

D1 Site, Graven Hill: Biodiversity Net Gain Report

Introduction

- 1.0 This Report has been prepared on behalf of the Applicant at D1 Site, Graven Hill, Bicester, OX26 6HF (hereafter referred to as 'the site'). An Outline Planning Application (OPA) was submitted in June 2022 and is currently pending determination (ref: 22/01829/OUT). The description of development states:

'Outline (fixing 'Access' only) – redevelopment of Graven Hill D1 Site, including demolition of existing buildings, development of B8 'Storage or Distribution' use comprising up to 104,008 sq. m (GIA), creation of open space and associated highway works, ground works, sustainable drainage systems, services infrastructure and associated works.'

- 1.1 The site comprises approx. 31 hectares and was formerly used by the Ministry of Defence (MOD) for storage and distribution purposes. The site benefits from previous consents for employment development and also forms part of the **'Graven Hill: Bicester 2'** Site Allocation within the Local Plan.
- 1.2 Over the past four months we have worked closely with Officers at Cherwell District Council (CDC); Oxfordshire County Council (OCC) and Statutory consultees to respond to a variety of Planning Considerations. We now understand that Planning Officers are generally supportive of the principle of the proposal. However, the proposal will result in an on-site biodiversity loss of 55%. For the proposal to be acceptable, it needs to result in a Biodiversity Net Gain (BNG), ideally of 10%. (See Appendix 1 for a copy of the Biodiversity Net Gain Metric for the site).
- 1.3 In response to this planning consideration, we have been in discussions with the Trust for Oxfordshire's Environment (TOE) who are a BNG provider in Oxfordshire. Their Local Environment Fund raises money and allocates grants for local projects that benefit wildlife and promote access to green spaces.
- 1.4 TOE work with developers and landowners to administer Biodiversity Gain funds, ensuring that responsible development results in more biodiversity in Oxfordshire, not less. TOE are currently active in all Oxfordshire Local Authorities, apart from Cherwell, although they were recently involved in one scheme (ref: 21/02180/REM) at Fewcott Road in Fritwell, Cherwell.
- 1.5 The format of this Report is as follows:
- What is Biodiversity Net Gain?
 - The Trust for Oxfordshire's Environment and their role
 - How do Biodiversity Net Gain 'Units' work in practice for Planning?

What is Biodiversity Net Gain?

- 1.6 Biodiversity Net Gain (BNG) delivers measurable improvements for biodiversity by creating or enhancing **habitat** (i.e., the area and resources used by a living organism or group of organisms).
- 1.7 BNG can be achieved **on-site** (within the boundaries of a development site), **off-site** (on a site completely separate from the development) or through a combination of on-site and off-site measures.
- 1.8 In the context of BNG, biodiversity losses and gains are measured using a standardised **biodiversity metric** (designed by Natural England, but often referred to as 'the DEFRA Metric', as per Appendix 1).
- 1.9 The decline in animal and plant species over the past decades represents not only an environmental issue but a key risk to economic growth and human wellbeing. Around **one-third of our food production** (35%) relies completely on insect pollinators. Maintaining water quality and air quality also substantively rely on the health of natural ecosystems.
- 1.10 BNG offers local authorities in the UK an important potential avenue to begin to address and reverse biodiversity loss within their areas of responsibility. In addition to existing habitat and species protections, BNG aims to create new habitat as well as enhance existing habitats and links to a range of other agendas including:
 - addressing the climate emergency
 - place-making
 - green infrastructure
 - access to greenspace and nature
 - mental and physical health and wellbeing
 - flood resilience
 - improving air quality

The Legal Basis for BNG

- 1.11 Under the **Environment Act 2021**, all planning permissions granted in England (with a few exemptions) will have to deliver at least 10% BNG. Habitat improvements delivered under BNG will need to be secured for at least **30 years**.
- 1.12 Following a 'transitional period', the Act will enter into full force on a date expected to be in **November 2023**. BNG is one of a raft of commitments on the environment laid out in the Environment Act.
- 1.13 BNG is already required through national planning policy in England and Wales. The Environment Act 2021 makes BNG mandatory from the point the Act enters into force (est. November 2023). Councils will need to be ready to meet the new legal requirements from that point onwards.
- 1.14 There is a lot of preparation required from local authorities to get ready for the new legal requirements, including reviewing the way planning decision-making happens, developing new policy and ensuring capacities are in place to deliver the requirement. If adequate BNG off-setting processes are not put in place it could result in significant delays to planning applications at that time.

