

# Thanet District Council Guidance for Establishing Independent Habitat Banks

## Introduction

Thanet is home to a wide variety of valuable habitats, ranging from coastal environments to grasslands and woodlands, which are vital for our biodiversity and ecosystem services. As part of our commitment to protecting and enhancing local wildlife, Thanet District Council (TDC) invites individuals and organisations interested in setting up independent habitat banks to adhere to the following guidance. Habitat banks offer an opportunity to restore, enhance, or create habitats while providing a mechanism for offsetting biodiversity impacts from development.

This document outlines the key steps, legal considerations, and best practices for establishing a habitat bank within Thanet, ensuring that the benefits to biodiversity are maximised and long-lasting.

## 1. Council's Vision for Habitat Banking

Thanet District Council is committed to:

- **Restoring and enhancing biodiversity** across the district through sustainable and effective habitat management.
- **Supporting independent habitat banks** that contribute to local and regional biodiversity objectives, including meeting the targets set by national legislation and the Council's own policies.
- **Encouraging responsible development** that accounts for its environmental impact, with habitat banks providing an essential role in biodiversity offsetting.

## 2. Legal and Regulatory Requirements

Before establishing a habitat bank, all prospective habitat bank managers must ensure compliance with relevant legislation. This includes:

- **Thanet's Local Plan:** Any habitat bank must align with the policies in the [Thanet Local Plan](#), especially those concerning biodiversity protection and sustainable development (see appendix).
- **National and international regulations:** Habitat banks must adhere to national legislation, including the [Environment Bill \(2021\)](#) and the [National Planning Policy Framework \(NPPF\)](#). Additionally, all relevant international agreements, such as the [UK Biodiversity Framework](#) and the [Conservation of Habitats and Species Regulations 2017](#), must be considered.

- **Protected species and habitats:** Activities affecting protected species or special areas (e.g., Sites of Special Scientific Interest) must follow the appropriate regulations, including the [Wildlife and Countryside Act 1981](#).

We recommend that applicants consult with the Council's Strategic Planning team early in the process to ensure compliance with all relevant rules and regulations.

### 3. Selecting Suitable Sites for Habitat Banks

When selecting a site for a habitat bank, the following factors should be taken into consideration:

- **Ecological value and potential:** Choose land that has the potential for high biodiversity value or areas that require restoration. Ideal sites might include degraded habitats that can be restored or created, such as wetland, heathland, or grassland.
- **Proximity to other natural spaces:** Sites that are near existing nature reserves, ecological corridors, or areas with existing biodiversity are preferred, as they support habitat connectivity.
- **Land ownership:** Secure long-term access to the site through ownership or lease agreements. Sites with clear, ongoing stewardship arrangements will ensure the long-term success of the habitat bank.
- **Vulnerability to climate change or human impact:** Consider sites that may benefit from habitat restoration in areas at risk from coastal erosion, flooding, or urban expansion, contributing to the district's resilience to environmental change.
- **Local Context and Collaboration** When establishing a habitat bank in Thanet, it is important to align your efforts with regional conservation priorities. The **Kent and Medway Local Nature Recovery Strategy (LNRS)** is a key document that outlines the strategic approach to biodiversity recovery across Kent and Medway. This strategy identifies priority areas for habitat creation, restoration, and protection, and it provides a framework for local authorities, businesses, landowners, and other stakeholders to collaborate on biodiversity initiatives.

By referring to the [Kent and Medway LNRS](#), habitat bank operators can ensure that their projects contribute to the wider regional biodiversity targets. It also provides an opportunity to align with existing conservation efforts, facilitating access to funding and collaborative opportunities, and ensuring the long-term sustainability of the habitats created.

In addition to regional strategies such as the Kent and Medway Local Nature Recovery Strategy, it is important for habitat banks in Thanet to align with the **Thanet Biodiversity Strategy & accompanying Biodiversity Baseline Study**. This local strategy outlines the priorities for biodiversity conservation and enhancement across the district and highlights specific actions and targets for species and habitat protection.

