



ISEP

Institute of Sustainability &
Environmental Professionals

INSTITUTE OF SUTAINABILITY AND ENVIRONMENTAL PROFESSIONALS (ISEP) RESPONSE TO:

‘IMPROVING THE IMPLEMENTATION OF BIODIVERSITY NET GAIN FOR MINOR, MEDIUM AND BROWNFIELD DEVELOPMENT’

About the Institute of Sustainability and Environmental Professionals (ISEP)

The Institute of Sustainability and Environmental Professionals (ISEP) – formerly known as IEMA – is the global membership body for those wanting to deliver sustainable change environmentally, economically and socially.

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We harness the collective expertise and experience of our 20,000+ global membership to provide evidence and insights to government policy, legislation, regulations and standards, encourage best-practice within business, and inspire change across society.

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Executive summary

This is the response from the Institute of Sustainability and Environmental Professionals (ISEP) – formerly known as IEMA - to the Government's consultation 'Improving the implementation of biodiversity net gain for minor, medium, and brownfield development' published 28 May 2025.

ISEP welcomes and supports actions to improve the Biodiversity Net Gain (BNG) process. We believe that actions should be led by evidence garnered through consultation with all key stakeholders in a timely manner and that these proposals do not offer that evidence and are too early in the lifecycle of the BNG scheme. ISEP comments come from a workshop with members and key stakeholders, and make the following recommendations:

- We recommend that the Government do not exempt all minor developments/small sites from BNG (see details below).
- We recommend small, evidence-based changes with regard to how BNG is completed on minor developments/small sites (see details below).

- We recommend that BNG should have more time to become established before any major changes are made.
- Evidence suggests that the issues around BNG for minor developments/small sites lie with the smallest of the minor developments/small sites and we recommend that for sites of 25 square meters to 50 square meters, instead of BNG, that the developer creates environmental net gain onsite or locally with the permission and guidance of the local authority. All other minor developments/small sites should use the Small Sites Metric to provide a minimum of 10% net gain.
- Evidence suggests that planning applications with regard to BNG on minor developments/small sites by non-ecologists can be poorly completed and we recommend more guidance and training be created (see details below).
- We recommend that 'medium' sites do not use the small sites metric (see details below).

Questions and responses

Question: Do you support the following statements (yes/no):

I. No changes should be made to exemptions

II. Some changes should be made (please state which options you support with thresholds were applicable)

III. All minor development should be exempt

ISEP believe that only minimal changes should be made to the current BNG process. Please see questions below for further information.

In this consultation there are proposals to broadly consider various proposals from exempting small sites from undertaking BNG, to exempting parks, gardens and playing fields, to excluding temporary planning permission, and more. Cumulatively, this creates too many exemptions from protecting nature, nature corridors, and mosaic habitat.

Any decision on one proposal in this consultation must be measured against the decisions on other proposals in the consultation in order to avoid cumulative negative impacts.

NO TIME TO EMBED BNG

It is too early to consider a major reorganization of the scheme for BNG for minor developments/small sites or for the Defra Small Sites Metric or for the creation of a new category of medium sites. BNG for minor developments/small sites have been in operation for less than 18 months and local authority planners, ecologists (at local authorities, developers or consultants), and developers are still getting to grips with the new BNG scheme and the Small Sites Metric.

The consultation provides **very little evidence as to what is not working or why**, which has not been helpful. The consultation suggests potentially a lot of changes rather than any particular direction to solve specific issues.

Unusually and disappointingly, and unlike the aim of BNG, **the consultation does not focus on protection of nature** but on making both the scheme for BNG for small and medium sites, and the Small Sites Metric, easier to use.

THE NEED FOR EVIDENCE-LED DECISION MAKING

ISEP believes that some changes could be made to BNG for minor developments/small sites. However, these changes should be led by evidence collected over the last 14 months in which BNG has been mandatory.

It is difficult sometimes to create BNG on the very smallest of the minor developments/small sites. An example would be a small hospital extension going on to modified grassland, especially if losing a tree in a tightly managed context.

