

Notice of Non-Key Executive Decision

Subject Heading:	Biodiversity Net Gain Grant 2025/26 - Section 31 Grant Determination 31/7838
Decision Maker:	Kevin Waters – Assistant Director of Planning
Cabinet Member:	Councillor Graham Williamson - Cabinet Member for Regeneration
ELT Lead:	Helen Oakerbee - Director of Planning and Public Protection
Report Author and contact details:	Linda Beard Senior Planning Policy Officer, Development Planning linda.beard@havering.gov.uk 01708 433131
Policy context:	National Planning Policy Framework 2024 London Plan 2021 Havering Local Plan 2016-2031
Financial summary:	This report seeks approval to accept and spend the Biodiversity Net Gain Grant 2025/26 of £27,142 from the Department for Environment, Food and Rural Affairs (DEFRA) for 1 April 2025 to 31 March 2026. This is external funding being received by the Council.
Relevant Overview & Scrutiny Sub Committee:	Places
Is this decision exempt from being called-in?	The decision will be exempt from call in as it is a Non key Decision

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The subject matter of this report deals with the following Council Objectives

People - Supporting our residents to stay safe and well

Place - A great place to live, work and enjoy X

Resources - Enabling a resident-focused and resilient Council

Part A – Report seeking decision

DETAIL OF THE DECISION REQUESTED AND RECOMMENDED ACTION

This report seeks approval from the Assistant Director of Planning to:

Accept and spend the Biodiversity Net Gain Grant 2025/26 of £27,142 from the Department for Environment, Food and Rural Affairs (DEFRA) for 1 April 2025 to 31 March 2026.

AUTHORITY UNDER WHICH DECISION IS MADE

Part 3 of the Council's Constitution - Responsibility for Functions
Section 3: Functions Delegated to Officers
Scheme 3.3.3 Powers common to all Strategic Directors

5. Grants

5.1 To apply for, accept and thereafter spend / allocate any grant funding connected with their directorate provided that any match funding or residual liabilities can be met from the existing budget of the directorate. For the avoidance of doubt this delegation shall allow the acceptance of any grant offered / allocated to the Council without any application.

STATEMENT OF THE REASONS FOR THE DECISION

1. Background

1.1 Biodiversity Net Gain (BNG) is an approach to development and land management that aims to leave the natural environment in a measurably better state than it was prior to development taking place. This may be achieved by better management of existing habitats or the creation of new habitats, or a combination of both.

1.2 The Environment Act 2021 requires an improvement of at least 10%. Regulations to implement the provisions in the Environment Act which were made in January 2024. The requirement for 10% BNG became mandatory for most major developments on 12 February 2024 and for most minor development on 2 April 2024.

2. Biodiversity Net Gain Grant

2.1 A total of up to £10.17 million is being made available to local planning authorities in England to support BNG in the 2025/26 financial year. The purpose of the grant is to provide support to local authorities in England towards expenditure lawfully incurred or to be incurred by them to apply a minimum 10% increase in biodiversity

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to planning permissions (unless otherwise exempt) granted under the Town and Country Planning Act 1990.

2.2 The funding allocated for the 2025/26 grant is a maximum of £10.17 million nationally.

2.3 The London Borough of Havering has received a grant allocation of £27,142 to deliver measures that apply at least a 10% biodiversity net gain, as introduced in the Environment Act 2021 to planning permissions (unless otherwise exempt) granted under the Town and Country Planning Act 1990.

3. Requirements for receiving the funding

3.1 The offer of Grant Funding is dependent on the Council accepting the requirements as set out in the Grant Determination (Appendix A). In previous years, the Council was required to sign and return a Grant Acceptance Form. This requirement has been dropped for 2025/2026.

3.2 The funding should be used by the local authority between 1 April 2025 and 31 March 2026 to deliver measures that apply at least a 10% biodiversity net gain, as introduced in the Environment Act 2021 to planning permissions (unless otherwise exempt) granted under the Town and Country Planning Act 1990. The grant can be carried forward to spend in financial year 2026/2027.

3.3 Formal reporting to the Department for Environment, Food and Rural Affairs (DEFRA) on progress is not a condition of the grant. However, DEFRA may ask local authorities to provide a voluntary end of year return confirming activity that has taken place or been funded. The Council will need to maintain evidence of spend incurred for internal audit purposes and for any reporting requested by DEFRA.

Next Steps

3.4 Following approval to accept and spend the grant, officers will develop a programme setting out how the grant money will be spent in order to deliver measures that apply at least a 10% biodiversity net gain, as introduced in the Environment Act 2021 to planning permissions (unless otherwise exempt) granted under the Town and Country Planning Act 1990.

OTHER OPTIONS CONSIDERED AND REJECTED

The option of not accepting the awarded grant has been rejected because the Council has a statutory requirement to implement Biodiversity Net Gain through its planning functions and there are costs associated with carrying out this work.

