

▶ Anthony Weston,
farm and environmental
consultant at CLM

Biodiversity BENEFITS

The market for Biodiversity Net Gain is rapidly emerging. **Tim Relf** finds out more about how a CLA member in Sussex is helping an estate embark on its own framework

Demand for Biodiversity Net Gain (BNG) provision is growing rapidly and agreements are already being struck, according to farm and environment consultant Anthony Weston.

Estimates of the total annual BNG requirement vary, ranging from 7,000 to 40,000-plus 'units', but what is clear is that it heralds a potentially lucrative opportunity for farmers and landowners.

According to Anthony, of Sussex-based CLM, some farmers might look to provide three to six units as a way of supplementing their income, while others could devise schemes that deliver, for example, 40 units. Large farms and estates that pursue it as a central part of their strategy could provide hundreds or even thousands of units.

One such venue is Iford, a beautiful estate near Lewes, East Sussex, covering 1,200ha of mainly grade three and four

land in the South Downs National Park. Having been selected to take part in Natural England's pilot project setting the framework for BNG, it has already started work on its 30-year vision.

Establishing a framework

Initial mapping and modelling suggested that Iford has a 'baseline' of 3,500 units, but a mix of measures could see this more than double. These include reverting poorer-quality arable

land to species-rich grassland, restoring and enhancing chalk grassland and coastal and floodplain grazing marsh, creating woodland and ponds, and planting hedges.

“We didn’t want to be reactive to the BNG market – we devised a whole-estate plan for what we wanted it to look like,” says Anthony, who advises Iford.

Two agreements are close to being inked; together they cover three hectares and will generate nine units at prices ranging from £25,000 to £35,000 per unit.

Central to this work will be creating grassland based on a wildflower meadow mix along the lines of the AB8 option in the Countryside Stewardship scheme. It will contain species such as bird’s-foot trefoil, knapweed, lady’s bedstraw and ox-eye daisy.

Work ‘on-spec’ will begin in earnest in 2023 to create a “habitat bank” available for developers to draw on for the provision of BNG.

“We have done all the investment-readiness work, and we are now moving into the spades-in-the-ground delivery work of actually creating a habitat bank,” says Anthony.

“It may be that multiple agreements are entered with many different companies, but it’s also possible there will be one or two larger deals, rather like ‘anchor’ tenants in a retail centre, with the others built around that. We’ll fine-tune the proposal as time passes.”

Part of the attractiveness of Iford as a venue for providing BNG is how it fits within the wider landscape. It’s in the Ouse Valley, within a National Park and adjacent to a Site of Special Scientific Interest (SSSI) and National Nature Reserve land, as well as ‘priority’ habitats. Anthony says it can link these together for ‘aggregated’ gain. “It’s part of a patchwork of natural and semi-natural habitats, rather than an island.”

For the Iford estate team, BNG represents a way of broadening its revenue portfolio and future-proofing

its farming-focused business. Volatile weather, uncertainties around commodity prices and rocketing costs have focused minds on the importance of generating more predictable revenues in a way that fits with the ethos of the next generation of owners.

Complementing land use

“This isn’t rewilding, though,” says Anthony. “The landscape recovery and nature recovery work is happening in tandem with some continued farming operations. We’ll retain the best arable

mandatory BNG from November 2023 – and some local authorities talking about applying a figure of 20% – it feels like this is unlikely.

“No one can predict exactly where the market will go in terms of the price of BNG units, but our experience is that the payments are potentially far greater than what’s available under the Countryside Stewardship scheme.

“Another deal we’ve been involved in, for example, saw a £100,000 payment to a landowner to provide a one-hectare offset for a road improvement

scheme. This involves turning some existing grassland into SSSI-quality grazing marsh habitat, which will be great for invertebrates and encourage wading birds such as lapwing, redshank and wigeon.

“There is a lot of development happening, particularly in the South East, and the BNG system encourages the offset to be provided within the same local planning authority area as the development. This means that development in or around places such as Brighton and Eastbourne could potentially spark demand for ‘offsite’ gain at Iford.”

It’s important to be proactive if you want to drive the price rather than end up as a price-taker, says Anthony. “If you know what is deliverable, you’ll stand a better chance of securing a better deal and are less likely to undervalue the opportunity.

It’s worth viewing BNG as a commodity, he advises. “Don’t

just think about it in terms of area; think about how much it might yield within the context of the rest of your business.

“It won’t be for everyone, not least because it’s committing land to a 30-year agreement, so it’s unlikely the market will be flooded. It could represent an important revenue stream, a means of supporting nature recovery projects on your land and a way of managing risk. It could offer great synergies with other estate revenues, such as those from tourism and let property.”



‘It’s worth viewing BNG as a commodity. Think about how much it might yield within the context of the rest of your business’

land for food production, but where it becomes more marginal, the balance tips towards using it for more environmental outcomes. We’ll be keeping beef and sheep, too, as they will help manage the new habitats.”

There is, he adds, inevitably an element of risk because of the many unknowns involved in embarking on a long-term plan that involves an initial capital cost and ongoing management costs. “The risk is policy change, either nationally or locally. But with a minimum of 10% of