The Trust for Oxfordshire's Environment

- 1.15 TOE is a registered charity (1140563) and a not-for-profit limited company registered in the name of the Trust for Oxfordshire's Environment (TOE) Ltd, company number 07492087. As a registered charity it is regulated by the Charity Commission. Having implemented pilot BNG projects in 2018/19, TOE now operates across all local authorities in Oxfordshire, apart from Cherwell.
- 1.16 In addition to the legal and capacity implications for Local Authorities, the successful implementation of BNG will require the presence of a functioning **'market'** to **supply off-site biodiversity units**, ensuring enough 'supply' to meet local 'demand' from developers.
- 1.17 While this is not the Local Authority's responsibility *per se*, it is strongly in local authorities' interests to support the development of local BNG solutions to avoid any potential negative impact on the planning system due to insufficient supply from November 2023 onwards.
- 1.18 An annual report is provided to each district authority providing details of funds taken relating to planning decisions and how the funds have been spent. Monitoring reports for sites are provided along with an updated biodiversity metric calculation so progress is monitored. Further details of TOE are provided at Appendix 2 *'TOE and Biodiversity Gain'*.
- 1.19 The first ever formal biodiversity offset in the UK was delivered via the Earth Trust in partnership with Vale of the White Horse DC, while both the Blenheim estate and the local Wildlife Trust (BBOWT) are delivering nationally innovative projects to develop so-called **'Habitat Banks'** to produce biodiversity units. In addition, there are national entities operating in the county, including the Environment Bank, who offer (or will soon offer) local biodiversity offset solutions for developers.
- 1.20 Meanwhile, since 2018, TOE has worked with South Oxfordshire, Vale of the White Horse, West Oxfordshire and Oxford City Council to provide an innovative biodiversity unit brokerage scheme which has become a benchmark for other similar schemes around the UK.
- 1.21 Providing an enabling regulatory environment to support the development of both **'habitat banks'** and offset brokerage services like TOE will be an important component in the successful roll-out of BNG.
- 1.22 To date, the Trust has collected over £1,100,000 in offsite biodiversity offsets in areas of the county where it has arrangements in place with local planning authorities. The Trust has so far agreed contracts with landowners to deliver BNG projects worth £400,000. These projects encompass a variety of habitats and are designed to deliver high distinctiveness habitats in areas that will have the greatest value for Oxfordshire's wildlife.
- 1.23 At Killman Down near Wantage, for example, the Trust has worked with a local landowner to deliver a 'mosaic' habitat project consisting of rare chalk grassland, woodland and scrub habitats on a 6-hectare site within an iconic landscape and close to a major national long-distance footpath. Three case studies of TOE projects are provided at Appendix 3.
- 1.24 To ensure the quality, accountability and transparency of funding decisions, the Trust engages a voluntary advisory panel of experts which reviews all applications from landowners. Representatives from the participating district councils (usually the district ecologist) sit on this advisory panel.

How do Biodiversity Net Gain 'Units' work in practice for Planning?