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Not Applicable

NAME AND JOB TITLE OF STAFF MEMBER ADVISING THE DECISION-MAKER

Name: Linda Beard

Designation: Senior Planning Policy Officer

Signature: *Linda Beard*

Date: 09/02/2026

Part B - Assessment of implications and risks

LEGAL IMPLICATIONS AND RISKS

Under s98 of the Environment Act 2021 (the Act), schedule 14, the Council has several duties related to the biodiversity net gain in the planning process. It mandates that new developments must achieve at least a 10 percent net gain in biodiversity. It aims to integrate biodiversity net gain into the planning and development process, thereby promoting environmental sustainability and enhancing biodiversity. The Council intends to fulfil its duty under the Act and by accepting the grant from DEFRA as outlined above will be supported in having financial resource to do so.

Section 1 of the Localism Act 2011 gives the Council a general power of competence to do anything an individual can do. The recommendations in this report are in keeping with this power and the Council has the power to accept grant funding.

The grant funding must be used in accordance with the grant terms and conditions, including requirements relating to its use, monitoring and reporting, and the recovery of funding in the event of a breach. The grant is permitted under the Council's Contract Procedure Rules (CPR), in particular paragraphs 25.1 and 25.4, which require the Council to comply with the CPR where it is the accountable body and procures works, services or supplies, and to include in any grant to a third party obligations to account for the funding, to competitively tender where applicable, and to act in line with the Council's strategies, policies and objectives where compatible with the grant conditions.

For the reasons set out above, the Council may proceed and accept the grant funding of £27,142 from DEFRA.

FINANCIAL IMPLICATIONS AND RISKS

DEFRA has offered the Council £27,142 from the Biodiversity Net Gain Grant 2025/26, subject to the Council agreeing to and complying with the terms and conditions set out in the grant determination.

Formal progress reporting to DEFRA is not required; however, DEFRA may request a voluntary end-of-year return outlining funded activity. The Council will be required to retain appropriate evidence of expenditure for internal audit purposes and to support any such request.

Following approval of the grant acceptance, officers will develop a programme to allocate the funding towards measures that support the delivery of at least a 10% biodiversity net gain, as required by the Environment Act 2021 for planning permissions granted under the Town and Country Planning Act 1990, unless exempt.

As this statutory requirement must be implemented by the Council, acceptance and use of the grant will help to mitigate associated additional costs.

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HUMAN RESOURCES IMPLICATIONS AND RISKS (AND ACCOMMODATION IMPLICATIONS WHERE RELEVANT)

There are no workforce or HR implications arising directly as a result of this decision. It may be necessary to commission specialist consultants and oversee relevant projects which can be undertaken within the existing team resources.

EQUALITIES AND SOCIAL INCLUSION IMPLICATIONS AND RISKS

Public Sector Equality Duty (PSED) under section 149 of the Equality Act 2010 requires the Council, when exercising its functions, to have due regard to:

- The need to eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under the Equality Act 2010;
- The need to advance equality of opportunity between persons who share protected characteristics and those who do not, and;
- Foster good relations between those who have protected characteristics and those who do not.

'Protected characteristics' are age, sex, race, disability, sexual orientation, marriage and civil partnerships, religion or belief, pregnancy and maternity and gender reassignment.

The Council is committed to all of the above in the provision, procurement and commissioning of its services, and the employment of its workforce. In addition, the Council is also committed to improving the quality of life and wellbeing for all Havering residents in respect of socio-economics and health determinants.

The DEFRA Biodiversity Net Gain Grant will help the Council with delivering its equality and diversity commitments. Dissemination of information and consultation with officers and residents that may result from the use of the grant will provide opportunities to increase awareness of Biodiversity Net Gain across all protected characteristic groups

ENVIRONMENTAL AND CLIMATE CHANGE IMPLICATIONS AND RISKS

The funding awarded will help Havering with implementing Biodiversity Net Gain which will have positive environmental impacts through improvements to the ecosystem and wildlife conservation. It can also help to improve air quality and contribute to temperature moderation, flood management and soil stability.

HEALTH AND WELLBEING IMPLICATIONS AND RISKS

Havering Council is committed to protecting and promoting the health and wellbeing of residents.

There are no direct health and wellbeing implications arising from the recommendation to accept the Biodiversity Net Gain Grant.

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The Biodiversity Net Gain Grant will be used to support planning decisions and council strategies to protect and enhance the natural environment.

Biodiversity and access to nature are important for physical and mental health and new development is required to provide at least 10% Biodiversity Net Gain, unless exempt. The Biodiversity Net Gain Grant will be used to support this outcome and this will benefit both residents and businesses.

BACKGROUND PAPERS

None

APPENDICES

Appendix A	Section 31 (Local Government Act 2003) Grant Determination Letter for Biodiversity Net Gain Grant 2025/26: Grant No. 31/7838	Open
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Part C – Record of decision

I have made this executive decision in accordance with authority delegated to me by the Leader of the Council and in compliance with the requirements of the Constitution.

Decision

Proposal agreed

Details of decision maker

Signed *K. Waters*

Name: Kevin Waters

Other manager title: Assistant Director of Planning

Date: 24/03/2026

Lodging this notice

The signed decision notice must be delivered to Committee Services, in the Town Hall.

For use by Committee Administration

This notice was lodged with me on _____

Signed _____