

Biodiversity net gain is politically embedded more than ever

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AFTER a long wait, on the evening of April 15, the Department for the Environment, Food and Rural Affairs (Defra) finally released the results of last May's UK Government consultation on biodiversity net gain (BNG).

As predicted, the BNG market is reinforced and biodiversity net gain is politically further embedded, following the result of this consultation, with some very positive and dynamic changes.

NSIPs – A massive increase in demand

Mandatory BNG for Nationally Significant Infrastructure Projects (NSIPs) will apply from November 2, 2026, for all sectors and all types of projects.

NSIPs will operate under the existing BNG framework. NSIPs will be able to source BNG from any Local Nature Recovery Strategy (LNRS)

area the project passes through without any spatial penalty.

This is already starting to impact the market and developers need to factor this in and when to secure current unit prices.

Spatial Risk Multiplier – Increase in the national market compared with local markets

The spatial risk multiplier for Local Planning Areas (LPAs) or National Character Areas (NCAs) will be abolished and will instead apply based on LNRS areas. This is a move from local markets in 337 LPAs and 159 NCAs, to 48 LNRS areas.

This will increase the need not to only look at selling or buying in the same spatial weighting area.

BNG is more than ever now a national market. There will be winners and losers, though, with this significant change.

A few of the exemptions and further changes

BNG hierarchy to be relaxed for minor developments (1-9 houses) from July 31. Off-site mitigation will be considered alongside on-site mitigation as the first-choice option.

Self-build BNG exemption to be removed from July 31.

Sites under 0.2 ha will be exempted from BNG from July 31. This could have been worse. Last year's consultation considered exempting all sites under 0.5 ha or even all minor developments. In spite of this, Defra still estimates that this exemption will reduce demand for off-site BNG units by around 10%, although caveat at that this figure comes with a high level of uncertainty.

Its calculations are based on a sample of approved residential planning applications from the 18 months following February 2024 – never a reliable approach, when considering how unrepresentative the first few months of any such a scheme would be.

Additionally, with the confirmation of NSIPs, the future increase in demand should massively outweigh this 10% loss without even considering the increasing demand from new

housing, etc, as the "hiatus" of planning permissions since February 2024 comes to an end.

There is a new consultation on brownfield residential development, with a potential exemption for 0.5 ha to 2.5 ha brownfield sites and changes to the rules surrounding Open Mosaic Habitat (OMH). This includes the potential use of a proxy habitat or possibly introducing a new medium distinctiveness OMH equivalent habitat type. The closing date for this consultation is June 10.

It is important to remember that the July 31 date is subject to parliamentary scheduling, as are most of the other changes. A lot of developers will not be prepared to wait with that type of uncertainty.

The market price has already discounted for the lower demand due to the 0.2 ha exemption, evidenced by the continuing increase in enquiries month-on-month compared with last year – a 233% increase.

Defra's analysis of the 0.2 ha exemption comes with a high level of uncertainty and its significance is questionable in light of the increase in demand expected with NSIPs coming on stream.

Whatever negative effect there will

be on demand with these changes, the best news is that the Government is doubling down on applying the full BNG framework to NSIPs, with the massive increase in demand this will bring, also spreading further afield from the projects, with spatial weighting not being applied on a sectional basis for each LNRS area the project passes through.

Although delayed from the original launch date of November 2025, the increase in demand cannot be underestimated nationwide. Further guidance and secondary legislation is due in May. Defra will be balancing anything reducing demand for units with the need to maintain a healthy market, as without this there will be no BNG scheme as it is.

Not only the relaxation of the hierarchy for minor sites but also the new LNRS spatial weighted areas suggests the debate of where to place habitat – on-site or off-site – is swinging in favour of nature first. Humans do not always mix well with nature. This bodes well for an increase in demand for off-site units.

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AHDB data exchange system is given welcome by industry

THE Agriculture and Horticulture Development Board (AHDB) has announced that its Farm Data Exchange proof-of-concept (PoC) pilot has demonstrated that a national, farmer-first data exchange system is both technically viable and strongly supported across the industry.

The AHDB says the completed PoC showed that the Farm Data Exchange can securely draw core farm information, including cattle movements, processor data and feed supply data, directly from existing databases.

This reduces the need for farmers to repeatedly enter the same information while making sure they retain full control over who can see their data and how it is used, the AHDB states.

This capability, it adds, aligns with feedback from farmers who face growing requests for information from governments, banks, assurance bodies and supply chains, often across multiple platforms that leads to duplication and inefficiency.

Results from the PoC and a survey of 450 farmers indicate that there is clear demand for the Farm Data Exchange to move beyond the pilot stage, the AHDB claims.

The majority of participating farmers described the benefits as practical and necessary, and over 50% said they would use the system if developed by the AHDB. Many participants highlighted how the automatic pulling of existing data significantly

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reduced administrative effort and duplication, saving time and therefore money.

One of the farmers involved in the pilot, Dorset-based organic farmer Sophie Gregory, said: "I had always thought we ran a simple system, but once you look closely you realise absolutely everything is data. The most painful part is the duplication across so many platforms."

"The Farm Data Exchange was really user friendly, and I could instantly see how having everything in one place would save me a huge amount of time," added Ms Gregory, who runs an organic farm at Thorncombe, near Dorset's borders with Devon and Somerset, with her husband, Tom.

"As farmers," she continued, "time is the thing we're most short of and having a secure system where we can stay in control of our data is exactly what we need."

The AHDB says it understands that trust in such a system will be central to enable its success. The farmers surveyed described the AHDB as a

trusted organisation with a positive track record, potentially well-placed to act as a neutral intermediary in any future data sharing system.

The farmers who were surveyed also expressed a strong desire for a secure platform that protects their data while reducing complexity across the supply chain.

Processors involved in the PoC also recognised the potential for greater accuracy and reduced costs. They noted that a single, secure and consistent system would cut down on errors and strengthen data flows.

Adam Short, AHDB's Data Programmes Associate Director, said: "The pressing need for a solution is clear. Data is becoming central to modern agriculture and without a coordinated system, farmers risk losing control over the value of their own data."

"We've successfully demonstrated our ability to source primary farm data from existing databases and put farmers in full control of how their data is shared across the industry. The message from farmers is clear, they want AHDB to take this forward."

The AHDB says it is now developing a commercial business plan for its board and sector councils, setting out the options for progressing a full version of the Farm Data Exchange.

Alongside this, the AHDB is engaging with partners across the industry and exploring a range of funding opportunities to support a long-term system.



► Dorset-based organic farmer Sophie Gregory has praised the Agriculture and Horticulture Development Board's Farm Data Exchange proof-of-concept (PoC) pilot scheme

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