

**Climate Transition, Corporate and Environmental Services Policy Advisory Committee**

**8 July 2024**

**Allocation of Council Land for Biodiversity Net Gain Offsite Provision**

<b>Timetable</b>	
<b>Meeting</b>	<b>Date</b>
Climate Transition, Corporate Environmental Services Policy Advisory Committee	8 July 2024
Cabinet	24 July 2024

<b>Will this be a Key Decision?</b>	No
<b>Urgency</b>	Not Applicable
<b>Final Decision-Maker</b>	Cabinet
<b>Lead Head of Service</b>	Anna Collier Head of Insight, Communities and Governance
<b>Lead Officer and Report Author</b>	James Wilderspin, Biodiversity and Climate Change Manager
<b>Classification</b>	Public
<b>Wards affected</b>	Headcorn and Sutton Valence

**Executive Summary**

The Biodiversity Net Gain (BNG) offsite market presents a strategic opportunity for Maidstone Borough Council to generate income, support Local Nature Recovery Strategies, and facilitate housing development while meeting environmental obligations. By selling biodiversity units from Council-owned land to developers requiring offsite BNG, the planning process can be streamlined, and local biodiversity enhanced.

Officers have identified two Council-owned sites as potential offsite BNG unit providers; Ulcombe Kingswood Disposal Site (3.9 hectares) and Four Oaks Wood (6.2 hectares). Ecological assessments by Kent Wildlife Trust estimate a combined uplift of 13.36 habitat units across these sites through landscaping and management plans. This represents a potential value of £390,000 or an annual income of £13,000 over DEFRA's 30-year requirement if all units are sold to developers.

Allocating suitable Council land holdings for offsite BNG can generate income to maintain these sites, support local nature recovery, and facilitate development in line with the Environment Act's biodiversity net gain requirements.

**Purpose of Report**

Decision

**This report is asking the Policy Advisory Committee to Recommend to Cabinet:**

1. That the two Council owned sites: Ulcombe Kingswood Disposal Site and Four Oaks Wood, be allocated for local Biodiversity Net Gain offsite provision;
2. To delegate responsibility to the Director of Finance, Resources and Business Improvement to agree terms for any disposal of biodiversity units from within the two sites, in consultation with the Cabinet Member for Climate Transition and Nature Recovery.

## Allocation of Council Land for Biodiversity Net Gain Offsite Provision

Issue	Implications	Sign-off
<b>Impact on Corporate Priorities</b>	Safe, Clean and Green.	Head of Insight, Communities and Governance
<b>Cross Cutting Objectives</b>	Biodiversity and Environmental Sustainability is respected.	Head of Insight, Communities and Governance
<b>Risk Management</b>	This report is presented as a business case and there are financial and management implications to the Council to increase the biodiversity on the two sites, should the habitat units not be sold to developers. However, this can be mitigated by continuing to work in partnership with KWT who would support monitoring the sites.	Head of Insight, Communities and Governance
<b>Financial</b>	<p>Accepting the recommendations will demand new spending of approximately £20,000 in landscaping, tree planting, and rewilding efforts to enhance the biodiversity on the two sites, which would be met from within the existing capital programme allocation for carbon reduction projects.</p> <p>Accepting the recommendations could potentially result in net extra income of £390,000 or an annual income of £13,000 over DEFRA's 30-year requirement if all units are sold to developers.</p>	Paul Holland, Senior Finance Manager
<b>Staffing</b>	We will deliver the recommendations with our current staffing, with expert inputs from KWT.	Head of Insight, Communities and Governance
<b>Legal</b>	Under Schedule 7A of the Town and Country Planning Act 1990 (as inserted by Schedule 14 of the Environment Act 2021) Biodiversity net gain (BNG) is mandatory for all new planning permission applications. This has been the	Head of Insight, Communities and Governance

	case for major developments since 12 February 2024 and small sites since 2 April 2024. Off site gains on land owned by Local Authority through legal agreements is considered Actions a Local Planning Authority should take on mandatory biodiversity net gain.	
<b>Information Governance</b>	The recommendations do not impact personal information (as defined in UK GDPR and Data Protection Act 2018) the Council Processes.	Head of Insight, Communities and Governance
<b>Equalities</b>	The recommendations do not propose a change in service therefore will not require an equalities impact assessment	Head of Insight, Communities and Governance
<b>Public Health</b>	We recognise that the recommendations will have a positive impact on population health.	Head of Insight, Communities and Governance
<b>Crime and Disorder</b>	There are no implications to Crime and Disorder	Head of Insight, Communities and Governance
<b>Procurement</b>	On accepting the recommendations, the Council will then follow procurement exercises for finding contractors to undertake the landscaping on the sites.	Head of Insight, Communities and Governance
<b>Biodiversity and Climate Change</b>	The implications of this report align with: <ul style="list-style-type: none"> <li>• "Action 6.1 Monitor Biodiversity Net Gain (BNG) to adopted 20% standard." And</li> <li>• "Action 6.8 Review Maidstone Borough Council non-operational land to assess potential for enhancing biodiversity including allowing community groups to take responsibility for management."</li> </ul> of the Biodiversity and Climate Change Action Plan.	Biodiversity and Climate Change Manager