- 1.25 On large scale development sites there is often the potential for on-site biodiversity reductions. Therefore, BNG operators (such as TOE or the Environment Bank) provide a **BNG 'unit' or 'credit' system** where landowners and developers can pay to buy BNG units to off-set this BNG requirement via an off-site solution.
- 1.26 In such scenarios' Planning Permission is normally granted with a **Grampian Condition** attached to the decision notice. In essence, this is a Planning Condition that requires the **full financial payment to TOE** (or alternate BNG provider) in advance of commencement of development (**or before the submission of the first Reserved Matters application for OPA**).
- 1.27 Having discussed this matter with the Planning Officer, we can confirm that the Applicant is content to agree a Grampian Condition to ensure that the full BNG credit payment is made before or on the date of the first Reserved Matters application).
- 1.28 An example of a standard condition for the BNG off-setting requirement is below:

'No development shall commence unless and until either:

i. A certificate confirming the agreement of an Offsetting Provider approved by the Local Planning Authority to deliver a Biodiversity Offsetting Scheme of no less than (XX)% biodiversity units above the baseline with management guaranteed for a minimum of 30 years has been submitted to and approved in writing by the Local Planning Authority. For the avoidance of doubt, the finalised unit number and cost shall be agreed following an updated habitat assessment; Or

ii. A detailed scheme of biodiversity offsetting is submitted to and approved in writing by the County Planning Authority to demonstrate that a minimum of (XX)% net gain in biodiversity units will be achieved. The scheme shall include baseline biodiversity information of the proposed off-setting site, proposed enhancements, ownership, and a management programme for a minimum of 30 years.

The approved scheme shall thereafter be implemented in accordance with the approved details.

Reason: To compensate of the net loss of biodiversity resulting from the development by providing biodiversity enhancements off-site in accordance with West Oxfordshire Local Plan policy EH3 and ESD10 of the Cherwell Local Plan.'

- 1.29 The use of a Grampian Condition (to secure the BNG units) is consistent with current standard practice in accordance with Section 55 of the National Planning Policy Framework (NPPF). This stipulates that Planning Obligations should only be used where it is not possible to address unacceptable impacts of development through a planning condition.
- 1.30 This **'early payment'** of the BNG units allow BNG off-site providers ample time to source a donor site in the **same local authority**. This is often sites such as low-quality agricultural land or land within floodplains.
- 1.31 The current cost of a TOE BNG unit is approx. £19,200. Given the size of the Graven Hill site, the BNG off-set payment is anticipated to be in the **region of £1.5 - £1.75m**. It is currently estimated that approximately 28.9 hectares will be required to mitigate BNG reduction at the site.

- 1.32 Funds from the sale of units can then be held by the Trust, in a secure escrow account, for a specified time period during which they must be assigned to biodiversity enhancement projects within the district in which the development occurred. The Trust secures these projects via land management agreements with landowners, which specify how a given land parcel must be managed and enhanced over a thirty-year period. The Trust is then responsible to the local authority for ensuring that the project is delivered over the full period, providing it with regular reporting.
- 1.33 Any funds taken by the Trust for the purpose of delivering BNG are placed into a '**restricted fund**' specific to whichever district they were collected from. Fund balances appear in their statutory accounts, which in turn are published and available on both the Trust's website and the Charity Commission's.
- 1.34 The Trust recovers the costs of delivering and managing a given offset over thirty years by charging the developer a set percentage-based **management fee** which is separate from the price charged per unit.
- 1.35 The 'DEFRA metric' and its associated metric strongly preferences delivery of an offsite biodiversity offset in close geographical proximity to the site where the loss occurred. It is the firm intention of the Applicant and TOE that any off-site BNG solution would be delivered within Cherwell District Council.
- 1.36 Projects are specifically selected on the basis that they provide maximum benefit for nature in the district where the biodiversity loss occurred, rather than simply because they provide the cheapest solution to deliver a given offset.
- 1.37 We consider that the adoption of a BNG unit system (secured via a Planning Condition) provides suitable mitigation for the proposed development and will ensure that BNG gains are secured at the desired policy target in Cherwell District Council.
- 1.38 If supported by secure funding, underpinned by effective contracts and designed and implemented by experts, Habitat Banks can deliver BNG at scale to the necessary target condition over the full term of the project.
- 1.39 They are administratively easier to manage, provide a significant income stream for rural communities, and can add value to the land of farmers and landowners currently being challenged by post-Brexit agricultural policy.