



Harvesting financial reward from Biodiversity Net Gain

civity
The Net Gain Exchange

Creating partnerships that work for Nature



A GREAT OPPORTUNITY FOR LANDOWNERS

Until now, property development has come at the expense of the environment. However, the law has changed, the biodiversity loss caused by property development must be compensated by a corresponding gain – PLUS a further 10% minimum - in order to get planning consent.

For landowners, low yielding land can now produce a valuable income by virtue of the maintenance, creation, enhancement and restoration of its habitats. The value is measured in sterling for landowners and in biodiversity units for developers. These units are sold to developers who need them to meet their 10% biodiversity gain requirements.

With the Act comes a market in which biodiversity units are traded. The principal parties are:

- Owners of land.
- Ecologists who value the land in biodiversity units.
- Sellers of biodiversity units (land brokers, land banks, local authorities etc).
- Buyers, developers needing biodiversity units.
- Local authorities.



Without a detailed survey by a qualified and experienced ecologist, there is no way of knowing what BNG means to you. This booklet will show you how Civity works with landowners to unlock their land's BNG potential and enter the biodiversity unit marketplace.

Biodiversity Net Gain offers a significant opportunity for landowners; low yielding parcels of land in England adding up to five hectares or more can produce a valuable income from the production and sale of biodiversity offsetting units. As things stand, it's a seller's market that favours landowners.

GETTING STARTED

In order to take maximum advantage of BNG, you will want to consider the following:

- What types of habitats does your land contain?
- Does the area add up to five hectares or more?
- What wildlife lives there (animals, reptiles, amphibians, birds, insects, plants)?
- What parcels of land are you prepared to lease for 31 years?
- How accessible are they?

To get started, you will need professional advice. Civity can help with valuations, advice, support and provide a guaranteed income for 31 years. The diagram, right, shows the stages from start to finish.

Rental values.

Having completed a survey of your land, Civity will make an offer for a thirty one-year lease at a rent that may surprise you given the land has been of low agricultural value. For descriptions of low yielding land by DEFRA, see page 5. Be assured, however, Civity will take full liability for the land over the next 31 years.

Reassurance

The long term consequences are important: a lot can happen in 31 years. However, the greatest reassurance is that Civity not only guarantees a fair market rent that is paid regularly throughout the period but also takes liability for the land come rain, shine or climate change.

Additional income

Using our ecological expertise, we will detail the steps required for habitat creation and ongoing management. If you want to deliver the habitat management yourself, we will provide a generous maintenance contract payment to do this.





Recognising opportunity

DEFRA has published a list of definitions for the different types of habitats. The list is on the right. They are described by their 'distinctiveness' and listed in order of biodiversity values which roughly correlate to value in financial terms. The word 'all' covers the more common habitats to be found in grasslands and woods.

The habitats are described generically as 'broad' then as 'specific' to differentiate the type. Each 'distinctiveness' is given a 'tier': A1 to A5 for area habitats and H and W for linear habitats that include hedgerows and riverbanks.

Whilst each tier has a nominal baseline value, that value is greatly influenced by a number of variables. This partly explains why 'off the cuff' valuations are misleading. The factors that affect valuations include:

- The condition.
- The extent of the area containing the habitats.
- What species does it support (mammals, plants, reptiles, insects – but not fishes).
- The rarity of those species.
- The habitat's liability to damage by fire, flood etc.
- The possible effect of climate change .
- Accessibility.
- Location, the proximity and concentration of nearby human settlement.
- Location from the developer's site. If significant, a 'spatial Risk Multiplier' is imposed reducing the biodiversity value.

Arriving at a valuation

Once a valuation is made, the price is then subject to negotiation and market forces.

Putting a 'ball park' figure on the revenue you might make is impossible without a survey. However, by comparing the features of your estate with DEFRA's descriptions on the right, you may discover that you have assets that could be of greater value than you thought. Our ecologist will confirm what they are and what they are worth.

Now is the time to call Civity. It is a specialist company, involved in the creation of the Act over the years and has become an expert in the law and its application. It is ecology-led and community minded, offering professional advice and valuations. For more about Civity and how it helps landowners and their tenants, please turn this page.



AREA HABITATS

Habitat distinctiveness

LOW

Broad habitat type	Specific habitat type	Tier
All	All	A1

MEDIUM

Heathland & shrub	All	A1
Grassland	All	A1
Individual trees	All	A1
Urban	All	A1
Cropland	All	A1
Woodland & forest	All	A2
Intertidal sediment	All	A2
Lakes	Reservoirs	A4
Lakes - ponds	Ponds	A4
Sparsely vegetated	Other inland rock & scree	A4

