

Classification: Open	Decision Type: Key
--------------------------------	------------------------------

Report to:	Cabinet	Date: 11 February 2026
Subject:	Part A - In-house delivery of Biodiversity Net Gain on Council-owned land	
Report of	Cabinet Member for Environment, Climate Change and Operations	

1. Summary

- 1.1. In 2024, the government introduced a mandatory requirement for new development requiring planning permission to deliver a 10% net gain in biodiversity value. To deliver this 10% biodiversity net gain (BNG), developers must firstly look to achieve this on-site, but if this cannot be achieved, they can provide BNG on sites elsewhere that have been formally registered as such with the Department for Environment, Food and Rural Affairs (Defra).
- 1.2. In January 2025¹, Cabinet approved the use of six Council-owned sites for Biodiversity Net Gain subject to legal agreements and registration with Defra. This report sets out how these receptor sites can be brought forward through in-house delivery now that the options available to the Council have evolved following Defra's grant of Responsible Body status to Greater Manchester Combined Authority (GMCA).

2. Recommendation(s)

- 2.1. That Cabinet:
 - Note the opportunities identified in relation to in-house delivery of BNG on Council-owned land.
 - For the six Council-owned receptor sites, authorise the Executive Director of Place, Head of Property and Director of Law and Governance, in consultation with the relevant portfolio holders to:
 - a) engage in works to prepare the sites for delivery;
 - b) enter into an agreement with the GMCA for the commissioning of the GMCA Responsible Body service, and agree to use the service for a period of three years;

¹<https://councildecisions.bury.gov.uk/documents/s42592/Draft%20Cabinet%20Report%20Receptor%20Sites.pdf>

- c) sign a legal agreement securing the sites for 30 years, if terms can be agreed; and
 - d) submit the sites to the Department for Environment, Food & Rural Affairs for inclusion on their register of biodiversity gain sites to enable the Council to advertise the units for sale.
- Note the intention to initially submit two pilot receptor sites at Hollins Mount and Chesham (if legally secured with GMCA) to the Department for Environment, Food & Rural Affairs for inclusion on their register of biodiversity gain sites;
 - Approve the in-house self-management of the sites and authorise up-front investment required to bring these sites to market, recognising that this work will require a dedicated resource to track and manage the delivery of Biodiversity Net Gain in the Borough; and
- 2.2. Authorise the Director of Finance to ringfence income from Biodiversity Unit sales to cover 30-year management and , maintenance costs along with any profits to support resourcing demands and, where relevant, implement other nature related projects across the Borough in accordance with the Bury Biodiversity Strategy.

3. Reasons for recommendation(s)

- To help ensure that the benefits of biodiversity net gain from development in the Borough are secured locally, as opposed to regionally or nationally.
- To improve management of, and maximise investment in, Council-owned greenspace.
- To have the ability to redirect any surpluses/profits to support the growth of resources to implement other nature related projects across the Borough.
- To support and facilitate the delivery of development in Bury which meets the statutory BNG requirements.

4. Alternative options considered and rejected

- 4.1. To take no action. The lack of opportunities for developers to deliver off-site BNG within Bury is likely to result in developers delivering this outside of the Borough meaning that Bury would not benefit from biodiversity enhancements.
 - 4.2. Furthermore, the Council would lose the opportunity to secure investment in and enhancement of its land.
-

Report Author and Contact Details:

Name: David Wiggins

Position: Service Manager: Strategic Planning and Infrastructure

Department: Place

E-mail: d.i.wiggins@bury.gov.uk

5. Background

- 5.1. Schedule 7A of the Town and Country Planning Act 1990 (as inserted by Schedule 14 of the Environment Act 2021) requires development requiring planning permission to result in an enhancement, termed 'net gain', in biodiversity value of 10% from the pre-development state. This is an approach to development that aims to leave the natural environment in a measurably better state than it was beforehand.
- 5.2. The biodiversity net gain (BNG) is measured by a standard metric and there is a raft of regulations and guidance which set out how the system is intended to work. The new rules prioritise replacing lost habitats with like-for-like habitats (same type and distinctiveness) or, if this is not possible, trading up to greater ecological value.
- 5.3. The purpose of this new mandatory requirement is to halt the decline in biodiversity by 2030 in line with the Governments targets² and sits alongside the roll out of Local Nature Recovery Strategies, which will identify opportunities for the creation and restoration of habitats.

