

BNG Guidance Note:

Securing ‘Significant’ Onsite Enhancements

This guidance note outlines the councils’ approach to securing ‘significant’ onsite biodiversity enhancements for developments where mandatory biodiversity net gain (BNG) applies.

Background

The Environment Act 2021 and associated regulations amend the Town and Country Planning Act 1990 (TCPA) to make BNG a mandatory condition of planning permission. Major TCPA development has been subject to mandatory BNG since 12 February 2024, and all other TCPA development has been subject to BNG from 2 April 2024 (subject to exemptions).

Relevant developments need to demonstrate that proposals can deliver a minimum 10% uplift in biodiversity value, when compared to the pre-development biodiversity value of the application site. Uplift is calculated using the statutory biodiversity metric. Development cannot commence until BNG has been demonstrated through the discharge of condition process.

To achieve this, developers need to submit a biodiversity gain plan (BGP) to the local planning authority for approval, after the grant of planning permission. The BGP is a summary document which details what measures are being provided to achieve the required uplift in biodiversity value. Onsite and offsite measures can be included in the BGP, with the purchase of statutory credits as a last resort.

‘Significant’ Onsite Enhancements (SOEs)

In accordance with the Biodiversity Gain Hierarchy¹, when agreeing measures needed to meet the mandatory minimum 10% biodiversity uplift for medium or major developments, the local planning authority is obliged to encourage the creation and enhancement of onsite habitats first before accepting any offsite measures.

“Onsite”

Land to which the planning application is related². In practice, this means all land within the red line boundary of the planning application.

¹ Article 37A of the Town and Country Planning (Development Management Procedure) (England) Order 2015 (as amended).

² Paragraph 12(1) of Schedule 7A of the Town and Country Planning Act 1990 (as amended).

The requirements of the Biodiversity Gain Hierarchy mean that medium or major developers will be asked to maximise biodiversity gains within the red line boundary of their planning application. This will likely result in development proposals incorporating habitats of increased ecological value in landscaped areas; such as species-rich grassland, wetland features, or woodland planting.

Legislation requires that, where a development would deliver onsite habitat enhancements that are ‘significant’, local planning authorities **must** secure the successful establishment and ongoing maintenance of those SOEs for at least 30 years after the development is completed¹. The long-term maintenance of SOEs can be secured by the local planning authority through planning conditions or legal agreements, as appropriate.

“Significant”

Habitats which make an important contribution to the post-development biodiversity value of a development. [Guidance](#) suggests that this may include:

- *habitats of medium or higher distinctiveness in the biodiversity metric.*
- *habitats of low distinctiveness which create a large number of biodiversity units relative to the biodiversity value of the site before development.*
- *areas of habitat creation or enhancement which are significant in area relative to the size of the development.*
- *habitat enhancement where distinctiveness is increased relative to the distinctiveness of the habitat before development.*
- *habitat enhancement where the condition of retained habitat is increased, for example from poor condition to moderate condition.*

Private gardens, ornamental planting, and small areas of amenity grassland are unlikely to be considered ‘significant’. Local planning authorities are not obliged to secure the long-term management of these features for the purpose of mandatory BNG, but these areas (excluding private gardens) will likely still have long-term management secured through other mechanisms.

¹ Paragraph 9 of Schedule 7A of the Town and Country Planning Act 1990 (as amended).

Long-Term BNG Monitoring

Local planning authorities have a statutory obligation to monitor and report on the success of measures used to implement mandatory BNG². This includes securing SOEs when exercising planning functions.

Medium and Major Developments:

The councils will use planning obligations, under section 106 of the TCPA (“section 106 agreements”), to secure SOEs when proposed as part of medium or major developments. These planning obligations will identify relevant land, require developers to establish and thereafter maintain habitats, provide monitoring reports to the council, and make financial contributions to recover the costs of monitoring over the length of the agreement. Monitoring of BNG takes place at regular intervals throughout the length of the agreement, usually at years: 1, 3, 5, 10, 15, 20, 25, and 30. It is appropriate and standard practice for the councils to recover the costs of monitoring the delivery of measures secured through planning obligations³.

To minimise burdens and reduce delays on developers, standardised templates for SOE planning obligations will be used wherever possible and appropriate. These templates have been developed using the PAS recommended templates⁴.