By referring to the Thanet Biodiversity Strategy, habitat bank operators can ensure their projects are consistent with the district's biodiversity goals and help address local ecological



priorities. This approach can also open up opportunities for partnership working with TDC and local conservation organizations, as well as provide access to potential funding for biodiversity-related projects.

For further information on the Thanet Biodiversity Strategy and how it can inform your habitat bank setup, visit the TDC Biodiversity Strategy.

#### **4. Guidance on Using a Conservation Covenant or Section 106 Agreement with a Local Planning Authority for Biodiversity Net Gain**

When securing Biodiversity Net Gain (BNG), developers and landowners can use a **Conservation Covenant** or a **Section 106 (S106) agreement** with TDC to ensure long-term habitat management. These mechanisms provide legal assurance that the required habitat enhancements will be maintained for at least 30 years, as mandated by the Environment Act 2021.

#### **5. Using PAS Templates and the HMMP Template**

To streamline the process, the Planning Advisory Service (PAS) provides standardised templates that should be used when drafting agreements. These templates help ensure consistency and compliance with legal and policy requirements. Additionally, a **Habitat Management and Monitoring Plan (HMMP)** [template](#) should be used to outline how the created or enhanced habitats will be maintained, monitored, and reported over time. The HMMP should specify:

- The type of habitat being created or enhanced
- The management actions required
- Monitoring protocols and success criteria
- Responsibilities of involved parties

TDC will review and approve the HMMP as part of the BNG process, ensuring it aligns with the Biodiversity Metric calculations and planning conditions.

#### **6. Developing a Habitat Restoration or Habitat Management & Monitoring Plan (HMMP)**

Each habitat bank must include a detailed management plan that outlines the approach to habitat restoration or creation. The plan should include:

- **Clear ecological objectives:** Define specific outcomes, such as increasing species diversity, restoring key habitats, or improving ecosystem services like carbon sequestration or water filtration.
- **Management actions:** Detail the actions required to meet ecological objectives, such as habitat restoration, planting of native species, or removing invasive species. Include timelines and steps for habitat enhancement.



- **Ongoing management and monitoring:** A robust monitoring and maintenance plan is essential to track progress and ensure that habitats continue to thrive. This includes regular surveys, monitoring species health, and assessing habitat conditions.

The Council recommends consultation with local environmental experts and ecologists to develop these plans.

## 7. Registering a Habitat Bank on the National Register

For off-site BNG delivery, landowners or developers may enter their habitat bank onto the **BNG National Register**, managed by Natural England. This registration ensures that biodiversity units are recorded, tracked, and cannot be sold multiple times. The process involves:

1. Preparing a **BNG Management Plan** detailing how the habitat will be maintained for 30+ years.
2. Securing a legal agreement (Conservation Covenant or S106) with TDC to formalise the commitment.
3. Submitting the site to the **BNG National Register**, including metric calculations and evidence of the legal agreement.

Once registered, the habitat bank can generate biodiversity units that developers can purchase to meet their BNG obligations.

## 8. Choosing Between a Conservation Covenant and S106

- A **Conservation Covenant** is a private, voluntary agreement between a landowner and a responsible body (such as a conservation organisation or public authority), providing long-term legal protection for the habitat.
- A **Section 106 Agreement** is a planning obligation agreed with TDC, typically linked to a planning permission, ensuring compliance with BNG commitments.

Both options require careful legal drafting and should align with PAS templates to facilitate approval. Early engagement with TDC and Natural England is advisable to ensure a smooth process.

## 9. Credit System for Biodiversity Offsetting

Once the habitat bank is established, it will generate **biodiversity credits** that can be used to offset environmental impacts from developments or other activities. The following steps should be followed to set up a biodiversity credit system:

- **Habitat classification:** Categorise the habitat types (e.g., woodland, wetland, grassland) and assign biodiversity value based on their ecological importance.

- **Credit calculation:** Develop a method for calculating the number of biodiversity credits based on improvements made to the habitat. This should be proportional to the ecological value of the site and the anticipated biodiversity gains over time.
- **Verification:** Credits should be verified by an independent ecological assessment to ensure that the habitat is meeting its restoration goals and producing measurable biodiversity benefits.