There are also issues where applications are poorly completed by non-ecologists who **lack skills or guidance**. An example of the impact of this would be an edge of village site where priority habitats might be expected, however lack of knowledge and skills by the minor development/small site developer (and/or their contractor) means that they don't identify this.

Lack of availability of partial units for offsetting has been cited as a problem. **The nature credits marketplace is a new marketplace that's still developing however, biodiversity unit brokers are now expecting to be asked for, and are offering, partial units.** Lack of partial units is not a reason for minor developments/small sites to be excluded from BNG.

Research by The University of Oxford¹ states that BNG 'is protecting types of habitat that are not being protected by the existing network of conservation sites in England [...] it's protecting much more grassland, which is underrepresented in the existing network of conservation sites.' It also states that '38% of total unit demand comes from sites <1ha in size' and if BNG were to be removed from minor developments/small sites this would **negatively impact both nature and the private investment in nature conservation and restoration through nature markets**, contrary to the government's nature markets framework policy

A recent report by Efttec² noted that 'the scale of use of the de minimis exemption [in England since 2024] suggests a **widespread compliance failure**.' and that 'The comparison of the scenarios suggest that current policy is reasonably well targeted, even though poorly implemented..'. It states that '**the government's proposal [to exempt small sites]...would result in a 77% decrease in the number of all applications requiring BNG**' and '...10% and 11% change to biodiversity compensation and BU [biodiversity unit] market demand, respectively...'.

ISEP DO NOT BELIEVE THAT SMALL SITES SHOULD BE EXEMPT BUT THAT CHANGES COULD BE MADE

It is useful to note that developers, local authorities and ecologists have planned for BNG using their time and resources. To make significant changes at this stage without an evidence base to direct those changes, will make BNG a burden for all those involved, create despondency and corrode confidence in BNG overall.

ISEP strongly disagrees with exempting minor developments/small sites. Minor developments/small sites may be seen individually as small but cumulatively add up to a significant amount of land.

Changes should be made. However, they must be as minimal as possible and targeted to address specific issues.

Question: Do you agree that the self and custom-building exemption should be removed and that it should be replaced with an exemption for a single dwelling house?

Yes.

¹ <https://www.biorxiv.org/content/10.1101/2025.06.22.660961v1>

² <https://www.efttec.co.uk/projects/biodiversity-net-gain-market-analysis-study>

The proposed change may speed up the planning process because it makes the process of identifying the development (self or custom-built or single dwelling) easier.

Question: Do you agree with the proposal for a 0.1 hectare threshold?

Yes.

Question: Do you agree the area de minimis threshold should be extended?

If yes, which of the following thresholds do you think is most appropriate:

- 50 square metres
- 100 square metres
- 250 square metres
- Other threshold

The current de minimis threshold is very small. However, any decision should be impact-based rather than size-of-development-based.

We would like to see an impact assessment for the different sizes of de minimis proposed and we would encourage the government to create such a thing before any decision is made.

In the interim, we support increasing the size to **no more than 50 square meters**. However, **there should be a new requirement that:**

- between 25 square meters and 50 square meters, the developer works with the local authority to **create environmental improvement such as a hedgehog corridor or bird/bat boxes** onsite or locally, where the local authority identifies the best location for this based on their local plans or LNRS. The environmental improvement must be in proportion to the impact on nature.
- An alternative is for the developer to **pay the local authority to create local environmental improvement** but it could be hard to demonstrate how such a fund has been directed within the local authority (this could become be a untransparent process).
- All other minor developments/small sites use the Small Sites Metric or Statutory Biodiversity Metric to attain a minimum of 10% BNG.

Doing either of these ensures that an environmental improvement has been undertaken, if not BNG. It supports developers of very small minor developments/small sites to undertake environmental improvement, while all other developers of small sites undertake BNG.

If there is priority habitat onsite, then the developer must demonstrate that they've undertaken the mitigation hierarchy in their development.

Question: Do you think the BNG requirement should be removed for minor development (for example including up to 9 residential homes) please provide evidence for your response where possible.

