring.

This report seeks approval for the majority of funding to be spent on biodiversity baseline and management and monitoring plans for potential supply sites for offsite BNG delivery. There are 7 supply sites initially and the costs of the plan would be £21,000 (each plan will be £3,000).

Plans to utilise the balance of the grant (£5,897) will be considered later.

Jamie Kelly

*What are the **legal** implications?*

BNG will apply from November 2023 for developments in the Town and Country Planning Act 1990, unless exempt. It will apply to small sites from April 2024. Therefore, the Council will need to put appropriate measures in place before BNG begins to apply. (A Evans)

*What are the **procurement** implications?*

No procurement implications. GMEF is working closely with GM authorities / GMCA exploring demand for establishing a regional BNG facility. The Greater Manchester Environment Fund was formed by a partnership between GMCA, The Wildlife Trust for Lancashire, Manchester and North Merseyside and Finance Earth as part of the GM five year Environment Plan to tackle environmental challenges. (D. Cheetham)

*What are the **Human Resources** implications?*

N/A

***Equality and Diversity Impact Assessment** attached or not required because (please give reason)*

N/A. The decision is to commission work of a technical specialist nature.

*What are the **property** implications*

To commission the work in advance seems to be the most sensible option, however it will be important to fully understand the potential future implications for any Council Assets that may be identified as part of the process. Any conflicts with other potential uses would need to be considered (prior to these assets being fully committed), once the initial assessments have been completed and final recommendations made.
Bryn Cooke /
Katy Webster.

Risks:

The Council needs to develop the sites in its own area to give developers options to pay the BNG in the area the development occurs. Given there is direct grant to fund this then the proposals as set out in the report do not seem unreasonable.”
(Mark Stenson)

Co-operative agenda

Commissioning GMEF to prepare and develop

biodiversity net gain sites is welcomed as there is a legal duty to deliver 10% BNG sites on new development, enhance natural environments and the proposal will create clean and green spaces for residents which is a Corporate priority for the Council.

Mahmuda Khanom

Has the relevant Legal Officer confirmed that the recommendations within this report are lawful and comply with the Council's Constitution? Yes

Has the relevant Finance Officer confirmed that any expenditure referred to within this report is consistent with the Council's budget? Yes

Are any of the recommendations within this report contrary to the Policy Framework of the Council? No

There are no background papers for this report

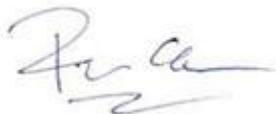
Report Author Sign-off:	
	<i>G.Brownridge</i>
Date:	06.06.2023

Please list and attach any appendices:-

Appendix number or letter	Description
1	Background to BNG, the Needs and Supply Assessment and proposals for moving supply sites forward

In consultation with the Director of Economy

Signed:



Date: __07/06/23

Appendix 1:

Background:

Biodiversity Net Gain (BNG) is part of a set of tools Defra are introducing to try to reverse the decline in biodiversity across England.

BNG is an approach introduced by the Environment Act 2021 that aims to leave the natural environment in a measurably better state than before.

BNG requires use of a metric, published by Defra, to quantify biodiversity losses and gains arising from new development.

Delivery of a minimum of 10% BNG will become mandatory for new developments (with a few exceptions) nationally from November 2023. Habitats will need to be secured for at least 30 years.

National Planning Policy Framework (NPPF) states planning policies and decisions should contribute to and enhance the natural and local environment by: [...] d. minimising impacts on, and providing net gains for, biodiversity. This includes, establishing coherent ecological networks that are more resilient to current and future pressures.

Places for Everyone (PfE) Policy JP-G9 A Net Enhancement of Biodiversity and Geodiversity, states development will be expected to achieve a measurable net gain in biodiversity of no less than 10%.

Local Plans may also set out policies on BNG including where priorities are for offsetting which will weight biodiversity units created in these areas more favourably.

Developments must still follow the biodiversity hierarchy before net gain is applied, which is:

1. Avoid biodiversity loss
2. Then minimise impacts
3. Then remediate and enhance damaged habitats on site
4. Then create new habitats on-site
5. If this cannot deliver at least 10% uplift, then offset through off-site habitat creation or restoration.

