

Report Title	Biodiversity Net Gain and Local Nature Recovery Strategy2
Meeting	Communities and Environment Scrutiny Committee
Meeting Date	23 rd April 2024
Report Author	Nicola Jordan - LNRS Project Manager Alistair Blackshaw - Principal Ecologist
Lead Cabinet Member(s)	Cllr Giles Archibald – Portfolio Holder for Climate and Biodiversity.
Wards Affected	All
Public. Part Exempt, or Fully Exempt	Public
Appendices (if any)	<ol style="list-style-type: none"> 1. LNRS Overview Presentation 2. The Environment (Local Nature Recovery Strategies) (Procedure) Regulations 2023 3. Local Nature Recovery Strategy Statutory Guidance 4. WF Strategic Significance Guidance v1.0 5. EqIA LNRS.BNG

1. Executive Summary

- 1.1 The UK Government has made a formal commitment, through the Environmental Improvement Plan, to protect and conserve a minimum of 30% of land and sea for biodiversity by 2030, known as 30x30. The Council has an opportunity under the enhanced Biodiversity Duty to help deliver on the 30x30 target; Biodiversity Net Gain (BNG) and the Cumbria Local Nature Recovery Strategy (LNRS) are two mechanisms we can use to support this target.
- 1.2 This report and accompanying presentation (Appendix 1) outlines the progress made in developing the Cumbria LNRS as the Responsible Authority, in order to foster a robust development management process which incorporates both the LNRS and BNG to drive and incentivise strategic nature recovery in Westmorland and Furness and across Cumbria.

2. Recommendations

For the reasons set out in this report, Overview and Scrutiny Committee is recommended to:

- 2.1 To note and comment on the report and the preparations for the Local Nature Recovery Strategy in-line with the statutory requirements of The Environment (Local Nature Recovery Strategies) (Procedure) Regulations 2023 and the Local Nature Recovery Strategy Statutory Guidance (Appendices 2 and 3).

3. Information: The Rationale & Evidence for the Recommendations

- 3.1 Local Nature Recovery Strategies (LNRS) are ground-breaking new mechanisms to plan for nature recovery at a local level; they agree priorities for nature recovery and propose actions for reversing the decline in biodiversity, as well as identifying key locations where these could take place.
- 3.2 In 2021 Cumbria was chosen as one of five pilot areas to trial the development of an LNRS. The pilot scheme was widely praised and gives us a good basis to work from when developing the current LNRS.
- 3.3 LNRS's are required by law under the Environment Act 2021 and will be reviewed every three to ten years. The first iteration of the LNRS must be published by March 2025 and we are on target to meet this publication date.
- 3.4 Westmorland and Furness Council are the responsible authority for the Cumbria LNRS, with Cumberland Council, Lake District National Park Authority, Yorkshire Dales National Park Authority and Natural England acting as supporting authorities. There are also many other organisations involved in the development of the LNRS such as Cumbria Biodiversity Data Centre, Forestry Commission, Environment Agency, Cumbria Wildlife Trust, Cumbria Local Nature Partnership and many more NGOs, organisations and individuals.
- 3.5 Our LNRS will aim to restore Cumbria's wildlife by drawing on existing data, strategies and guidance, alongside local knowledge, so that nature recovery happens in a way which delivers maximum benefit.
- 3.6 Strategic nature recovery is directly linked with mandatory BNG via the Biodiversity Metric, which is used to calculate the numbers of biodiversity units lost and delivered as a result of development. The 'Strategic Significance' modifier within the Biodiversity Metric applies an uplift of 10-15% to the biodiversity unit score for each habitat parcel if it is within an area identified as being of importance for that particular habitat by the LNRS. This makes these areas more desirable for BNG offsetting, and less desirable for development than lower value land outside the LNRS recovery network. Use of the Strategic Significance modifier should encourage BNG offsetting to occur where it is most beneficial, as identified by the pilot LNRS.
- 3.7 The LNRS team and the council's ecology team have co-developed interim guidance which is based on the pilot LNRS and will help to deliver the maximum benefit from BNG while the final LNRS is being developed. The interim guidance is set out in Appendix 4. It will be updated once the first iteration of the LNRS is published.
- 3.8 The focus is on BNG as a mechanism for delivering the LNRS as currently it is the only 'land management' scheme which is directly linked to it. However, mandatory BNG should not be expected to deliver all of the LNRS priorities

due to the limitations on where development can take place and the availability of land for habitat creation/restoration to offset its impacts. It is expected, but not confirmed, that the LNRS will be delivered in the main through agri-environment schemes such as the upcoming Environmental Land Management Scheme (ELMS), although there is very little detail at present on how ELMS will link with the LNRS. The LNRS will also inform the Councils Biodiversity Action Plan (Part 2).