## 2. INTRODUCTION AND BACKGROUND

- 2.1 The Biodiversity Net Gain (BNG) offsite market presents a strategic opportunity for the Council to generate income, support Local Nature Recovery Strategies (LNRS) and support local housing development. By selling biodiversity units from its own land holdings to developers requiring offsite BNG, the Council can streamline the planning process and facilitate development while meeting environmental obligations.
- 2.2 Officers have identified two potential Council owned and disused sites that could provide offsite BNG units. Kent Wildlife Trust (Adonis Blue Environmental Consultants) were engaged to carry out ecological assessments and develop biodiversity uplift and management plans to assess the viability of the following two sites:
- Ulcombe Kingswood Disposal Site. Lenham Road, near Fairborne, Kent, ME17 1LT (3.9 hectares); and
  - Four Oaks Wood - already a woodland, near Hawkenbury, TN27 9PB (6.2 hectares).
- 2.3 Kent Wildlife Trust estimate that a combined 13.36 habitat units can be uplifted across the two sites with some landscaping and through a management plan.
- 2.4 This report sets out the business case and asks Cabinet for a decision to allocate both parcels of land for BNG offsite provision. By allocating suitable land holdings for offsite BNG, The Council can generate income, support local nature recovery, and facilitate development while meeting biodiversity net gain requirements under the Environment Act 2021.

### **3. Biodiversity Net Gain Offsite Market**

- 3.1 DEFRA estimates that 75% of habitat creation will take place on-site, depending on the design and density, and that 6,200 offsite biodiversity units will be needed per year across England for developments that are unable to achieve a 10% uplift onsite, particularly in dense urban areas.<sup>1</sup> Developers will prioritise offsite BNG provision locally to minimise costs associated with spatial risk multipliers. The Biodiversity Metric used to calculate BNG uplift or units, applies a 0.5 spatial risk multiplier, effectively doubling the price for offsite units purchased from non-neighbouring areas or outside Local Planning Authority (LPA) boundaries.
- 3.2 It is also worth noting that given Maidstone's proximity to London, where onsite BNG is challenging due to space constraints, developers will be actively seeking offsite opportunities in neighbouring districts/counties. For these developers, securing any viable offsite provision, even at a higher price, may be preferable to project delays or planning denials due to inability to meet the 10% net gain requirement onsite. According to BNG market analysis 58 of the 315 LPAs are likely to experience scarcity and would therefore be expected to need to look to neighbouring LPAs to meet some of their demand.<sup>2</sup>

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<sup>1</sup> Biodiversity Net Gain and off-site provision - Local Government Lawyer

<https://www.localgovernmentlawyer.co.uk/planning/318-planning-features/50013-biodiversity-net-gain-and-off-site-provision>

<sup>2</sup> Eftec (2021) Biodiversity Net Gain: Market Analysis Study, NR0171 <https://randd.defra.gov.uk/ProjectDetails?ProjectID=20608>

3.3 The price of each biodiversity unit has been estimated at £20-25,000.<sup>3</sup> DEFRA estimates the annual offsite BNG market value for Maidstone at £392,071 based on conservative projections and the borough's market share/borough total area. Between 2-5 hectares of land may be required for offsite BNG provision in 2024-25 alone, depending on housing delivery and building densities.

#### **4. Kent Wildlife Trusts Findings**

4.1 Kent Wildlife Trust (KWT) conducted a 'Natural Capital Feasibility Assessment' to; (i) Determine the baseline biodiversity unit score for the Council sites; and (ii) Calculated the potential increase in biodiversity units and carbon credits that could be achieved by implementation of the landscaping and management on these sites to uplift or increase biodiversity.

