

**REPORT TO:** Climate and Environment Advisory Committee      28 November 2018  
**LEAD OFFICER:** Stephen Kelly, Joint Director for Planning and Economic Development  
Cambridge and South Cambridgeshire

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## **Natural Capital and Biodiversity Net Gain in Design in Planning**

### **Purpose**

1. The purpose of this report is to set out progress to date with securing biodiversity net gain in new developments in Cambridgeshire and to seek support for the development of further guidance on biodiversity in light of changes to national policy.

### **Recommendations**

2. That Committee recommends that the following approach to biodiversity and natural capital be taken:
  - (a) The inclusion of high level guidance on biodiversity, including links to the Developing Nature Toolkit in the proposed new Greater Cambridge Sustainable Design and Construction SPD;
  - (b) The production of a Greater Cambridge Biodiversity SPD to provide more detailed guidance; and
  - (c) The development of a mandatory net gain policy as part of the Greater Cambridge Local Plan.

### **Reasons for Recommendations**

3. Recent changes to national planning policy have placed increasing importance on the role of new development in securing net gains in biodiversity. More widely, government has included this within the 25 Year Environment Plan, with the potential to change national planning policy to make these gains mandatory. In light of these changes to national policy, it is considered that further guidance is needed to ensure that development in South Cambridgeshire, and indeed Cambridge, maximises the potential for biodiversity and wider environmental net gain.

### **Introduction: national policy context**

4. Greater Cambridge (Cambridge and South Cambridgeshire) is one of the fastest growing areas within England, with plans for significant additional development and major infrastructure to provide tens of thousands of new homes and significant new employment opportunities over the coming decades. It is important that, in planning for this growth, steps are taken to ensure the conservation and enhancement of the natural environment, which plays a pivotal role in our economy and well-being, providing wide-ranging benefits such as clean water and air, food, timber, carbon capture, flood protection and recreation.

5. This role is recognised, in DEFRA's [25 Year Environment Plan](#), published in January 2018, which sets out Government's long term approach to protecting and enhancing landscapes and habitats for the next generation. Its aims are to achieve:
- Clean air;
  - Clean and plentiful water;
  - Thriving plants and wildlife;
  - A reduce risk of harm from environmental hazards such as flooding and drought;
  - Using resources from nature more sustainably and efficiently;
  - Enhanced beauty, heritage and engagement with the natural environment.

In addition, the plan seeks to manage pressures on the environment by:

- Mitigating and adapting to climate change;
  - Minimising waste;
  - Managing exposure to chemicals;
  - Enhancing biosecurity.
6. The 25 Year Environment Plan recognises the role that the planning system has to play in achieving these aims through embedding the 'environmental net gain' principle into development, including housing and infrastructure to deliver environmental improvements locally and nationally. It is suggested that this approach should be a mandatory requirement for new developments. This is an evolution of the concept of biodiversity net gains principle, focussing on the role that new development has to play in providing cleaner air and water; plants and animals that are thriving; and a cleaner, greener country for us all. This committee report focuses on the biodiversity element of the net gain principle.
7. In terms of national planning policy, the revised 2018 National Planning Policy Framework (NPPF), while not specifically referencing 'environmental net gain', recognises the role that the planning system has to play in enhancing the natural and local environment, including:
- minimising impacts on and providing net gains for biodiversity, including by establishing coherent ecological networks that are more resilient to current and future pressures (paragraph 170);
  - promote the conservation, restoration and enhancement of priority habitats, ecological networks and the protection and recovery of priority species; and identify and pursue opportunities for securing measurable net gains for biodiversity (paragraph 174).
  - development whose primary objective is to conserve or enhance biodiversity should be supported; while opportunities to incorporate biodiversity improvements in and around developments should be encouraged, especially where this can secure measurable net gains for biodiversity (paragraph 175).
8. While the NPPF has moved from no net loss to net gain, the language used is not explicit in terms of mandatory net gains, as is suggested in the 25 Year Environment Plan. It is understood that Government intends to consult on the matter of mandatory net gain, although there is no indication as to when this consultation will take place. As such, at present, it is left to local planning authorities to make the final leap to mandatory net gain principles and to make the case for this through the local plan making process, including independent examination.