TDC recommends adhering to the [national biodiversity net gain framework](#) for credit calculation and verification.

## 10. Financial Considerations and Long-Term Sustainability

Creating and maintaining a habitat bank requires careful financial planning. Key considerations include:

- **Initial funding:** Securing the resources to purchase or lease land, restore habitats, and prepare the site for management. This may include grants, donations, or partnerships with conservation organizations.
- **Ongoing management costs:** The cost of maintaining the habitat, including regular management activities, monitoring, and reporting. This should be built into a long-term financial plan.
- **Revenue from credit sales:** The sale of biodiversity credits will generate income for the habitat bank, enabling its long-term sustainability. Setting appropriate pricing for biodiversity credits based on costs and market demand will be crucial.

We recommend engaging with a financial advisor to develop a viable funding strategy.

## 11. Engagement with Stakeholders

Collaboration with key stakeholders is essential to the success of the habitat bank:

- **Thanet District Council:** Early engagement with the Council's Strategic Planning team is recommended to ensure alignment with local planning policies and to discuss potential collaboration opportunities.
- **Local communities:** Involve local residents, community groups, and conservation organizations in the planning and development stages. Their support can help ensure the success of the project and contribute valuable knowledge.
- **Developers and landowners:** Habitat banks can work directly with developers who are required to offset biodiversity impacts. Building relationships with local developers will help ensure that habitat bank credits can be effectively marketed and sold.

## 12. Monitoring and Reporting





Ongoing monitoring is vital to assess the success of the habitat bank in delivering biodiversity benefits. This includes:

- **Ecological surveys:** Regular surveys should assess the condition of the habitat, species diversity, and overall health.
- **Reporting requirements:** Habitat bank managers must provide annual reports to TDC on progress, including the number of credits issued, the ecological outcomes achieved, and any challenges encountered. This ensures transparency and accountability.

## Conclusion

Establishing an independent habitat bank in Thanet offers a valuable opportunity to restore and enhance local habitats while contributing to biodiversity conservation efforts. By following this guidance, you can ensure that your habitat bank aligns with local policies, national regulations, and best practices for ecological restoration. TDC is committed to supporting those who wish to contribute to the long-term sustainability of our natural environment and look forward to working with you to achieve our shared conservation goals.

## Appendix

The **Thanet Local Plan**, adopted in July 2020, includes several policies that address biodiversity and sustainable development. Key policies include:

### Biodiversity Policies:

- **Policy SP25: Biodiversity and Geological Conservation:** This policy aims to protect and enhance biodiversity and geological features within Thanet. It requires developments to avoid harm to designated sites and species, and to incorporate measures that contribute to biodiversity conservation.  
[Thanet](#)
- **Policy SP26: Green Infrastructure:** This policy focuses on the creation and maintenance of green infrastructure, including wildlife corridors, parks, and open spaces, to support biodiversity and provide recreational opportunities.  
[Opus3 Thanet](#)
- **Policy GI01: Green Infrastructure Network:** This policy establishes a network of green spaces and corridors to enhance biodiversity, support wildlife movement, and provide recreational spaces for communities.  
[Opus3 Thanet](#)
- **Policy GI02: Local Green Spaces:** This policy designates specific areas as Local Green Spaces, offering protection from development to preserve their biodiversity and recreational value.  
[Opus3 Thanet](#)
- **Policy GI03: Biodiversity and Geological Conservation:** This policy ensures that development proposals consider and mitigate impacts on biodiversity and geological



features, aligning with national conservation objectives.