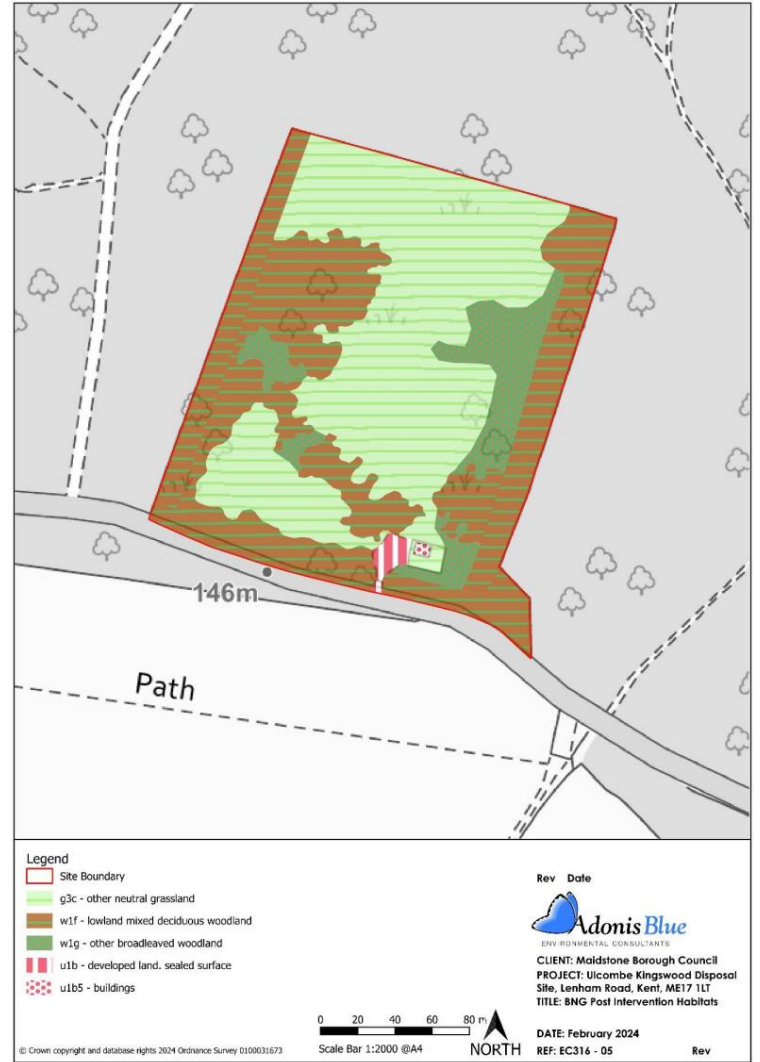
4.2 It is worth noting that relatively small sites with the largest uplifts in biodiversity can potentially pay out more than large sites with small BNG. BNG unit value is based on; size of habitat parcel x its distinctiveness x its condition x its strategic significance, so small sites are worthwhile, if good biodiversity enhancements are possible.

4.3 KWT estimate for Ulcombe Kingswood Disposal Site there is a potential uplift of 6.64 habitat units (+14.61%), and calculations using the Carbon+ Habitats Tool v.6, also give an estimated 214.54 tCO<sub>2</sub>e of sequestration and emissions avoided and generate £12,000 Estimated Issuance Units (EIUs).

**Figure 1:** *Ulcombe Kingswood Disposal Site, Lenham Road - Proposed Habitat Change*

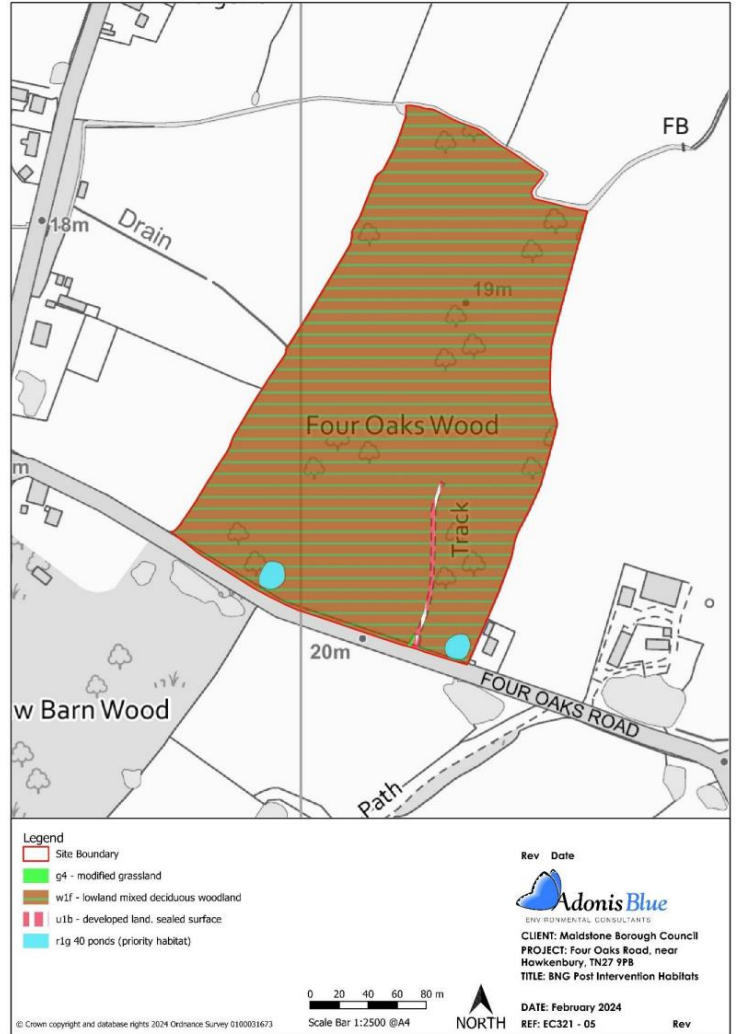
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<sup>3</sup> DEFRA (2022) Consultation on Biodiversity Net Gain Regulations and Implementation, January 2022 (page 9 and 56) [https://consult.defra.gov.uk/defra-net-gain-consultation-team/consultation-on-biodiversity-net-gain-regulations/supporting\\_documents/Consultation%20on%20Biodiversity%20Net%20Gain%20Regulations%20and%20Implementation\\_January2022.pdf](https://consult.defra.gov.uk/defra-net-gain-consultation-team/consultation-on-biodiversity-net-gain-regulations/supporting_documents/Consultation%20on%20Biodiversity%20Net%20Gain%20Regulations%20and%20Implementation_January2022.pdf)