Minor Developments:

The councils are mindful of the cost and time implications that agreeing planning obligations can place on smaller developers, and balancing those implications against the need of the councils to effectively monitor SOEs over the long-term. Where SOEs are proposed as part of minor developments, a planning condition will be used to secure long-term management and monitoring.

Model wording for the planning condition securing significant onsite BNG is provided in Appendix 1.

Planning Obligation Costs

When securing SOEs through planning obligations, developers will be required to pay the two sets of fees:

1. Legal fees, usually as a costs undertaking (on instruction of the Legal Department); and
2. The BNG monitoring fee (on commencement of the development).

² Section 40A(4) of the Natural Environment and Rural Communities Act 2006 (as amended).

³ Regulation 122(2A) of The Community Infrastructure Levy Regulations 2010 (as amended).

⁴ <https://www.local.gov.uk/pas/environment/biodiversity-net-gain-bng-local-planning-authorities/pas-biodiversity-net-gain-bng>

Legal Fees:

Initial council legal fees, usually required as a costs undertaking when a planning obligation is being drafted and reviewed, will depend on the complexity of the agreement. Where actual legal costs exceed the initial fee, payment of additional costs are payable at completion of the agreement. These fees are set by the council's Legal Department and reviewed annually and are available upon request.

BNG Monitoring Fee:

The BNG monitoring fee is determined by the cost schedule below, with an explanation provided in Appendix 2. The BNG monitoring fee is reviewed annually.

Monitoring Type	BNG Monitoring Fee
Medium Development <i>(between 10 and 49 dwellings, on a site no greater than 2.5ha)</i>	£7,879.77
Major Development <i>(between 50 and 199 dwellings, or between 1,000m² and 9,999m² floorspace, or site area ≥1ha but <2ha)</i>	£11,819.65
Large Major Development <i>(200+ dwellings, or 10,000m²+ floorspace, or site area ≥2ha)</i>	£15,759.53

In instances where a single development is providing both SOEs and 'registered offsite biodiversity gain' (ROBG)⁵, a combined planning obligation and single BNG monitoring fee may be appropriate. Such instances will be assessed on a case-by-case basis and only agreed where the likely cost of combined monitoring would not exceed the BNG monitoring fee contribution (dependent on size, complexity and geographical location of the SOEs and ROBG).

⁵ See council BNG Guidance Note: Securing Offsite Enhancements

Appendix 1: Model Planning Condition

No development shall commence on site until a Habitat Management and Monitoring Plan (HMMP), to be provided in conjunction with the Biodiversity Gain Plan, has been submitted to and approved in writing by the Local Planning Authority.

The HMMP must include:

- a) A non-technical summary;*
- b) The roles and responsibilities of the people or organisation(s) delivering the HMMP;*
- c) The planned habitat creation and enhancement works to achieve the biodiversity net gain in accordance with the approved Biodiversity Gain Plan;*
- d) The management measures to maintain habitat in accordance with the approved Biodiversity Gain Plan for a period of 30 years from the completion of development;*
- e) The monitoring methodology in respect of the created or enhanced habitat to be submitted to the Local Planning Authority. Monitoring reports shall be produced and submitted to the Local Planning Authority on years 1, 3, 5, 10, 15, 20, 25 and 30 after the completion of development.*

No use or occupation of the development shall take until written notice confirming the date of the completion of the development has been given to the council. Thereafter the HMMP shall be implemented onsite as approved.

REASON: To ensure the development delivers onsite biodiversity net gain measures in accordance with [Core Policy 46/Policy ENV3], and paragraphs 187 and 193 of the NPPF, and Schedule 7A of the TCPA.

Natural England have published a template HMMP (accessible [here](#)) which developers are strongly encouraged to use.

Appendix 2: BNG Monitoring Fee

SOE planning obligations will require major developers, or whichever subsequent body or organisation that takes on legal responsibility for the maintenance of created habitats (e.g. management companies), to provide the councils with BNG monitoring reports at intervals throughout the length of that agreement. These BNG monitoring reports will be produced by a suitably qualified ecologist, independent of both the councils and the developer, who has surveyed relevant land. The BNG monitoring report will provide detail on the success of SOEs (e.g. condition of habitats) compared to the HMMP and BGP approved for the development pursuant to the requirements of mandatory BNG.