Net gain may be achieved fully within a site and therefore offsite units would not be required. However, where net gain cannot be fully met within development sites off site units will need to be delivered through new habitat creation / enhancement on land holdings or via habitat banks.

The council will not be able to mandate that developments use supply sites promoted by Oldham / GMEF. There will be an open market for biodiversity units in England – developers will be able to choose where and with whom to offset.

However, having supply sites available can be promoted and should be an attractive option to developers who can then enhance habitats within the local area.

As a last resort the government is expected to put in a place a system where developers can buy statutory credits, however this option will be less attractive, costing more and means that units could go towards habitats creation anywhere across the country.

Across Greater Manchester we are therefore looking to develop a local market – to avoid developers purchasing offsite units elsewhere, outside GM or nationally, and keep the benefits within local areas.

Greater Manchester Ecology Unit Need and Supply Assessment:

GMEU were commissioned to carry out a need and supply assessment for BNG for each Greater Manchester district.

The objectives of this study were to:

- Model the expected size of the potential market for offsite BNG in Greater Manchester over the next 15 years (from 2022);
- Identify the potential of LA owned offsite BNG supply sites in Greater Manchester which could help meet this demand for each district; and
- Compare estimated demand and supply of offsite BNG units.

The need assessment looked at potential development sites over 1 hectare from PfE allocations and Strategic Housing Land Availability Assessment (SHLAA) sites and excluded sites with permission. The assessment included other assumptions.

The assessment estimated how much on site BNG could be accommodated for each development site and consequently how many off-site biodiversity units may be needed for each development site.

This has helped understand the amount and type of habitats likely to be lost and the number of offsite units required.

The supply part of the assessment has undertaken a high-level analysis of the 48 potential supply sites (496.4 hectares of greenspace) provided by Oldham Council to GMEU. These consisted of our countryside sites. Land cover data was mapped over each site to ascertain the underlying habitats within each site and the size of the habitat parcel. This was converted to the closest matching BNG Metric habitat type to allow a BNG Metric uplift to be calculated. Again, assumptions were made about the condition and strategic significance of the supply sites.

Oldham has a potential need of 307-337 units over the next 15 years. If all 48 supply sites were bought forward this would lead to a significant surplus of units. However, it is more likely that only a certain proportion of the supply sites is suitable for BNG due to competing factors / constraints etc. Assuming one third of the supply sites were bought forward Oldham's surplus would be around 60-92 units.

Work to refine which of the 48 supply sites should be taken forward is now underway. To understand what a 'good' BNG offsite site is the following factors are considered:

1. All offset sites with the Local Nature Recovery Strategy or Green & Blue Infrastructure corridors
2. Substantive size to allow for economies of scale. Larger, un-fragmented habitats are more valuable for habitat creation and repair than small, fragmented sites

3. A suite of sites that are in close proximity to forth coming allocations (in PfE and those that are identified through the emerging Local Plan).
4. Sites unlikely to be subject to development or recreational pressures in the long-term
5. Sites with existing ecological value but known to be in unfavourable condition, and where the necessary interventions to improve condition are already understood but where there is no statutory obligation for interventions
6. Sites where access exists for future maintenance & contractor
7. Sites where landowners and land managers are known and are considered likely to be receptive to habitat creation proposals
8. BNG site is within same district as the allocation
9. Sites where the development and the BNG offsite location are in the same character area
10. Sites where the development and the BNG offsite location are in the same catchment

GMEU are developing a directory for developers where BNG supply sites can be promoted.

We are now at a stage where we need to consider as a district what our next steps are. As part of this, seven supply sites have been identified to prioritise and carry out further work as outlined below.

A series of options has been set out within this report and option 1 is the favoured option.

Proposals:

Indicative supply sites

The indicative supply sites currently being looked at in more detail are set out in the table below. This also includes sites in the housing land supply (including PfE allocations) in close proximity and which may contribute towards BNG in the supply sites.

