

## **Norfolk Wildlife Trust - further comments relating to BNG.**

Nature is remarkable and is essential to our lives. It is responsible for the air we breathe, the water we drink, the soil we live on (and off) and the food we eat. It provides us with clothes to wear, materials to build with and medicines to cure. It provides us with a place for leisure, recreation and reflection and provides great joy and interest; as such it is inextricably linked to our mental health and wellbeing. Despite the importance of nature to our very existence, nature is facing a crisis – an ecological emergency. The Living Planet Report (2018) shows that wildlife populations have declined by over half in less than 50 years and that the variety of life on earth is disappearing fast. Furthermore, the Intergovernmental Science-Policy Platform on Biodiversity and Ecosystem Services (IPBES) reports that globally one million animal and plant species are now threatened with extinction. Nationally, the 2023 State of Nature Report found that one in six of England's species are under threat of extinction, with wildlife, on average, declining by 19% since monitoring began in 1970. Because of the services and functions that biodiversity provides, this resource can also be described as our natural capital. Natural capital provides (food, raw material and growth), regulates (air, water, soil and climate) and supports us culturally with non-material benefits. It can simply be described as the elements of nature that directly or indirectly produce value to people. Biodiversity is the "live" element of natural capital and many of the benefits that stem from natural capital are as a result of the interactions between biodiversity and non-living resources. By investing in these biodiversity assets, we are investing in our own future and wellbeing. The planning system is a critical place where the natural world regularly meets with the actions of government. With the need to build more homes for growing populations, biodiversity net gain offers a framework to promote sustainable growth. However, for the requirement for BNG to succeed, it must be applied ambitiously and with care and be effectively monitored and enforced. The Wildlife Trust has a policy position that in the context of the ecological crisis, developments should be required to go beyond 10% BNG and strive to deliver at least 20% to protect and enhance nature and support its recovery. Why is a 20% target needed in Norfolk? Norfolk has a wonderfully rich and varied biodiversity, but it is not in a safe or stable condition, and it remains under serious threat. Our wealth of varied habitat supports 2328 of species which are classified as 'Species of Conservation Concern', meaning they are rare, threatened or protected by law, with some of these nationally rare and special species only found in the UK in Norfolk. Almost 13% of Norfolk is made up of Priority Habitat and Norfolk is home to a high proportion of the UK's most wildlife-rich habitats, including chalk streams, reedbed, fens, dry acid grassland and coastal sand dunes. Norfolk is also a national stronghold for Priority Species including barbastelle bat, swallowtail butterfly, bittern and stone curlew. Norfolk has 163 SSSIs, covering an area of 121,223 ha, equating to 23% of the total area of the county. Of these, 30% of the SSSI features are in unfavourable (no change) unfavourable declining, or unknown condition. For County Wildlife Sites, the non-statutory network of sites important for wildlife at the county level, monitoring data shows that 66% are either in declining, unfavourable condition or unknown. This compares to a national average of 48% in favourable condition. Within Norfolk, there are pressures on land use, the biggest being significant and unprecedented levels of growth. The population of the Norfolk is projected to increase from 916,120 in 2021 to 1,029,249 by 2043, an increase of around 11%. In addition to these homes is the infrastructure needed to support this – transport, education, health and social care, utilities and community facilities. This all requires space (land) and resources. The changing climate puts Norfolk's wildlife at further risk; for example, with warming of 2°C, 72% of bumblebees in Norfolk could be lost, along with 75% of grasshoppers and bush crickets, and 68% of larger moths. The new climate, at this level of warming, potentially becomes unsuitable for 15 species of birds 7 species of mammal. The