The BNG requirement should not be removed for minor developments because:

- There is no evidence in this consultation from local authorities, ecologists, developers and other stakeholders as to the specific issues.
- BNG for small sites has only been mandatory for 14 months which is not enough time for local authorities, developers, ecologists and stakeholders to understand and implement the requirements, the new processes, and develop the new skills required – from completing forms to undertaking an assessment.
- Developers, ecologists, consultants, and local authorities have invested time and resources in preparing for BNG and enacting it – dramatic U-turns like this create uncertainty for all stakeholders involved and undermines decision making.
- Doing so would create a greater incentive to ‘game’ the system to avoid BNG.
- Removing BNG will reduce demand of units by 38% in a context where government intend to grow nature markets.

Our proposal is that **developers on the smallest of minor developments/small sites (say, 25 – 50 square meters) the developer works with the local authority to create an environmental improvement such as a hedgehog corridor or bird/bat boxes onsite or locally, where the local authority identifies the best location for this based on their local plans or LNRS information.** The environmental improvement must be in proportion to the environmental impact. An alternative could be for a developer to pay the local authority to create local environmental improvement but this might cause difficulties with transparency. All other minor development/small site developers use the Small Sites Metric or Statutory Biodiversity Metric to achieve a minimum of 10% BNG.

If BNG is exempt, then there must be very robust, definitive boundaries around what can and cannot be done.

Question: if minor development were to be exempted from BNG, do you agree that the de minimis threshold should be extended to cover other types of development outside of the minor development category having little or no impact on biodiversity?

We do not think that minor development should be exempted from BNG. See question above.

Question: Do you agree that parks, gardens and playing fields development, as defined above, should be partially exempt from BNG? Please give evidence where possible.

The impact rather than the site should be the focus. Changes to parks, gardens and playing fields do not always bring more biodiversity, for example, a change to a playing field might be to replace grass with astroturf and this can damage habitats or the playing field could be part of a wildlife corridor, or adding lighting for pitches that can be ecologically damaging for bats.

We recognize the difficulties for local authorities who are overstretched and that 30 years of monitoring and maintenance can be a burden.

We support an exemption **only for impact on habitats of low distinctiveness** in parks and playing fields alongside **wording that ensures protection for priority trees and scrub, habitats and species, wildlife corridors and mosaic habitats.** BNG must still be required for impacts on high value biodiversity. The baseline value must always be understood before any action. Any **exemption must be qualified and guidance created** as to what type of land is exempt, and why, what type of land is not exempt and why, is the impact on high value biodiversity or habitat of low distinctiveness?

We do not support wholesale exclusion of BNG.

We support exemption on gardens but with all the above caveats.

Question: Do you agree that development whose sole or primary objective is to conserve or enhance biodiversity should be exempt from BNG? Please provide evidence where possible, including examples of developments that you think would be exempted.

Yes. However, the exemption must be qualified in the planning application. An example given in our workshop was a project undertaken by a charity where the extra cost of planning meant that the project is not economically feasible and was scaled down.

Question: Do you agree that temporary planning permission should be exempt from BNG? Please provide evidence where possible, including examples of developments that you think would be exempted. If yes, do you agree with the 5-year time limit?

No – we disagree that temporary planning permission should be exempt. The impact over 5 years especially can be significant. An example in our workshop was given of a small site that was given permission (before BNG) to be used for storing vehicles on a development. This destroyed the land. Even though land can be returned to 'how it was', it takes time for nature to return to its former state and so the impact remains longer. If an exemption is put in place it should be for a maximum of 1 year, the exemption should be dependent on the impact created, and a reason must be given by the developer as to the qualification for an exemption.

Question: Do you think the SSM should be used for medium development?