How the Monitoring Fee is Calculated

1. Hourly Rate

The review and assessment of BNG monitoring reports, plus any required visits to areas of SOEs, must be undertaken by a suitably qualified and experienced ecological professional. The councils' Senior Ecology Officer is the appropriate officer to undertake the review of BNG monitoring reports. The Senior Ecology Officer has an hourly rate of **£81.09**. This hourly rate is reviewed annually.

2. Frequency of Monitoring Intervals

Each SOE planning obligation will include a minimum of eight monitoring intervals throughout the length of the agreement. These typically will take place at years 1, 3, 5, 10, 15, 20, 25, and 30. Planning obligations of differing lengths may require more or fewer monitoring intervals, or monitoring on different years. This will be assessed on a case-by-case basis.

3. Time per Monitoring Interval

Monitoring intervals are likely to require the councils to engage in: general administration, review of monitoring reports, site visits, and statutory data collection/reporting. The length of time spent per monitoring event will depend on the scale and complexity of SOEs, linked to the scale and complexity of the development. Three development scales are accounted for below, with an estimation for review time taken per monitoring interval.

Monitoring Type	Time per Monitoring Interval
Medium Development	8 hours
Major Development	12 hours
Large Major Development	16 hours

4. Inflation

SOE planning obligations are required to secure created/enhanced habitats for a minimum of 30 years (after the completion of development works – including landscaping). It is necessary for the council to ensure that the BNG monitoring fee will cover the costs of monitoring intervals in the future. The BNG monitoring fee, which will cover the entire length of the agreement, is secured at the point that planning permission is granted. This requires assumptions to be made as to the future level of inflation. The BNG monitoring fee will be reviewed annually, with the Retail Price Index (RPI) for April of that year (taken from the Office of National Statistics) assumed for each successive year of the planning obligation. The RPI for April 2026 is **3%**. This will be assumed until next review.

5. Cost Schedule

Taking the above hourly rate, frequency of monitoring intervals, time required per monitoring interval and inflationary allowance, the below cost schedule is produced for the two type of development. The total BNG monitoring calculation is shown on the next page, with the final fee being the sum of the cost of monitoring intervals (shaded rows).

	Year	Medium Development	Major Development	Large Major Development
Monitor →	1	£648.72	£973.08	£1,297.44
	2	£668.18	£1,002.27	£1,336.36
Monitor →	3	£688.23	£1,032.34	£1,376.45
	4	£708.87	£1,063.31	£1,417.75
Monitor →	5	£730.14	£1,095.21	£1,460.28
	6	£752.04	£1,128.07	£1,504.09
	7	£774.61	£1,161.91	£1,549.21
	8	£797.84	£1,196.77	£1,595.69
	9	£821.78	£1,232.67	£1,643.56
Monitor →	10	£846.43	£1,269.65	£1,692.86
	11	£871.83	£1,307.74	£1,743.65
	12	£897.98	£1,346.97	£1,795.96
	13	£924.92	£1,387.38	£1,849.84
	14	£952.67	£1,429.00	£1,905.33
Monitor →	15	£981.25	£1,471.87	£1,962.49
	16	£1,010.68	£1,516.03	£2,021.37
	17	£1,041.01	£1,561.51	£2,082.01
	18	£1,072.24	£1,608.35	£2,144.47
	19	£1,104.40	£1,656.60	£2,208.80
Monitor →	20	£1,137.53	£1,706.30	£2,275.07
	21	£1,171.66	£1,757.49	£2,343.32
	22	£1,206.81	£1,810.22	£2,413.62
	23	£1,243.01	£1,864.52	£2,486.03
	24	£1,280.31	£1,920.46	£2,560.61
Monitor →	25	£1,318.71	£1,978.07	£2,637.43
	26	£1,358.28	£2,037.41	£2,716.55
	27	£1,399.02	£2,098.54	£2,798.05
	28	£1,440.99	£2,161.49	£2,881.99
	29	£1,484.22	£2,226.34	£2,968.45
Monitor →	30	£1,528.75	£2,293.13	£3,057.50
	Total:	£7,879.77	£11,819.65	£15,759.53