3.9 The Biodiversity Net Gain (BNG) policy holds significant potential to support the Local Nature Recovery Strategy (LNRS) priorities. While the Environment Act (2021) mandates a minimum 10% net gain, the current council administration aspires for new developments to achieve 20%. However, central government guidance requires justification for exceeding the mandated target. This justification needs to demonstrate a local need for a higher percentage, suitable local opportunities to achieve it, and the potential impact on development viability. The local plan is still in its early stages, but work on building the evidence base for a 20% requirement in Westmorland and Furness is already underway.

3.10 Delivery of Nutrient Neutrality (NN) also has the potential to contribute to LNRS delivery but, there is no direct incentive for mitigation to be located in areas that would directly benefit the LNRS. Because NN mitigation is primarily concerned with reducing phosphorus loads, and the benefits to the LNRS are coincidental, it is difficult to see how such an incentive would work. However, the LNRS provides a useful framework upon which to base decision making in relation to the siting of NN mitigation.

4. Link to Council Plan Priorities: (People, Climate, Communities, Economy and Culture, Customers, Workforce)

4.1 The current and proposed actions as part of our preparations for BNG and leading the development of the LNRS supports many of the Council Plan Priorities: People, Climate, Communities, and Economy and Culture.

4.2 These current and proposed actions from BNG and the LNRS aim to help implement statutory duties required by the Environment Act 2021 and support the 30x30 ambition. Their implementation will seek a balance between nature recovery, supporting greater access to nature, and fostering ecological awareness. This will benefit our residents, local culture, visitors, natural climate change management, and the local economy.

4.3 The Cumbria-wide Local Nature Recovery Strategy (LNRS) will serve as a roadmap for Westmorland and Furness Council's upcoming Biodiversity Action Plan (part 2). The LNRS will guide the council's priorities and actions by outlining a strategic framework for habitat restoration, creation, and enhancement across the county. This will ensure that Westmorland and Furness's plan aligns with broader conservation efforts and leverages expertise from across Cumbria. By incorporating the LNRS's vision, the

council's action plan can set clear and achievable goals and specific actions suited to Westmorland and Furness's unique landscapes and challenges.

- 4.4 As the LNRS will outline priority areas for nature recovery across a range of habitats it will help to support decision making on where to place NN mitigation further supporting the Council Plan Priorities of Communities and Economy and Culture. However, at present there are no incentives, as there are for BNG, to encourage the placement of NN mitigation in specific locations that would benefit the LNRS. Further guidance on this may be released by central government in the future.
- 4.5 The success of Local Nature Recovery Strategies (LNRS) hinges on collaborative action. Farmers and Landowners play a pivotal role by creating wildlife habitats and adopting sustainable practices. Local Nature Partnerships (LNPs) serve as a vital link, guiding and connecting these efforts with measurable biodiversity benefits.
- 4.6 Expertise from National Parks, the Environment Agency, and universities ensures proper implementation and monitors progress. Local business groups can champion the economic advantages of a thriving natural environment. Conservation organizations bring their land management skills and advocacy for supportive policies to the table. Everyone has a role to play in ensuring the success of the Local Nature Recovery Strategy, working together to build a nature-rich and economically prosperous future

5. Consultation Outcomes

- 5.1 The development of the LNRS involves continuous engagement and consultation with the Supporting Authorities (Cumberland Council, Lake District National Park Authority, Yorkshire Dales National Park Authority and Natural England), Cumbria Local Nature Partnerships, NGOs, community groups, town and parish councils, and the public.
- 5.2 Engagement so far has been positive with over 600 individuals and around 250 organisations included in developing the LNRS to ensure that we collaboratively establish what the priorities are for nature recovery in Cumbria and where the actions to do this should take place.
- 5.3 The priorities and measures outlined in the LNRS will link to BNG, as measures, or actions, to create or restore habitats in strategic networks will receive an uplift through the strategic significance multiplier as described above.

6. Alternative Options Considered

- 6.1 BNG and the development of an LNRS is a statutory requirement under the Environment Act 2021 and is therefore mandatory for the Council to follow.

- 6.2 The Statutory Biodiversity Metric User Guide is specific that, while the LNRS is under development Local Planning Authorities are free to specify their own documentation for developers to refer to when completing the Biodiversity Metric. We have chosen to base our guidance on the LNRS pilot in the interim. However, once the LNRS is published the user guide requires us to use it as a basis for strategic significance.
- 6.3 The LNRS is heavily based on restoring networks of priority habitats, which are a range of semi-natural habitat types that have been identified as being the most threatened and requiring conservation action. Because of this, there is a risk that restoration or creation of medium value habitat, which could fulfil a key connective function, is not incentivised by the metric. Examples of these habitats could be scrub and semi-improved neutral grassland. The LNRS team and council ecology team will continue to work together, providing feedback to DEFRA if necessary, to advocate for a mechanism to incentivise the creation of medium value habitats in locations where they would benefit the LNRS.