6. Provision of off-site Biodiversity Net Gain.

- 6.1. Whilst the guidance includes a mitigation hierarchy that encourages developers to prioritise the delivery of BNG within their developments, it is anticipated that due to site constraints many developers will be unable to fully achieve this and will therefore look for off-site locations to accommodate their BNG requirements.
- 6.2. Off-site BNG provision can only be located on sites that have been registered with Defra. This report refers to these off-site locations as 'receptor sites'. The Government expects a market of receptor sites to develop over time and 'biodiversity units' can be bought by developers to fund biodiversity gain on these registered receptor sites.

² Environmental Improvement Plan 2023 : <https://www.gov.uk/government/publications/environmental-improvement-plan>

6.3. As a major landholder, the Council is well placed to provide receptor sites and benefit from the associated investment.

7. Biodiversity units

7.1. 'Biodiversity units' are a unit of measurement used to quantify the existing biodiversity value of a development site and the subsequent extent of biodiversity enhancement required to achieve a 10% net gain on the pre-development site.

7.2. Using a Defra calculator tool known as the Statutory Biodiversity Metric, landowners can calculate how many biodiversity units they are able to accommodate and at what price. The units then need to be either accommodated on-site or they can be accommodated off-site through the purchase of biodiversity units from receptor sites. Both on and off-site BNG units would need to be legally secured for a period of 30 years and they would need to be recorded on the Defra register. The funds secured through the purchase of biodiversity units from receptor sites would be used to implement and manage biodiversity gain on that site.

7.3. Once created, the provision of the habitat enhancement and maintenance will be audited by a Responsible Body at regular periods over the 30-year period, and if required, enforced.

8. Assessing need and supply of Biodiversity Net Gain in Bury

8.1. The Greater Manchester Ecology Unit has undertaken an assessment of the level of biodiversity units that are likely to be needed in Greater Manchester over the next 15 years as a result of development on the sites allocated in the Places for Everyone Joint Plan alone.

8.2. This Greater Manchester Need and Supply Assessment³ found that:

- In Greater Manchester, 4,870 off-site biodiversity units are likely to be needed;
- In Bury, 275 off-site biodiversity units are likely to be needed as a result of development on the sites allocated in the Places for Everyone Joint Plan alone⁴; and
- Bury Council could potentially create an estimated 1,251 biodiversity units across 76 Council-owned sites.

8.3. In December 2023 and January 2025, Cabinet noted the ongoing work to identify a number of potential Council-owned BNG receptor sites. Since then,

³ Biodiversity Net Gain in Greater Manchester - Assessment of offsite need for and supply of biodiversity units (January 2024) : <https://naturalcourse.co.uk/uploads/2024/01/BNG-Needs-and-Supply-Summary-Report.pdf>

⁴ It should be noted that there are also sites in addition to those allocated in Places for Everyone that have the potential to generate additional demand for off-site biodiversity units.

further refinement work has been undertaken and there are considered to be six Council-owned sites which present the best opportunities for accommodating BNG. These sites are at:

- Hollins Mount (Bury);
- Chesham (Bury);
- Springwater Park (Radcliffe/Whitefield);
- Outwood (Radcliffe);
- Old Kay's Park (Tottington); and
- Philips Park (Prestwich).

8.4. This is the first group of sites and more could follow if market demands persist and these initial sites are successful.

8.5. Costed management plans have been prepared for these sites and these show that, collectively, they could accommodate 391 units which would meet the estimated off-site demand for 275 biodiversity units from Bury's strategic allocations alone (Table 1). It should be noted that there are also sites in addition to those allocated in Places for Everyone that have the potential to generate additional demand for off-site biodiversity units. The first two pilot sites alone could deliver c.133 units to the market. Whilst two sites is not sufficient to meet the estimated need entirely, it is expected that the market will develop over time and further public and private sites will become available for BNG. This could prompt the registration of the remaining four council-owned sites.

8.6. BNG provision can only be located on sites that have been registered with Defra and applications to register a site will need to be accompanied by supporting information, including:

- A legal agreement that secures the land for at least 30 years;
- Completed statutory biodiversity metric tool calculations that set out how many biodiversity units can be accommodated on the site; and
- A habitat management and monitoring plan which sets out how the biodiversity units are to be delivered on the site.

9. How can Council-owned land be brought forward as a BNG receptor site?

9.1. In terms of any legal agreement, there needs to be separation between whoever delivers BNG and whoever is responsible for auditing its delivery and

continued management for at least 30 years. As such, Local Authorities can legally secure off-site gains on their own land by two means:

- a) Conservation Covenant with a responsible body - a legally binding agreement to conserve the natural features of land. The agreement would be made between the Council and a Defra-designated 'responsible body'. For in-house delivery, this would be set out so that the Council carries out the enhancement work and a 'responsible body' would audit/enforce it.