4.4 For Four Oaks Wood, KWT estimate there is a potential uplift of 6.72 habitat units (+8.26%) and identified that the woodland is located near to an Ancient Semi-Natural Woodland within 1km of the site. This site is not formally identified in the Local Plan. However, the site's proximity makes it ecologically desirable, as this site could serve as a 'stepping stone' which could help connect other isolated areas of ecological importance.

**Figure 2:** Four Oaks Wood, Four Oaks Road - Proposed Habitat Change



4.6 The potential combined value of the uplift across both sites of 13.36 habitat units are conservatively estimated to be £120,000 for woodland and £70,000 for grassland, totalling £190K at Ulcombe Kingswood Disposal Site and totalling £200,000 at Four Oaks Wood.

4.7 The total monetary worth for both sites is estimated to be £390,000 or £13,000 per year over the 30-year DEFRA requirement to maintain the biodiversity gains, if all the offsite units are sold to developers. This would be a substantial income to maintain these sites and ensure the habitat uplift, with any revenue being generated that could potentially be used for other similar BNG offsite provisions or local nature recovery.

## 5. Next Steps

5.1 Pending Cabinets decision, the two sites would need to be registered as ecologically significant sites on Kent County Council's BNG database and registered with Natural England to flag the location and unit value to interested developers. Initial costs would be incurred to the Council to landscape and enhance the habitats in line with KWT's recommendations and guidance, and 30-year maintenance plans would be put in place to ensure the sites comply with DEFRA's requirements.



- 5.2 Depending on the number of units sold to developers, the costs associated with increasing the biodiversity on these two sites would be offset by the income generated from selling the units. Pending cabinets decision, there are also other ongoing benefits, such as, Officers could use the two sites as a local case study to develop an offsite BNG strategy aligned with local priorities and policies and exploring partnerships for additional offsite and biobank provision. Allowing MBC to provide guidance for landowners, to encourage habitat creation in line with LNRS.<sup>4</sup>
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### **3. AVAILABLE OPTIONS**

- 3.1 Option 1: Decide to allocate the two Council owned sites identified in this report for local BNG offsite provision.
- 3.2 Option 2: Decide not to allocate the two Council owned sites identified in this report for local BNG offsite provision.
- 3.3 Option 3: Decide to proceed with one of the two sites identified.
- 3.4 Option 4: Request Further Information.
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### **4. PREFERRED OPTION AND REASONS FOR RECOMMENDATIONS**

- 4.1 The preferred option is "Option 1: Decide to allocate the two Council owned sites identified in this report for local BNG offsite provision" as this would create a strategic opportunity for the Council to generate income, support Local Nature Recovery Strategies (LNRS), support local housing development and test the BNG offsite market while increasing biodiversity locally.
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### **5. RISK**

- 5.1 This report is presented as a business case and there are financial and management implications to the Council to increase the biodiversity on the two sites, should the habitat units not be sold to developers. However this can be mitigated by continuing to work in partnership with KWT who would support monitoring the sites.
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### **6. CONSULTATION RESULTS AND PREVIOUS COMMITTEE FEEDBACK**

- 6.1 None
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### **7. NEXT STEPS: COMMUNICATION AND IMPLEMENTATION OF THE DECISION**

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<sup>4</sup> [Sell biodiversity units as a land manager - GOV.UK \(www.gov.uk\)](https://www.gov.uk)

- 7.1 The two sites will be registered as ecologically significant sites on Kent County Council's BNG database and registered with Natural England to flag the location and unit value to interested developers.
  - 7.2 Initial costs would be calculated for landscaping and enhancing the habitats in line with KWT's recommendations and guidance, and 30-year maintenance plans would be put in place to ensure the sites comply with DEFRA's requirements.
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