



LOCAL NATURE RECOVERY ALL PARTY PARLIAMENTARY GROUP

Second briefing note – Planning and Infrastructure Bill (08.05.25)

Introduction

Part 3 of the Planning and Infrastructure Bill (the Bill) allows developers to pay into a central Nature Restoration Fund (NRF) to compensate for the harm they cause to certain species and habitats instead of going through the existing licensing process. Natural England will use the funds to deliver Environmental Delivery Plans (EDPs) at a more strategic level. These new EDPs will detail the sort of developments and the habitats and species impacted by developments that the EDP covers.

Issues

The problems detailed in our first briefing remain, and are laid bare by these five points:

- 1) The [Office of Environmental Protection](#) (OEP) states the Bill represents a “**regression... reducing the level of environmental protection**”.
- 2) The [government’s own impact assessment of the Bill shows](#) there is **very little evidence that protections for nature are a blocker for development**.
- 3) Richard Benwell, in giving evidence to the Bill committee, explained clearly how **the Bill moves away from the mitigation hierarchy**, removing the need for developers to try to avoid harm in the first instance.
- 4) The [Environmental Audit Committee warns](#) that the NRF has provoked **fear of a move away from Biodiversity Net Gain** (BNG), the mainstay of natural capital markets in England and a global exemplar policy.
- 5) [Government-tabled amendments to the Bill result in a weakening of protections](#), specifically the “overall improvement test”
- 6) In its first year, the government’s [Statutory Biodiversity Credits](#) scheme administration cost of £300,000 was not met by the £240,000 revenue generated, **resulting in zero habitat creation**. The Bill allows Natural England to use the NRF to cover their administration costs, and there is nothing in the Bill to require EDPs to be delivered.

Solutions

There are some key amendments required:

- a) Losses must be compensated for within the same Local Nature Recovery Strategy area
- b) Reinstate the mitigation hierarchy, requiring developers first to seek to avoid harm
- c) The overall improvement test threshold of ‘likely to outweigh’ should be strengthened to ‘beyond reasonable doubt’ as in the Habitat Regulations
- d) Adherence to the polluter pays principle requires removal of ‘viability’ considerations



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A proposal

Recommendation 15 of the Corry Review calls for 'trusted delivery partners' to be enabled to act more effectively for nature.

To avoid Natural England marking their own homework and covering unrelated or bloated administrative costs, and to apply the precautionary principle, **pilots should be undertaken for NRFs and EDPs to be managed locally**, as happens with BNG.

Local Nature Partnerships represent one of the most promising tools we have for environmental recovery: place-based, cross-sector partnerships that listen to local voices and can weave nature recovery into every aspect of local decision-making. Paired with Local Nature Recovery Strategies, they can shape thriving landscapes that work for wildlife, people and the economy.

Government should be looking to work with LNPs and other 'trusted partners' to ensure a devolved, locally sensitive, agile approach to delivering environmental enhancements.



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