This would then enable the Council to offer BNG credits for sale to developers to secure investment in biodiversity on a Council-owned site.

- b) Section 106 Agreement (S106) - A Local Authority cannot have an agreement with itself so it must have a S106 agreement with another Local Planning Authority. For in-house delivery, this would be set out so that it was a reciprocal agreement whereby the Council carries out the enhancement work and the other Local Planning Authority would audit/enforce it, and vice versa. Any agreement would need to be reciprocal, to allow both authorities to bring forward sites, enabling them to offer BNG credits for sale to developers to secure investment in biodiversity on a Council-owned site.

9.2. Consequently, to enable the Council to apply for a site to be registered with Defra with the intention to manage and deliver 'in-house', it will need to either procure a responsible body or develop a reciprocal S106 agreement with another Local Planning Authority. As GMCA have now been granted responsible body status by government, the responsible body option is currently being pursued, with an initial subscription period of 3 years⁵.

10. 'In-house' delivery of Biodiversity Net Gain

10.1. The proposed approach is to initially bring forward two Council-owned receptor sites at Hollins Mount (Bury) and Chesham (Bury). Given that the GMCA Responsible Body service would be an initial subscription period of three years, the Council would then seek to bring forward a third site following further due diligence. As such, Bury would be aiming to secure three BNG receptor sites over the next three years (2026-2028), with the ultimate intention of delivering all six sites in the future.

Table 1. Projected number of BNG Units by receptor site.

Number of Units					
Total	2026/27	2027/28	2028/29	2029/30	2030/31
Hollins Mount Farm	79				
Chesham Woods	54				
Outwood Trail		77			

⁵ Appendix C – Background information: GMCA BNG Responsible Body Service

Phillips Park			92		
Springwater Park				58	
Old Kays					31
Total	133	77	92	58	31
	391				

NB. Rounded to nearest whole number.

- 10.2. The first two sites (Hollins Mount and Chesham) have a lower requirement for maintenance than other Council-owned land assessed so these sites are viewed as good starter sites in order to generate revenue, which would offset the costs associated with bringing the sites forward.
- 10.3. Any profits would then be re-invested into growing the Council's resources to support the delivery of the remaining four sites along with other nature-related projects across the Borough as it is likely that as the delivery of the BNG sites matures, a dedicated resource will be required.
- 10.4. Whilst this approach would mean that the Council would incur some initial costs associated with securing the sites and see the Council take on the legal liability and risk of successfully delivering the BNG over a 30-year period, it offers the opportunity to recoup costs through unit sales, maximise investment into the Council's land, services and resources for BNG and re-invest any profits into the Council rather than being lost to third parties. There may also be opportunities to claim monies to support the management costs through the Countryside Stewardship Scheme.
- 10.5. In the absence of this process and registered BNG receptor sites in Bury, developers will have little option but to look at meeting the BNG requirements outside of the Borough, meaning that Bury would not benefit from biodiversity enhancements.

Links with the Corporate Priorities:

'Section 4 – Vision for the Borough in 2030' in the Let's Do It Strategy sets out a commitment to Carbon Neutrality by 2038 and the support of green and blue infrastructure as part of Local Neighbourhoods, which is closely related to conserving and enhancing biodiversity.

The Bury Biodiversity Strategy (2024) sets out the objective to bring about the recovery of nature in the Borough through the following actions:

- Encourage biodiversity-aware land management of all Council land;
- Identify public and privately owned potential receptor sites for BNG;
- Identify and produce management plans for Council owned, potential BNG receptor sites; and
- Deliver BNG on Council-owned sites.

Following the identification of a first group of Council-owned potential BNG receptor sites, and preparation of draft management plans, the proposal to bring forward up to 3 Council-owned sites (in the three-year period) is in accordance with the fourth action.

Equality Impact and Considerations:

An Equality Impact Assessment has been carried out and is attached at Appendix B. This shows that there are unlikely to be any equalities impacts arising from this activity. There are no outstanding equalities concerns at this stage.

Environmental Impact and Considerations:

This report considers how best to provide biodiversity net gain on Council-owned sites in the Borough. The purpose of this new mandatory requirement for biodiversity net gain is to halt the decline in biodiversity by 2030 in line with Government targets.

Assessment and Mitigation of Risk:

Risk / opportunity	Mitigation
That Bury does not have available receptor sites to accommodate off-site biodiversity net gain requirements from development in the Borough.	Undertaking the necessary work to allow applications to Defra to initially register the two pilot Council-owned sites identified in this report, and in future the remaining four sites.

