

TWO AMENDMENTS TO STRENGTHEN PART 3 OF THE PLANNING AND INFRASTRUCTURE BILL

Background to NatureSpace

NatureSpace Partnership was set up in 2017 to deliver a strategic licensing scheme to speed up development and deliver better outcomes for nature conservation. The 'District Licensing' scheme for great crested newts is a cross-sectoral partnership (private sector, NGO and planning authorities), funded entirely by developers and regulated by Natural England.

Piloted for two years across seven planning authorities, NatureSpace now delivers the scheme for 70 planning authorities in England and several national infrastructure operators.

The NatureSpace scheme has sped up development and infrastructure delivery by providing a one-stop-shop for developers who receive licence documentation for their planning application *within 10 working days* and are authorised alongside their planning consent, with no delays. This saves months (or years) of delay that would otherwise be spent on surveys, licence applications and pre-emptive site works and also avoids long-term on-site obligations.

Compensation habitats to outweigh the site-specific impacts of development are delivered off-site (but within the local area) by our conservation NGO partners and are managed and monitored long-term, providing better (and evidenced) outcomes for nature, as well as a diversified income stream for farmers.

Crucially, the same technology and model that NatureSpace has applied to great crested newts can now also be applied to other protected species.

Part 3 of the Planning and Infrastructure Bill

We strongly support the Government's stated intention to unblock development whilst at the same time promoting nature recovery – we have been demonstrating how this can be done for 8 years.

The Bill proposes the introduction of a Nature Recovery Levy for dealing with the environmental impacts of development but, as currently drafted, the provisions in Part 3 of the Bill will lead both to

a downgrading of environmental protection and delays to development. Long-held principles such as polluter pays, evidence-based precaution and avoiding/minimising impacts are removed and KC legal opinion (see accompanying document) is that Part 3 is environmentally regressive. There is growing public concern; the dismantling of these environmental principles is causing significant opposition to the Bill and risks legal challenge to the practical implementation of subsequent legislation. Further, the loss of local-level and timely delivery will also be cause for concern for Council leaders and local communities, as the nationally managed fund offers no options for impact assessments, no guarantee of local nature recovery, nor any prospect that compensation will be in place before loss.

Finally, the Environmental Delivery Plan (EDP) proposals will undermine existing cross-sectoral partnerships and private sector investment, which already deliver significant results in a developer-friendly way within existing legislative frameworks at no cost to the taxpayer. As drafted, the Bill will both slow development and disincentivise private sector investment.

Such outcomes obviously run contrary to the aims of the Bill and to Government ambitions (and indeed commitments – Appendix 1) to support the creation of high integrity markets to drive private investment in environmental improvement. With a huge finance gap to deliver the Government's nature-related goals, and with the public purse facing unprecedented pressures on defence and tariffs, we need to unlock private sector funding and investment *without* taxpayer funding. Scaling up high-integrity nature markets will help businesses meet their environmental goals and provide long-term revenue streams that enabling the farming industry to transition away from subsidy and diversify their business models.

It is therefore critical that the Bill protects (rather than cuts across) existing cost-effective developer- and nature-friendly schemes and provides a 'backstop' for developers *only* where private markets are not able to deliver appropriate solutions.

Amendment one – remove species from Part 3

Whilst legal opinion considers the Bill more widely environmentally regressive, much of the impacts and indeed NatureSpace's specific concerns, relate in particular to the regressive nature of the unravelling of 70 years of species legislation.

This is, in effect, a risky and unnecessary distraction to the main purpose of the Bill, especially as protected species rarely slow down development and existing strategic licensing solutions for species exist, which could be easily expanded.

Leaving 'protected species' in the Bill will:

- Generate significant opposition and complicate the Bill's passage through Parliament – the majority of the existing amendments are aimed at retrospectively tackling the 'species issue'
- Slow implementation of any future Act, via Judicial Review of any EDPs that include species
- Slow housebuilding on the ground because existing solutions will be disrupted (there are extant permissions for 15,000 houses conditional on the use of the NatureSpace District Licensing scheme – which development would be held up for years if EDPs are introduced)
- Create opposition from mainstream private sector investors because the precedent of 'no site assessment' that the NRF creates for species will adversely affect the future of BNG markets
- Increase the burden on taxpayers for future Natural England-led delivery options

The simple solution - should the Government wish to deliver effective sustainable development alongside nature recovery (and avoid disruption to the Bill) - is to exclude species from Part 3, as follows:

Clause 50 (page 84)

Line 25: Remove the dash "-" and insert: "a protected feature of a protected site"

Line 26: Delete

Line 27: Delete

Schedule 4 (pages 147 and 148)

Lines 9-40 (page 147): Delete

Lines 1-3 (page 148): Delete

Amendment two – enable alternatives to function ahead of any NRL backstop

Alongside other amendments being suggested to tighten the operation of the NRF, a specific amendment to enable and encourage alternative private market approaches would leave headroom for cross-sectoral schemes, aligned to the delivery of Local Nature Recovery Strategies, to provide

more efficient and effective solutions. There is a precedent for this 'backstop approach' in the Statutory Credits Scheme offered by Natural England operating in support of the Government's flagship Biodiversity Net Gain mechanism.