## **Considerations**

*Progress to date in South Cambridgeshire*

9. To date, guidance on biodiversity and wider environmental net gain for South Cambridgeshire included policies within the Local Development Framework with additional guidance contained in the District Design Guide Supplementary Planning Document (SPD) for both biodiversity and environmental health considerations, and the Biodiversity SPD. The guidance in the District Design Guide is high level, providing examples of how biodiversity protection and enhancement can be integrated into the design of new developments. The Biodiversity SPD provides more detailed guidance including the preparation of relevant surveys and information on local biodiversity priorities, both in terms of species and habitats.
10. In practice, biodiversity net gains have been pursued through both on-site measures and through the use of planning contributions to deliver off-site improvements. As part of phase 2 of Northstowe, we have secured a Biodiversity Offset brokered through the Environment Bank, which will deliver a 10% net gain in biodiversity for that phase. All other growth sites at the outline planning application stage (Waterbeach New Town and Bourn Airfield) are all providing Biodiversity Net Gain calculations as part of their Environment Statements. These are in the process of being independently verified by the Wildlife Trust, and officers are looking to include biodiversity net gain requirements as part of recommended planning conditions for these sites.
11. Where it is currently more challenging to secure net gain is within smaller development sites, such as Housing 5 Year Land Supply sites and sites of less than 10 dwellings. The Council's Ecology Officer provides advice on a case by case basis, but it is often harder to find sufficient space on such sites to make a meaningful contribution to habitat creation. As such further guidance on approaches to such sites would be helpful.

## Options

*The 2018 South Cambridgeshire Local Plan and further guidance*

12. Policy NH/4 of the 2018 Local Plan requires all new development to:
 

*“to maintain, enhance, restore or add to biodiversity. Opportunities should be taken to achieve positive gain through the form and design of development. Measures may include creating, enhancing and managing wildlife habitats and networks, and natural landscape. The built environment should be viewed as an opportunity to fully integrate biodiversity within new development through innovation. Priority for habitat creation should be given to sites which assist in the achievement of targets in the Biodiversity Action Plans (BAPs) and aid delivery of the Cambridgeshire Green Infrastructure Strategy.”*

Policy NH/6 also seeks to ensure the protection and enhancement of Green Infrastructure. Policy CC/8 on sustainable drainage systems encourages the development of drainage systems that offer multiple benefits, not just in terms of reducing flood risk, but also enhancing water quality and biodiversity in line with the environmental net gain principle.
13. The 2018 Local Plan was prepared under a previous version of the NPPF. However, the general principles behind policy NH/4 are considered in conformity with the revised NPPF in that it promotes the role that new developments have to lay in achieving positive gain through the form and design of development, although the Local Plan does not set a mandatory requirement for net gains. The production of further guidance could explore the role that new development has to play in

'maintaining, enhancing, restoring and adding to biodiversity' in line with recent changes in national policy.

14. The guidance contained in the District Design Guide and Biodiversity SPDs is tied to policies contained in the previous Local Plan. As such, when the 2018 Local Plan was adopted, these existing SPDs lost some of the weight that they had in determining planning applications, although they will remain material consideration until replaced. It is clear that further guidance is therefore needed to ensure that the implementation of policies NH/4 and NH/6 contributes to the overarching aims of environmental net gain as set out in the 25 Year Environment Plan and NPPF.
15. This further guidance could also direct developers to toolkits to assist them in demonstrating a net gain in biodiversity. The Natural Cambridgeshire Local Nature Partnership (LNP) has developed such a toolkit. Launched in October 2018, the [Developing with Nature Toolkit](#) comprises a simple list of 10 Things to do for Nature, a scoring matrix, guidance notes and links to background information, including a summary map of Greater Cambridgeshire strategic GI and ecological network priorities, plus links to reference materials and publications.
16. Primarily aimed at major developments requiring an EIA, the toolkit is intended for use from the very outset of planning new developments, and ideally at the time of selecting sites to acquire for development. The toolkit provides a basis for a proposed Charter Mark to ensure that it becomes adopted standard across Greater Cambridge. An assessment process will be developed by the LNP in partnership with the LEP/Combined Authority and local authorities. This will involve design stage, construction and post construction evaluation to ensure on-going compliance and demonstrable biodiversity net gain. The LNP are also considering the development of a partner guide for smaller scales of development.
17. The bringing together of South Cambridgeshire and Cambridge City's planning departments, presents an opportunity to take a Greater Cambridge approach to planning for biodiversity and environment net gain. There are already proposals for a Greater Cambridge Sustainable Design and Construction SPD. This document will replace elements of the South Cambridgeshire District Design Guide SPD and Cambridge City Council's existing Sustainable Design and Construction SPD. The following topics are proposed for inclusion in the SPD:
  - a) Energy and carbon reduction;
  - b) Sustainable Drainage (pointing to guidance in the Cambridgeshire Flood and Water SPD, with some more specific guidance for Cambridge in light of policy in the Cambridge Local Plan);
  - c) Climate change adaptation (including links to trees, biodiversity and green infrastructure);
  - d) Water conservation;
  - e) Consequential improvements (energy efficiency improvements to existing dwellings in line with policy in the Cambridge Local Plan);
  - f) Pollution/Environmental Health including electric vehicle charging;
  - g) Works to heritage assets to address climate change;
  - h) Sustainable Show Homes.
18. Given the breadth of topics to be included in the Greater Cambridge Sustainable Design and Construction SPD, it is recommended that guidance related to biodiversity remain quite high level, as is the case in the current Design Guide SPD and Cambridge Sustainable Design and Construction SPD, focussed on providing guidance on how planning for biodiversity should be integrated into new development, through for example building integrated approaches and the role of

green infrastructure and sustainable drainage systems in enhancing biodiversity. This SPD also presents an opportunity to provide links to the guidance contained within the Developing with Nature Toolkit.