Swallowtail Butterfly, found in the UK only in the Norfolk Broads, and Red Admirals are among 11 species of butterfly which could be affected. The continuous growth in development and urbanisation means the county now has a highly fragmented landscape with small pockets of habitat supporting rare and vulnerable species. The Lawton Report “Making Space for Nature” has emphasised the importance of networks and connectivity for biodiversity. Fragmentation impairs species movement and migration, meaning these isolated populations are less able to survive or adapt to changing climate conditions and are put at further risk. Norfolk is home to numerous declining priority and endangered species, including water vole, Natterjack Toad, hedgehog, Barbastelle Bat and Adder. Between 1995 and 2021, 27% of bird species reported on in the BTO Breeding Bird Survey showed a statistically significant decline in Norfolk. There is a lack of data on the number of species in other taxa declining within Norfolk but given the national declines and threats, a precautionary approach is required. Indeed, as a response, ecological emergencies have been declared across the county. With these exceptional pressures for the county, the scale of biodiversity losses require a 20% biodiversity net gain target in order to bring confidence that the ecological crisis in Norfolk is being tackled and that there is a strategic policy in place to ensure that net gain will be delivered that makes a measurable contribution to national targets for halting the decline in biodiversity and moving it towards recovery. How will biodiversity net gain affect development and is a 20% target achievable? There is sometimes a misconception that increasing BNG from 10% to 20% is doubling the amount of habitat to be delivered. This is not the case. The increase is only from 110% to 120% of pre-development biodiversity levels. The vast majority of the cost of BNG is on meeting the 110% statutory target, and the extra 10% is a small extra cost that does not impact on viability. A 10% minimum gain has been set by the Environment Act, as this is the lowest level that Defra consider would actually deliver biodiversity gains. But we consider that given the pressures facing the county’s biodiversity, a greater ambition of 20% should be set to provide greater confidence in genuine gains for biodiversity and ensure the successful recovery of nature in Norfolk. Relevant findings from Defra’s Impact Assessment document (21/11/2018) include (our emphases): “..In simple terms, [10%] is the lowest level of net gain that [Defra] could confidently expect to deliver genuine net gain, or at least no net loss, of biodiversity and thereby meet its policy objectives.” “..Advice from some Natural Capital Committee members suggests that a level of net gain at or above 10% is necessary to give reasonable confidence in halting biodiversity losses.” “..The department therefore favours as high a level of net gain as is feasible...The analysis undertaken in this Impact Assessment indicates that the level of requirement makes relatively little difference to the costs of mitigating and compensating for impacts.” Natural England’s biodiversity net gain study (Vivid Economics, June 2018) considered the impacts on the economics and viability of development and concluded that a biodiversity net gain requirement was not expected to affect the financial viability of housing developments (up to 20% biodiversity net gain scenario); it also suggests there is a strong case for greater ambition. The study found that for biodiversity net gain scenarios up to 20%:

- With careful design and early consideration, on site biodiversity net gain can be delivered at no or little cost.
- If it can be delivered on site, biodiversity net gain is usually cost-neutral – biodiversity on-site can attract customers, speed up sales and even increase values.
- If biodiversity net gain costs are significant, it is the landowner that will bear them rather than the developer through reduced land prices; however, according to the study most developers considered it unlikely to have a significant impact on land values.

- After a transition period, incidence of a biodiversity net gain requirement on developers was expected to be minimal or positive.
- Biodiversity net gain is not expected to reduce the number of affordable housing units. • An increase in the biodiversity net gain requirement does not need to impact the number of dwellings, as some of net gain can be delivered off-site.
- Where there are higher costs associated with off-site delivery, these will be passed through to the landowner but represent less than a 1.5% uplift.

The Defra assessment similarly concluded that the additional costs would fall to the landowner. Their assessment states that when mandatory requirements that are transparent and clearly defined are imposed across all developers, developable land prices should fall to absorb the policy cost as developers 'pass through' the cost. Evidence from industry and academia supports this, showing that development costs are passed back through to land prices once the market has adjusted to the new policy. It states that house prices and developer profits appear inelastic with respect to extra costs, with land prices absorbing the change. The Defra impact assessment also found that the level of net gain requirement makes relatively modest difference to the costs of mitigating and compensating for impacts when assessed against the more significant costs of achieving no net loss and wider development policy objectives. It found that the majority of the costs associated with net gain are incurred to correct for the initial loss of biodiversity through development (i.e. achieving only 'no net loss'). For example, a 10% net gain is in fact a requirement to deliver approximately 110% of the total lost biodiversity; a 10% gain therefore represents a relatively small proportion of overall habitat creation/enhancement requirements. Furthermore, the additional investment required to move from 10% net gain to 20% does not mean twice the expense. As the Natural England assessment found, careful design and early consideration can see the achievement of significant biodiversity improvement with little or even no additional spend. Overall, Defra's analysis indicated that net gain delivery costs are likely to be low as a proportion of key variables such as build costs and land prices. In addition, they found it is unlikely to lead to a significant increase on existing average developers' contributions. We are encouraged to note that from other Local Authorities that 20% BNG is a realistic and deliverable policy goal. The following Local Planning Authorities that have already adopted a 20% requirement or target in their Local Plan: Maidstone, Guildford, Worthing, Greater Cambridge, Brighton and Hove. Other local planning authorities are working towards 20% or higher minimum biodiversity net gain requirements in emerging local plan policies: Richmond, Mid Sussex, Mole Valley, Birmingham, East Devon, Surrey Heath, Canterbury, Swale, Swindon, Kingston-upon-Thames (30% target), Tower Hamlets (30% target), Wiltshire. Conclusion: Therefore, given the evidence on the state of nature in Norfolk and the clear need for substantive action to ensure the ongoing decline in biodiversity is halted by 2030, we strongly recommend that the Broads Authority implement a policy to requiring 20% BNG. This stronger target would demonstrate a clear commitment to BA's Biodiversity Duty, without any significant effects on the delivery of the plan or viability of the developments affected.