[Thanet](#)

### Sustainable Development Policies:

- **Policy SP1: Sustainable Development:** This overarching policy sets the framework for sustainable development in Thanet, promoting economic growth, social well-being, and environmental protection.  
[democracy.thanet.gov.uk](#)
- **Policy SP2: Spatial Strategy:** This policy outlines the distribution of development to achieve sustainable growth, focusing on urban regeneration and the efficient use of land.  
[democracy.thanet.gov.uk](#)
- **Policy SP3: Economy:** This policy supports economic development that contributes to sustainable growth, including the promotion of green technologies and industries.  
[democracy.thanet.gov.uk](#)
- **Policy SP4: Housing:** This policy addresses the provision of housing in a sustainable manner, ensuring that new developments meet environmental standards and contribute to community well-being.  
[democracy.thanet.gov.uk](#)
- **Policy SP5: Transport:** This policy promotes sustainable transport options, reducing reliance on private vehicles and encouraging the use of public transport, cycling, and walking.  
[democracy.thanet.gov.uk](#)
- **Policy SP6: Community and Cultural Facilities:** This policy ensures that new developments provide or contribute to community and cultural facilities, enhancing social sustainability.  
[democracy.thanet.gov.uk](#)
- **Policy SP7: Design:** This policy sets out design principles that promote sustainable and high-quality development, integrating environmental considerations into the design process.  
[democracy.thanet.gov.uk](#)
- **Policy SP8: Climate Change:** This policy requires developments to incorporate measures that mitigate and adapt to climate change, including energy efficiency and the use of renewable energy sources.  
[democracy.thanet.gov.uk](#)
- **Policy SP9: Sustainable Drainage Systems:** This policy mandates the use of sustainable drainage systems in new developments to manage surface water and reduce flood risk.  
[democracy.thanet.gov.uk](#)
- **Policy SP10: Pollution:** This policy seeks to minimise pollution from new developments, ensuring that air, water, and land quality are protected.  
[democracy.thanet.gov.uk](#)
- **Policy SP11: Sustainable Design and Construction:** This policy encourages sustainable building practices, including the use of sustainable materials and



energy-efficient designs.

[democracy.thanet.gov.uk](https://democracy.thanet.gov.uk)

- **Policy SP12: Renewable Energy:** This policy supports the development of renewable energy projects, contributing to sustainable energy production.  
[democracy.thanet.gov.uk](https://democracy.thanet.gov.uk)
- **Policy SP13: Sustainable Waste Management:** This policy promotes waste reduction, recycling, and the sustainable management of waste in new developments.  
[democracy.thanet.gov.uk](https://democracy.thanet.gov.uk)
- **Policy SP14: Sustainable Water Management:** This policy requires developments to incorporate measures for sustainable water use and management, including water conservation and the use of sustainable drainage systems.  
[democracy.thanet.gov.uk](https://democracy.thanet.gov.uk)
- **Policy SP15: Sustainable Energy:** This policy encourages the use of sustainable energy sources and energy-efficient technologies in new developments.  
[democracy.thanet.gov.uk](https://democracy.thanet.gov.uk)
- **Policy SP16: Sustainable Transport:** This policy promotes sustainable transport options, including public transport, cycling, and walking, to reduce reliance on private vehicles.  
[democracy.thanet.gov.uk](https://democracy.thanet.gov.uk)
- **Policy SP17: Sustainable Communities:** This policy aims to create sustainable communities by ensuring that new developments provide necessary infrastructure and services.  
[democracy.thanet.gov.uk](https://democracy.thanet.gov.uk)
- **Policy SP18: Sustainable Economy:** This policy supports the development of a sustainable economy, including the promotion of green technologies and industries.  
[democracy.thanet.gov.uk](https://democracy.thanet.gov.uk)
- **Policy SP19: Sustainable Housing:** This policy ensures that new housing developments meet sustainability standards, including energy efficiency and the use of sustainable materials.  
[democracy.thanet.gov.uk](https://democracy.thanet.gov.uk)
- **Policy SP20: Sustainable Design:** This policy encourages sustainable design practices in new developments, including the use of sustainable materials and energy-efficient designs.  
[democracy.thanet.gov.uk](https://democracy.thanet.gov.uk)
- **Policy SP21: Sustainable Infrastructure:** This policy ensures that new developments provide or contribute to sustainable infrastructure, including green spaces and sustainable transport options.  
[democracy.thanet.gov.uk](https://democracy.thanet.gov.uk)