The Small Sites Metric should not be used for a new medium development category because:

- The size of medium developments is such that most developers will already be using an ecologist who is able to facilitate the undertaking of the Statutory Biodiversity Metric.
- It is easier for local authorities to deal with applicants using the Statutory Biodiversity Metric where the applications tend to be completed with more accuracy and require less input than the Small Sites Metric.
- For local authorities, the Small Sites Metric takes a disproportionately large amount of time to review (see comments on competency) because they often have to query the content of applications because it lacks detail or has been completed incorrectly and so having more users of the Small Sites Metric will slow down planning applications.
- If this consultation is suggesting changes to the Small Sites Metric because it's not working well enough then it is illogical to roll it out across even more developers when the Statutory Biodiversity Metric is working well for developers.
- It may create a greater incentive to 'game' the system to avoid the rigour of the Statutory Biodiversity Metric.

Question: Do you think the SSM should be able to be used on sites with European protected species present?

The Small Sites Metric should not be used on sites with European protected species present because:

- A European protected site is **likely to have a protected species or habitat** (why it's protected) and so the Statutory Biodiversity Metric would be more applicable.
- **If an ecologist has undertaken the protected sites survey** that is needed for sites with European protected species then using the Small Sites Metric might be acceptable **only if justification is included in the application**. However, if there has already been an ecologist involved, then there is no reason to not undertake the Statutory Biodiversity Metric.
- The Small Sites Metric provides less detail and this would **undermine the concept of protection of protected sites**.
- As before, it is **easier for local authorities to deal with applicants using the Statutory Biodiversity Metric where the applications are more accurately completed** and require less input than the small sites metric and which, as a result, takes a disproportionately large amount of time to review (see comments on competency). This may slow down planning applications.
- As before, If this consultation is suggesting changes to the Small Sites Metric because it's not working well enough then it is **illogical** to then roll it out across more developments.

Question: Do you think the SSM should be able to be used on sites with protected sites present?

The Small Sites Metric should not be used on protected sites because:

- Everything as per the previous question. **The site is protected which assumes an important habitat or species** and so the Statutory Biodiversity Metric should be undertaken.
- **What a protected site consists of must be very well defined** – it can often be interpreted as either an SSSI or as a non-statutory protected site. Guidance is needed here.
- There must be **guidance on BNG for non-statutory designated sites**. They are not on the Magic system and an ecologist may only find such a site if looking on a Local Plan.

Question: If these changes are taken forward, and the SSM is re-badged as a low impact metric. Do you think there should be any other restrictions on use of the SSM?

We disagree with changing the name of the small sites metric to the low impact metric because:

- **Very few site will automatically be a 'low impact' site**. The decision to use the Small Sites Metric is defined by size of the site – how will this metric be defined?
- If a baseline survey of a minor development/small site identifies the site as a 'low impact' site (whatever the definition of this might be) that has some biodiversity of high value, then **which metric would be used?**
- The Small Sites Metric was created as a simplified version of the full metric for habitat on site and so a **low impact metric would be creating a metric outside of what was a site-based family of metrics**.
- Introducing a new type of metric will add more complexity into the processes for BNG (see bullets above) just as stakeholders were getting to grips with the small sites metric. This will not be helpful for any of the stakeholders involved and will slow down the speed of developments.

Question: Do you think the trading rules should be removed in the SSM (which contains only medium and low distinctiveness habitats)?

If no, do you think the trading rules should be amended in the SSM to allow the losses of any medium distinctiveness habitat to be compensated for with any other medium distinctiveness habitat (but not with low distinctiveness habitats)?

It is the smallest of the minor developments/small sites that struggle with BNG. See proposal above re. changing de minimis and creating environmental gain for minor developments/small sites between 25 - 50 square meters.

The trading rules should not be removed from small sites metric.

If as a result of this consultation, medium-sized sites use the small sites metric, then the trading rules should definitely not be amended.

If other routes are chosen as a result of this consultation, then the following must be considered:

- the trading rules should not be abandoned completely.
- It can be beneficial for an ecologist to be able to decide whether it's more appropriate to choose the Statutory Biodiversity Metric or Small Sites Metric for different sites, and whether BNG is better onsite or offsite if it allows for a larger gain.
- There is a risk that the Small Sites Metric is always used by developers because it's easier (though less robust) and it's easier to compensate offsite. For that reason, amending the trading rules can diminish nature locally.
- There is a risk that the system can be 'gamed' to avoid BNG.
- There must be specific wording in the trading rules that allows ecologists to make decisions so long as they demonstrate why they have to do this.

