



## Biodiversity Offsetting: Scoping Study for Surrey

The Environment Bank (EB) was commissioned by the Surrey Nature Partnership (SyNP), with funding support from Surrey County Council, to assess the potential for biodiversity offsetting through the planning system in Surrey over a 5 year period (2015-2019) and to explore funding opportunities for offset provision within the local Biodiversity Opportunity Areas (BOAs).

This work is one of a number of projects which will be used to inform the Natural Capital Investment Strategy for Surrey being developed by SyNP. The information will also be made available for the preparation of the Surrey Infrastructure Plan.

### Background:

Biodiversity offsets are activities designed to compensate for significant residual losses of biodiversity which occur as a result of development and are defined by The Business and Biodiversity Offset Programme (BBOP, 2012) as:

*“Biodiversity offsets are measurable conservation outcomes resulting from actions designed to compensate for significant residual adverse biodiversity impacts arising from project development after appropriate prevention and mitigation measures have been taken. The goal of biodiversity offsets is to achieve no net loss and preferably a net gain of biodiversity on the ground with respect to species composition, habitat structure, ecosystem function and people’s use and cultural values associated with biodiversity.”*

Offsets are designed with two principle functions:

- To discourage damage to biodiversity by incorporating biodiversity offsetting into development project planning stages and reducing required costs that would be incurred by the developer to offset impacts to biodiversity;
- To achieve no net loss of biodiversity by providing direct and ecologically equivalent compensation for impacts to biodiversity through restoration or creation efforts off site.

The National Planning Policy Framework sets out a presumption in favour of ‘**sustainable development**’, one key aspect of which is for development to deliver ‘**no net loss**’ of biodiversity. Impacts on biodiversity through development should be avoided or mitigated wherever possible and, failing this, loss should be compensated for through habitat creation or restoration.

A voluntary mechanism, ‘biodiversity offsetting’ was introduced as government policy in the Natural Environment White Paper of 2011. Through the application of national Government ‘metrics’, biodiversity offsetting enables the quantification of both ecological impact and ecological gain. Where gain equals or exceeds impact, then ‘no net loss’ is achieved.

The UK Government, as signatory to the Rio Convention on Biological Diversity, is committed to conserving and enhancing biodiversity. This commitment is further enforced in the Countryside and Rights of Way Act 2000 (Section 74) and more recently in the Natural Environment White Paper (June 2011).

### Key findings:

- Under an offsetting system, overall demand for development in Surrey over the next 5 years is estimated to require 1,307 hectares of land, 62.1% of which is projected to occur on previously developed land (812 hectares) while 37.9% is projected on previously undeveloped land (495 hectares).



- Of this land, the area of development generating offset demand is estimated to be 739 hectares, with most of the offsets being generated through development on non-priority Greenfield land (61.4%), followed by impacts to Brownfield land (33.0%) and priority habitats (5.6%). Impacts to hedgerows are estimated at 42km.
- The area over which habitat restoration (primarily woodland and heathland habitats) and habitat creation (primarily woodland and lowland grassland habitats) conservation activity is required to deliver no loss of biodiversity to compensate for development (via biodiversity offsets) over this 5 year period, is estimated to be 1,059 hectares and 84km of hedgerow.
- Around £1,598,000 of funding for conservation to deliver biodiversity gains could be raised annually through an offsetting system in Surrey.
- A preliminary offset search identified potential habitat enhancement of woodland, heathland, lowland grassland and wetland habitats on 56,024ha of land across 42 sites within the BOAs alone.
- Per hectare costs for most habitats range between £7,400 to £11,800 based on national Habitat Action Plan figures. Given the wide variation in project specific costs and economies of scale it is important to note that estimates included in the report are generic (and have been found to be underestimates on occasion).
- Credit gain is estimated at approximately 3.5 credits per hectare for restoration projects and 2.5 credits per hectare for creation projects within the BOAs and SANGS and most restoration projects will deliver between 2.4-4.3 credits per hectare.

#### Current progress:

- The report findings have been presented to the Surrey Planning Officers Association and further work on assessing the potential for an offsetting approach in Surrey is being undertaken.
- The Surrey Future Board is being kept informed of progress of this work.
- Discussions with Warwickshire County Council, one of the Offsetting Pilot areas, are being pursued in particular with regard to the habitat banking approach they are implementing.
- The offsetting toolkit has been made available to all Local Planning Authorities in Surrey and detailed information for each district or borough can be made available.

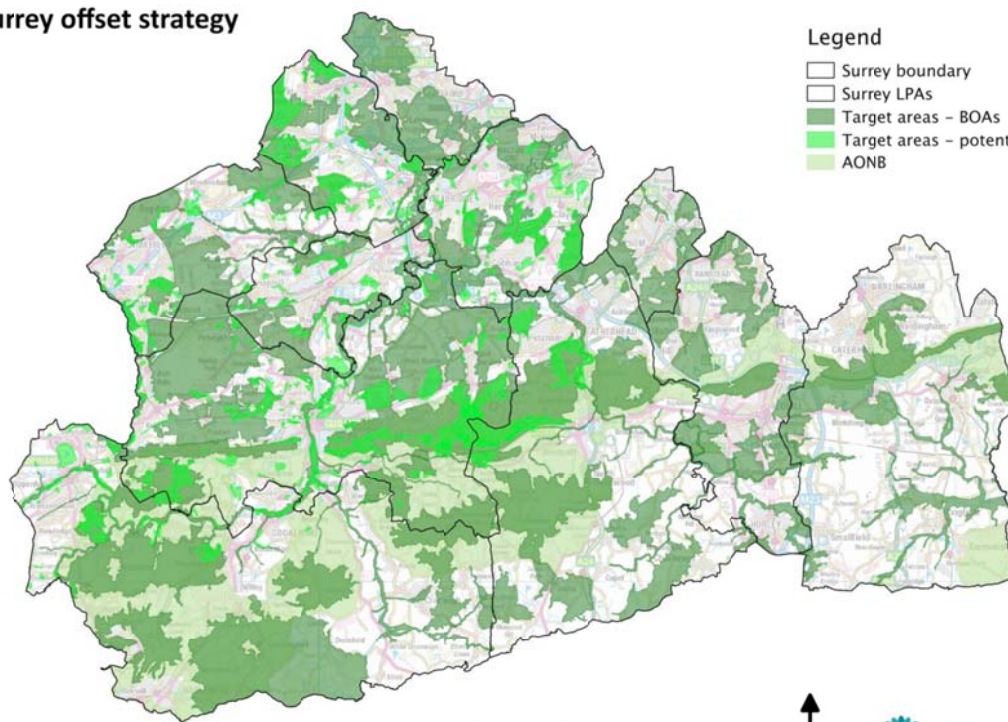
If you would like further information on the results of this scoping study then please contact Sarah Jane Chimbwandira at Surrey Nature Partnership ([sarahjane@surreywt.org.uk](mailto:sarahjane@surreywt.org.uk) or 01483 795484).



## Surrey offset strategy

### Legend

- Surrey boundary
- Surrey LPAs
- Target areas – BOAs
- Target areas – potential SANGs
- AONB



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