HIGH

Wetland	Reedbeds	A1
Grassland	Traditional orchards	A1
Grassland	Lowland calcareous grassland	A2
Grassland	Tall herb communities (H6430)	A2
Grassland	Upland calcareous grassland	A2
Heathland & shrub	Dunes with sea buckthorn	A2
Heathland & shrub	Lowland heathland	A2
Heathland & shrub	Upland heathland	A2
Urban	Open mosaic habitats on previously developed land	A2
Woodland & forest	Wet woodland	A3
Woodland & forest	Felled	A3
Woodland & forest	Upland birchwoods	A3
Intertidal sediment	Littoral mud	A3
Intertidal sediment	Littoral mixed sediments	A3
Intertidal sediment	Littoral - biogenic reefs - mussels	A3
Intertidal sediment	Littoral biogenic reefs - Sabellaria	A3
Intertidal sediment	Features of littoral sediment	A3
Intertidal sediment	Littoral muddy sand	A3
Wetland mosaic	Floodplain wetland mosaic (CFGM)	A4
Ponds	Ponds (priority habitat)	A4
Ponds	Temporary lakes, ponds and pools	A4
Coastal lagoons	Coastal lagoons	A4
Rocky shore	High energy littoral rock	A4
Rocky shore	Moderate energy littoral rock	A4
Rocky shore	Low energy littoral rock	A4
Rocky shore	Features of littoral rock	A4
Coastal saltmarsh	Saltmarshes & saline reedbeds	A4
Intertidal sediment	Littoral seagrass	A4
Sparsely vegetated	Coastal sand dunes	A4
Sparsely vegetated	Coastal vegetated shingle	A4
Sparsely vegetated	Maritime cliff and slopes	A4
Sparsely vegetated	Inland rock outcrop and scree	A4
Woodland & forest	Upland mixed ashwoods	A4
Woodland & forest	Native pine woodlands	A4
Woodland & forest	Lowland deciduous woodland	A4
Woodland & forest	Lowland beech & yew woodland	A4
Woodland & forest	Upland oakwood	A4
Lakes	High alkalinity lakes	A5
Lakes	Low alkalinity lakes	A5
Lakes	Marl lakes	A5
Lakes	Moderate alkalinity lakes	A5
Lakes	Peat lakes	A5

LINEAR HABITATS

VARIOUS

Hedgerow	All	H
Rivers	All	W
Rivers and streams	All	W

Source: DEFRA



Civity

Creating partnerships that work for Nature

Civity offers a partnership that gives complete ongoing service to landowners: valuing their land in BNG units, what is needed to produce them, selling them to developers, setting up the project and providing support and advice for 31 years.

Civity benefits to landowners in six ways:

- **Valuations.** Civity will evaluate your land's potential in financial as well as biodiversity terms. Arriving at a valuation, usually takes one visit to survey the extent and nature of the land. The valuation will include a time-frame for action. Valuations are subject to a variety of factors and are based on **habitats**, not the **wildlife** itself.
- **Advice.** Our advice is multi-dimensional and takes into account:
 - Ecological issues.
 - BNG and associated law.
 - Existing covenants and s106 agreements.
 - Tax, finance, property disposal and inheritance.
- **Ecological excellence.** Our expertise stems from science and a passion for the environment; the nurturing and preservation of disappearing wildlife within England's countryside.
- **Rental agreements.** Our rental agreements last for 31 years. The payment is regular, on time and

inflation proofed. We work to maintain both the ecological and the financial value of the land.

- **Liability protection.** We take full responsibility for the biodiversity habitats in events such as flood, fire or compulsory purchase.
- **Habitat maintenance.** We offer landowners a chance to create and maintain habitats themselves with a Habitat Maintenance Contract. This will earn them a generous income stream in addition to the rent they will receive for 31 years.

IN BRIEF

- A lease agreement at market rates, inflation proofed and paid regularly for 31 years.
- An optional Habitat Maintenance Agreement to provide an additional income stream.
- Rent is on the signing of the lease.
- Risk free, Civity bears the all liability for the period of the lease.
- We work in consultation with you and your local authority on all matters of creation and maintenance of the leased land.
- You make an important contribution to the natural environment of your community - and get paid for it.



Civity - the Board



Ben Gardner
Ecological Director

Ben is ecologist for some 20 years and is an active member of the Chartered Institute of Ecology and Environmental Management.



Sam Farmer
Finance Director

Sam is an ex-city broker and a qualified financial adviser in Oxford. He has laid strong foundations in providing sound financial advice for his clients.



David Haimes
Land Director

David supports business owners to fulfil their dreams and ambitions. David has had 30 years experience growing businesses.



Timothy Hobern
Marketing Director

Tim is from New Zealand, said to be the world's most eco-conscience country. He has launched successful businesses in the UK in 2006.

Civity - the company

- Civity is an ethical business with a deep-seated environmental conscience
- A board of directors with experience in ecology, the built-up environment, finance and business.
- A growing land bank that converts land into biodiversity units for developers.
- An experienced team managing long term environmental projects for the benefit of landowners, stakeholders and the local community.
- The commitment to reinvesting part of the company profits back into community-based projects.





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