Legal Implications:

To be completed by the Council's Monitoring Officer.

To be eligible for registration on the Defra Biodiversity Gain Site Register, the sites must be legally secured for at least 30 years, using one of two legal mechanisms. The first of these mechanisms is by way of planning obligations with Local Planning Authorities (LPAs) under section 106 Town and Country Planning Act 1990 (the Act). The second legal mechanism is a conservation covenant with a responsible body duly authorised by Defra.

Implementation requires execution of formal legal agreements (Section 106 planning obligations or conservation covenants) as deeds, typically registered as local land charges running with the land for a minimum 30-year period. Officers must verify that the Council holds sufficient legal interest (freehold or long leasehold) in each site to support these long-term obligations. Title investigation is essential to confirm the absence of restrictive covenants or third-party interests that could prevent BNG registration or ongoing habitat management activities. If any part of a site is designated public open space, the Council will need to advertise the change of use publicly in compliance to Open Spaces Act 1906.

Once registered on the national Biodiversity Gain Site Register, the sites will generally be legally restricted to use for biodiversity enhancement purposes only. The Council then assumes ongoing obligations for habitat maintenance, monitoring, and reporting to agreed biodiversity metrics. Alternative uses that compromise biodiversity outcomes will be legally prohibited during the agreement term.

The Council must consider that registered sites cannot be disposed of or repurposed without formal deregistration procedures. Consequently, the restrictive nature of BNG obligations may affect market value and constrain future development opportunities. Therefore, asset management strategies must accommodate 30-year habitat management commitments that will bind successors in title.

Consideration must be given to the risk of external enforcement action in the event of non-compliance by the Council with any agreement or conservation covenant, which could include remediation notices, injunctions, and financial penalties imposed. As the Council acts both as landowner and local planning authority, this dual role may give rise to potential conflicts of interest that require careful management to minimise the risk of legal challenges.

Legal Services will advise on the relevant contractual agreements.

Financial Implications:

Approval of the recommendations will incur some initial costs associated with securing the sites and see the Council take on the legal liability and risk of successfully delivering the BNG over a 30-year period. The business case assumes that the initial costs will be recovered within 3 financial years through income generated from unit sales. The initial costs will be funded from reserves and should be repaid by the end of the 3 year period in line and cover the ongoing maintenance costs thereafter so that there is no pressure on the revenue budget and medium term financial strategy,

Appendices:

Appendix A - Map of potential Council-owned BNG receptor sites

Background papers:

- Bury Biodiversity Strategy: <https://www.bury.gov.uk/asset-library/appendix-a-biodiversity-strategy.pdf>
- Defra guidance on Biodiversity Net Gain: <https://www.gov.uk/government/collections/biodiversity-net-gain>
- GMCA webpages on Biodiversity Net Gain: <https://www.greatermanchester-ca.gov.uk/what-we-do/environment/natural-environment/biodiversity-net-gain>

Please include a glossary of terms, abbreviations and acronyms used in this report.

Term	Meaning
Biodiversity	The variety of plant and animal life in the world or in a particular habitat
Biodiversity Duty	The general duty to conserve and enhance biodiversity that a public authority has and must consider when exercising its functions
Receptor sites	Sites that have been registered with the Department for Environment, Food and Rural Affairs (Defra) for off-site provision of biodiversity net gain (BNG).
Biodiversity unit	A unit of measurement used to quantify the biodiversity gain or loss of a development site. Biodiversity units can also be known as biodiversity credits. There are three types of biodiversity units: area habitat units, hedgerow units and watercourse units.
Statutory Biodiversity Metric	The biodiversity metric tool is used to calculate biodiversity value for the purposes of biodiversity net gain.
Off-site providers	An off-site provider can create or enhance habitats to generate biodiversity units for developments and allow them to meet their BNG requirement. An off-site provider could be a land manager, a landowner, or an organisation acting as a habitat bank.
LNRS	Local Nature Recovery Strategy
On-site	On-site refers to all land within a red line boundary of a development.
Off-site	Off-site, for the purposes of the biodiversity metric tool, refers to land outside of the site boundary, which is dedicated to habitat interventions (habitat enhancement or creation), regardless of proximity or ownership.

Responsible Body	<p>An organisation that is designated by the Department for Environment, Food and Rural Affairs (Defra) to create and maintain legally-binding conservation covenants with off-site providers. Responsible bodies are responsible for:</p> <ul style="list-style-type: none">▪ Monitoring habitat restoration works to ensure it is carried out properly; and▪ Taking enforcement action if there are any breaches of the agreement.
------------------	-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------