7. Reasons for the Recommendations

- 7.1 The LNRS team and council ecology team can demonstrate progress in line with their respective project plans in accordance with relevant statutory regulations and guidance (Appendices 2 and 3).
- 7.2 Ongoing communication between teams also demonstrates how the two initiatives are being developed together. Aligning the LNRS to BNG has wider co-benefits such as carbon sequestration, natural flood management and enhanced resilience to climate change, which aligns with the Council Plan Priority 'For the Climate'.
- 7.3 The Communities and Environment Committee can influence the policies and decisions made by the Council and partners in relation to the Local Nature Recovery Strategy and ensure we maximise opportunities and benefits from nature recovery and biodiversity net gain in Westmorland and Furness and across Cumbria.

8. Climate and Biodiversity Implications

- 8.1 Carbon sequestration: Creating and restoring habitats like peatlands, woodlands, and wetlands can significantly increase carbon storage. This helps mitigate climate change by removing greenhouse gases from the atmosphere and storing it as soil carbon or within vegetation.
- 8.2 Enhanced climate resilience: Healthy ecosystems are more resilient to extreme weather events associated with climate change, such as floods and droughts. A well-designed LNRS can identify areas for habitat restoration that can buffer communities from impacts such as flooding and by creating corridors between fragmented habitats, facilitating the movement of species as their ranges shift due to climate change.

- 8.3 Habitat creation and restoration: Aligning the LNRS with BNG can lead to the strategic restoration of degraded habitats and creation of new ones.
- 8.4 Increased species diversity: A healthy and diverse habitat network fosters a wider variety of plant and animal life. This biodiversity is crucial for maintaining healthy ecosystems.

9. Legal and Governance Implications

- 9.1 The Environment Act 2021 amended section 40 (A1) of the Natural Environment and Rural Communities Act 2006 (NERC). The Environment Act 2021 (the Act) operates as the new framework for environmental protection. The Act strengthens and improves the duty on public bodies to conserve and enhance biodiversity alongside conservation by way of creating the 'general biodiversity objective'. The Act establishes two mechanisms to support the delivery of Local Nature Recovery Strategies (LNRS), which are mandatory biodiversity net gain (BNG) and the strengthened biodiversity duty on public authorities. Section 106(5) of the Act requires local authorities in England to establish LNRS, which will identify where action to achieve BNG will have the most impact and encourage action locally through the way net gain is calculated. The Act also requires the preparation and publication of LNRSs.
- 9.2 The Environment (Local Nature Recovery Strategies) (Procedure) Regulations 2023 (*SI 2023/241*) were made on 22 March 2023. Following consultation, the Department for Environment, Food and Rural Affairs (Defra) published statutory guidance on 23 March 2023.
- 9.3 The LNRS Regulations and statutory guidance explain how an LNRS should be prepared, the obligations to share information on local wildlife sites, how local authorities can work together in developing their LNRSs, the need for local consultation when an LNRS is set, and dispute resolution procedures. The LNRS for each area must:
- Map the most valuable existing areas for nature.
 - Agree priorities for nature recovery.
 - Map specific proposals for creating or improving habitat for nature and wider environmental goals.
- 9.4 Defra decides the area that each LNRS covers and appoints the responsible authority to lead its preparation, review and republication. Defra will publish information on the area covered by each LNRS and who the responsible authorities are. The Council has been appointed as the responsible authority and therefore there are additional duties for the Council in order to comply with the statutory obligations in this respect.

9.5 Local planning authorities must have regard to LNRs in complying with their strengthened biodiversity duty. Additional accountability is imposed on Local Authorities to deliver biodiversity reports under section 40(A) of the NERC. The report will need to summarise the actions implemented to comply with the statutory duty under NERC section 40 (1) and (1A).

10. Human Resources Health Wellbeing and Safety Implications

10.1 There are no HR implications within the report.

11. Financial Implications

11.1 There are no direct financial implications of the recommendation contained within this report. (P Cameron 12.4.2024)

12. Equality and Diversity Implications (please ensure these are compliant with the EIA Guidance)

12.1 See Appendix 5 for full EqIA.

13. Background Documents

13.1 [Local nature recovery strategies - GOV.UK \(www.gov.uk\)](https://www.gov.uk)

13.2 [Biodiversity net gain - GOV.UK \(www.gov.uk\)](https://www.gov.uk).

13.3 [Complying with the biodiversity duty - GOV.UK \(www.gov.uk\)](https://www.gov.uk)

13.4 [Nutrient pollution: reducing the impact on protected sites \(www.gov.uk\)](https://www.gov.uk)