19. For more detailed guidance, including the preparation of relevant surveys, possible approaches to deliver net gain at different scales of development, consideration of approaches to long term management and maintenance and information on local biodiversity priorities, it is recommended that the existing Biodiversity SPD be updated to cover the whole of the Greater Cambridge area. This would provide developers with clarity as to what is expected in terms of biodiversity net gain and how it can be delivered in practice.
20. The development of the new Greater Cambridge Local Plan also presents an opportunity to develop new policy related to mandatory biodiversity and indeed wider environmental net gain. The development of this policy could give consideration to the approaches being taken by other local planning authorities. For example, Lichfield (Staffordshire) requires a mandatory 20% net gain in biodiversity, while the Ribble Valley has initiated a 'habitat bank' principle, which involves funding the restoration of a large area of land (over 50 ha) through contributions made by developers, although this approach does require an initial investment of approximately £2 million. The Environment Bank offer biodiversity offset brokering whereby they will calculate the loss, design an offset scheme, and find a willing land owner to host it for 25 years. This can be done by a developer independently and can be included in S106 agreements with the LPA if necessary. Evidence will be needed to support such a policy. This would include an update to the Green Infrastructure Strategy.
21. In addition, the Cambridgeshire Biodiversity Partnership are in the process of developing Biodiversity Opportunity Mapping for Cambridgeshire and Peterborough. Biodiversity Opportunity mapping involves selecting a small set of broad habitats present in the county and for each habitat mapping the existing network and analysing its ecological connectivity. Potential to improve this connectivity by creation of new habitat areas can then be explored, taking a practical approach which considers constraints present on areas of land to provide an opportunity map of land parcels which could realistically be used for habitat creation. This Opportunity Mapping will prove useful when selecting sites for allocation and also for identifying priority areas for enhancement in order to maximise biodiversity net gains.

### **Implications**

22. In the writing of this report, taking into account financial, legal, staffing, risk management, equality and diversity, climate change, community safety and any other key issues, the following implications have been considered: -

#### ***Financial***

23. The preparation of the additional Supplementary Planning Documents and work on the Joint Local Plan have been included in planned budgets.

#### ***Legal***

24. The legal implications of preparing these documents has been considered in the writing of this report.

### ***Staffing***

25. Currently anticipated to be within current budgets. This will be kept under review alongside other work priorities and as part of the Greater Cambridge Shared Planning Service Phase 2.

### ***Risk Management***

26. These SPDs are key documents in assisting with implementation of the South Cambridgeshire Local Plan and will be monitored using the Planning Policy teams internal project management systems and through the Annual Monitoring Report.

### ***Equality and Diversity***

27. These SPDs will each require an Equalities Assessment to be undertaken as part of their preparation.

### ***Climate Change***

28. These plans will play an important role in planning for climate compatible development.

### **Consultation responses**

29. None.

### **Effect on Strategic Aims**

#### **A. LIVING WELL Support our communities to remain in good health whilst continuing to protect the natural and built environment**

30. The commitment by the Council to prepare plans for the district, including Supplementary Planning Documents, is a good means of ensuring that the quality of life of its residents and their environs is protected and enhanced into future years.

#### **B. HOMES FOR OUR FUTURE**

##### **Secure the delivery of a wide range of housing to meet the needs of existing and future communities**

31. Not applicable.

#### **C. CONNECTED COMMUNITIES**

##### **Work with partners to ensure new transport and digital infrastructure supports and strengthens communities and that our approach to growth sustains prosperity**

32. Not applicable.

#### **D. AN INNOVATIVE AND DYNAMIC ORGANISATION**

##### **Adopt a more commercial and business-like approach to ensure we can continue to deliver the best possible services at the lowest possible cost**

32. Development of joint SPDs will enable resource efficiencies to be met in terms of reducing the need for separate consultations and will also enable the development of shared guidance where local policies across South Cambridgeshire and Cambridge correlate with one another

**Report Author:** Caroline Hunt – Planning Policy Manager  
Telephone: (01954) 713196