Table 1: Supply Sites

Supply Site	Potential development sites that may contribute off site BNG units (not exhaustive list)
Calf Lane and Friezland;	Saddleworth school and Chew Brook Vale (Robert Fletchers).
Tandle Hills	Stakehill
Oldham Edge	Cowlshaw and Beal Valley / Broadbent Moss
Daisy Nook	Coal Pit Lane, Rosary Road, Bottom Field Farm, Hollinwood Junction
Crompton Moor	Beal Valley / Cowlshaw
Constantine Street	Broadbent Moss

Bank Top	Broadbent Moss
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For context, the map below shows the possible BNG off-site supply sites (green) and the PfE allocations (red).

Map removed for Mod Gov due to size – please contact strategic planning if you wish to see this

There may also be an opportunity to work with neighbouring authorities where their development sites are in close proximity to Oldham's supply sites.

It should also be noted that further assessment work is already underway for Northern Roots which is being funded by GMEF through the secured Natural Environment Investment Readiness Fund 2 (NEIRF).

Preparatory work on supply sites (including preparation of management plans)

The preparatory on the seven shortlisted supply sites would take until September / October 2023 to complete and would involve the following pieces of work:

- Baseline Habitat Surveys - UKHABs surveys to establish habitat type and condition
- Baseline Unit Assessment - Metric 4 baseline unit assessment pre-intervention
- Development of the Management Plan - Meeting with wider countryside team to discuss and agree target habitat via BNG agreements
- Unit Uplift Assessment - Completion of metric 4 post intervention
- Costed Habitat Management and Monitoring Plan
 - Development of costed management plan
 - Identification of a suggested unit price for each supply site
 - Review and approval of the HMMP by Oldham Council
- Registration of the initial sites on the GM BNG Supply Site Directory
 - Ensure supply site information is added / up to date on the GM directory as well as being promoted separately via GMEF website (more sites may be added to the directory over time)

BNG Monitoring Officer:

In addition to the above, for information, a report is expected to go to Directors of Place imminently requesting £3500 from each GM authority to fund a GMEU monitoring and reporting post.

Monitoring is part of the BNG process and will be measured against the Habitat Management and Monitoring Plan (HMMP). Monitoring reports will be sent to GMEU and GMEU will collate monitoring reports and report any failure to comply to LPAs.

It makes sense that this task is co-ordinated and reported on at a GM-level, because:

- GMEU will see all the substantive planning applications which will apply BNG so will already have an understanding of schemes at a GM-wide scale;
- GMEU has the necessary ecology expertise to assess whether the required BNG is being achieved in biodiversity terms;
- it makes sense to create a single GM monitoring reporting system rather than having ten different systems;
- the Local Nature Recovery Strategy (LNRS) will be at a GM-scale and monitoring and reporting on the LNRS will need to be undertaken at a GM-scale; and

- GMEU already administers the central habitat and species database for GM.

This work has not been funded previously so £3500 is requested from each district for the first year that BNG is statutory. The remainder of the BNG additional burdens funding can fund this post. It is anticipated that the post will then move to be self-funded thereafter.

Next Steps:

There are the following stages to bringing supply sites forward into delivery agreements:

1. Identification - Sites identified according to agreed criteria (e.g. Through the GMEU Need and Supply Assessment)
2. Preparation and Development – baseline survey / uplift assessment / draft (costed) habitat management and monitoring plan / unit cost calculation
3. Securement – landowner agreement committing to 30-year term / payment plan / Agreed Habitat Management and Monitoring Plan (HMMP)
4. Registration and sale of units – site registered / site verified / sale of units / negotiation with developers / legal agreements
5. Delivery – commencement of habitat works / delivery of HMMP / ongoing maintenance, management and monitoring.

We are currently within stage 1 and this report is seeking approval for stage 2 – the preparation of management plans for the indicative supply sites listed in Table 1.

Moving on to stage 3 through to stage 5, further work is being undertaken to identify the options for delivering BNG going forward. This includes considering the option to appoint GMEF, who are offering a broker model between Oldham Council and themselves that would enable them to manage the implementation of BNG on our behalf following the preparatory work. As set out above this would entail securing and registering BNG supply sites and managing the delivery and monitoring of BNG.

Officers will work with colleagues in legal, finance and procurement to consider the best approach.

If approval is given for Option 1 further report(s) (as needed) would then follow as we move through stages 3 to 5.