

31 January 2011



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Dear Claire

## BIODIVERSITY OFFSETTING

Please find attached our thoughts and comments on the Biodiversity Offsetting consultation.

The key points we would like to make are:

- The principle of offsetting to ensure development results in no net loss and preferably a net gain for biodiversity is good, but needs to apply to those types of development that are not fully contributing to biodiversity enhancements and BAP targets
- The mineral products industry in the UK is already leading the field in terms of delivering net biodiversity gains through our development activity
- The planning system works well in terms of ensuring that the working, restoration and aftercare of minerals sites delivers net biodiversity and wider community benefits, through application of conditions and s106 planning obligations
- We therefore do not believe that an additional tariff on the minerals industry to fund offsetting is necessary or justified
- The recent announcement that the Aggregates Levy Sustainability Fund is to be scrapped is a major disappointment and concern as it was instrumental in enabling much of the good work that the industry has undertaken, in partnership with others, over recent years. There may be potential for offsetting funds and credits to partially replace this stream of funding.

I hope that these comments are useful. We would of course be delighted to discuss further, in particular providing examples of best practice from within our industry that could serve as useful guides to how offsetting may be made to work for other sectors, and potential opportunities to replace the funding lost through scrapping of the ALSF.

Yours sincerely,

A handwritten signature in blue ink, appearing to read 'David Payne', is written over a light blue circular watermark.

**David Payne**  
Senior Planning Advisor

The Mineral Products Association is the trade association for the aggregates, asphalt, cement, concrete, lime, mortar and silica sand industries

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## MPA RESPONSE TO SELECTED QUESTIONS

**Q: Do you agree with the four potential benefits identified above? Are there other potential benefits from more consistent, and greater use, of offsetting? Are there any potential downsides to offsetting?**

We agree with the concept of making the process simpler and delivering more benefits. However, this should not be yet another tax on industry. The quarrying and mineral products industry is already leading the way in terms of delivering biodiversity improvements through its operations, particularly through avoiding sensitive locations, careful management of sites during their operation, providing off site enhancements, and through restoration and aftercare. More often than not mineral working results in a net gain for biodiversity.

The different nature of minerals development compared to other types should be also recognised, particularly that it is essentially temporary (although sometimes long term), planning conditions and obligations steer operation and restoration of sites, and that progressive restoration of sites can deliver significant nature conservation and other benefits. Minerals planning is also the responsibility of upper tier authorities.

One potential downside of pooling of resources could be that the enhancements are delivered away from the development. While sensible where this would help deliver larger scale enhancements and benefits, this could result in net losses to biodiversity in certain localities and disconnect between the development and the benefit.

In a 'localist' planning system, where there are expectations by government that communities will need to be incentivised to accept and accommodate new developments, the benefits need to be proximate to the development and benefit the communities hosting them. This is very much the case with mineral workings where their restoration provides a community resource and asset.

**Q: Are there better ways of achieving government's goals for minimising the impacts of development on biodiversity than the approach suggested here?**

The Aggregates Levy Sustainability Fund provided an excellent way of helping the minerals industry working together with voluntary and statutory conservation bodies to achieve significant biodiversity improvements. We are extremely disappointed by the announcement that this is to be scrapped and do not want it to be substituted by further demands for new funding from the industry, particularly given the harsh economic circumstances.

**Q: How can we recognise the range of potential benefits from restoring habitats, without over complicating offsetting? Local strategies for locating offsets in the right area to deliver local priorities (such as protection for watercourses) could be one way of achieving this link with other priorities, but are there others?**

Local biodiversity action plans, or green infrastructure strategies, should provide the context for location of offsetting projects.

**Q: Do you think the suggested process described above, using Section 106, could work for offsetting? We think this approach could give developers more clarity about what they're required to do on biodiversity earlier in the planning process - do you agree?**

For minerals planning, the benefits are not as obvious as for other types of development, for the reasons already given. There is potential for offsetting to take funds away from restoration of sites which may be best suited and located to deliver the most benefit. Pooling of s106 moneys and their expenditure some distance from the developments is likely to raise issues of legality.

**Q: What other mechanisms could underpin the delivery of greater use of offsetting, either existing planning tools such as the Community Infrastructure Levy or other means? How could this work?**

Use of CIL, with offsetting included and costed in agreed infrastructure plans, could provide additional certainty for certain types of development, but will not apply to minerals development.

**Q: What kind of scale do you think would be needed for offsetting to work most effectively? What existing groups, forums and mechanisms could work with groups of local authorities to develop strategies for offsetting in a particular area? How could local communities be involved? What skills and resources would be needed at local level to make this work?**

The scale or administrative area shouldn't be prescribed. Biodiversity clearly doesn't relate to local government boundaries, although data may be collated on this basis and they will be the scale at which planning and other policies operate, for example green infrastructure and biodiversity strategies. Cooperation between local authorities across administrative boundaries, including counties, will be necessary to reflect wider opportunities and benefits, for example in river valleys and catchments or areas with similar geology and soils.

The Nature After Minerals programme, run by the RSPB and Natural England with support from the MPA, is a good illustration of the skills required to deliver maximum benefits. The scheme involves provision of expert advice and sharing of best practice in restoration of mineral workings. Unfortunately the project is funded by the ALSF and so its future is far from certain, which is a real tragedy given its acknowledged success and also the potential to do so much more.

**Q: Would you be interested in providing offsets? What support would you need to make this possible for you? In particular, if you are a developer that has experience of delivering net gain for biodiversity, we would be interested to learn more about these examples.**

The mineral products industry has many examples of excellent projects that have delivered net gains in biodiversity during and following restoration of mineral working, at a site level but also on a wider landscape scale. In principle we would be interested in providing offsets on behalf of other sectors.

**Q: If your organisation might want to obtain offsets, what would you look for in a potential provider?**

Legal and financial guarantees, including that the offset would deliver the benefits intended, that the fee paid would be fixed, that the approach would be legally sound and would not be liable to challenge or retrospective change including through the planning system.

**Q: Which organisations could be well-placed to carry out monitoring of offset sites?**

Trained ecologists would need to undertake monitoring. The statutory conservation organisations would naturally be expected to be best placed to undertake or coordinate this role but given recent and proposed cuts it is unlikely that they would have capacity. The scheme must therefore provide funding for monitoring and pay its own way. Voluntary conservation groups may have an enhanced role to play as long as additional funding was available to pay for their services.