Clause 55 (page 88)

Line 5: At the end insert: "and the no private nature market solution test"

After line 9 insert: "(4A) An EDP passes the no private nature market solution test if no private nature market solution exists or is likely to exist between the EDP start date and the EDP end date which addresses in whole or in part the environmental impact of development on the identified environmental feature and which contributes to an overall improvement in the conservation status of the identified environmental feature"

Line 10: After "subsection (4)", insert "and (4A)"

Clause 78 (page 105)

After line 12 insert: "private nature market solution" means in respect of an environmental feature:

(a) a mechanism operated by a person underpinned by delivery or enhancement of natural habitat;
or

(b) credits or a system of credits made available by a person underpinned by delivery or enhancement of natural habitat

which could be relied upon by a developer in respect of its development in satisfaction of the requirements of the legislation relevant to the environmental feature as listed in paragraphs 1(2), 2(2), 3(2), 4(2) and 5(2) of Schedule 4".

Finally, alongside the passage of the Bill through Parliament, we would warmly welcome any policies or statements from HMT/MHCLG that promote the scaling of existing strategic solutions for great crested newts towards other species - NatureSpace have private investment and NGO support lined up to do exactly this. With regulatory certainty rapid progress will be made by the private sector in partnership with Local Authorities and the NGOs, to provide a solution that works for developers, within a streamlined planning system, providing better outcomes for nature, and with credit going to the Government at no cost to the taxpayer.

Appendix 1: Government support for nature markets

Examples of current and previous Government's stated ambitions to develop and support nature markets:

- The ambitious targets to develop private markets for nature recovery included in the [Environmental Improvement Plan](#) 2023, aiming to raise £500 million per year in private finance from 2027.¹ Since these targets were announced, the Government has taken steps to stimulate private investment in market-based solutions, for example through its tax-payer funded Natural Environment Investment Readiness Fund. These investments will be jeopardised if the Nature Restoration Fund undermines the demand for market-based solutions.
- The [2023 Green Finance Strategy](#) emphasises the importance of mobilising private investment to achieve the UK's environmental objectives. The strategy outlines measures such as developing high-integrity voluntary markets. The accompanying [Nature Markets Framework](#) Policy Paper set out the Government's commitment to support the development of nature markets, and to build market policy on robust and enduring principles. This included scaling up private investment in nature recovery and sustainable farming through high-integrity nature markets across the UK.
- This Government's commitment to raising integrity in the voluntary carbon and nature market was reiterated in a [Notice](#) published in November 2024 outlining a public consultation in early 2025 on the steps the Government would take to raise the integrity of these markets. This included [6 overarching principles](#) intended to help drive this agenda forward. In February 2025, the Government published its [UK national biodiversity strategy and action plan](#) which confirmed the Government's support for "increased private sector investment in nature through the development of high-integrity nature markets". In March 2025, new government-backed green finance standards were published by the British Standards Institution aimed at helping "nature-friendly investments across the UK grow".²
- In March 2025 the Government reiterated its support for private nature market solutions in its Policy Paper [New approach to ensure regulators and regulation support growth](#), which stated that Defra will explore "launching a Nature Market Accelerator to bring much needed coherence to nature markets and accelerate investment". This was followed by recommendations in the [independent review of Defra's regulatory landscape by Dan Corry](#) published in April 2025 to "unlock the flow of private sector green finance to support nature restoration whilst better targeting public sector finance",³ which stated that in light of the UK's "financial and scientific expertise" a nature market accelerator body should be established by Defra to "drive momentum towards the EIP target" for private finance.⁴ Exploring the launch of a "Nature Market Accelerator" was captured in Recommendation 21 of the Report and Recommendation 22 called on the Government to publish "a call for evidence on further opportunities to increase private investment into nature from economic sectors who impact upon or benefit from our shared natural capital". Recommendation 24 proposed that Defra "quickly evaluate and improve the current compliance nature market schemes (including biodiversity net gain (BNG) and nutrients credits) to make any early adjustments needed to maximise their delivery".⁵

¹ See pages 11 and 60 of the [Environmental Improvement Plan](#)

² See [New world-leading nature finance standards launched to encourage green investment - GOV.UK](#)

³ See page 18 and Chapter 4 of [Delivering economic growth and nature recovery: An independent review of Defra's regulatory landscape](#).

⁴ See page 10 *ibid*.

⁵ See page 51 *ibid*.