Question: Do you think habitat condition should be fixed at 'poor' for baseline habitats, and 'moderate' for the target condition of enhanced habitat in the SSM?

The habitat condition should not be fixed at 'poor' because:

- Assuming that the baseline will always be poor **does not set a good precedent for how to think about impacts on nature.**
- The non-expert may simply **default to the idea that habitat is 'poor' and give no thought to priority habitats** so 'accidentally' remove hedgerows (for example).
- This kind of assumption **removes the precautionary principle as set out in the Government's Environmental Principle Policy Statement.**
- Only the smallest of the minor developments/small sites struggle with BNG. See proposal above re. changing de minimis and creating environmental gain for minor developments/small sites between 25 - 50 square meters. This would negate the need to change the baseline.

Question: Are there any other changes to the SSM or metric process for minor and medium development that should be considered to overcome challenges or streamline the process?

There are no other recommendations other than those we have suggested in other sections. This consultation should be focused on what currently doesn't work so well according to evidence, and fixing this to continue the effort to reduce impacts on nature and conserve and improve biodiversity through net gain rather than overcoming challenges of undertaking BNG by excluding the process or streamlining the process by removing aspects that protect nature.

Question: Do you think providing additional guidance on the identification and management of habitats in the small site metric would be helpful?

Additional guidance and training is essential.

Landowners, developers, and agents struggle to complete minor development/small site applications correctly and often don't have the experience to make the correct decisions with regard to habitat. Further guidance is needed. This could be:

- **A mandatory requirement for a pre-application** that allows the local authority to return to the developer with feedback and suggestions (noting that we are not suggesting that the local authority is able to help them complete the form as they have told us they do not have capacity for this).
- **A checklist for small sites developers for completing applications** eg. is there woodland, what is the distance between the development and a set of trees, etc.
- **Guidance on priority habitats** – what it is and what it looks like.
- **Training for non-ecologists completing forms** – this could be for the landowner, developer, the agent etc. who might be applying and could be offered by, for example, professional bodies.
- There could be **training for a 'competent person'** that provides a **certificate of competency** offered by, for example, professional bodies.

Question: Do you think more clarity is required within the definition of a competent person undertaking a BNG assessment using the SSM, and reviewing the completed SSM?

The definition of competence is less important than ensuring that applications contain the correct information. Guidance and training would be more useful. See previous question.

Question: What specific features or improvements would you like to see in a digital version of the metric tools?

The question should be more about functionality – how the metric is completed, how it's used, how it's stored and how this is done in a way that facilitates its use by the varying levels of expertise of all stakeholders involved. We recommend that government speak to all stakeholders including a broker such as the Environment Bank to find out how they keep their data.

We understand from Natural England that other countries can copy the Metric because it is in Excel. One local authority expert told us that they use the Excel document as a checklist – they can easily see what's done and what's missing in an Excel spreadsheet (for example, this is much harder to do if information when an application is presented as a pdf).

Question: Do you think we should allow biodiverse features to be counted within vegetated gardens being created as part of a development?

Vegetated gardens being created as part of a development should not be counted because:

- **Gardens cannot be legally secured for 30 years** and so there is no guarantee of lasting BNG
- The condition assessment for gardens could be low distinctiveness and could be counted if it had hedgerows or trees or more than 90% grass cover, or a hedgehog highway etc. Environmental improvement could be counted towards units in the case of vegetated gardens. However, there's a huge **concern that this can easily be turned over to plastic grass or paved, front and back by residents.** According to research by Aviva of 2004 UK homeowners, **1 in 9 homes (11%) have already replaced lawns with fake grass** and another 10% plan to do so. **A quarter (27%) have already changed or plan to replace part or all of their garden into a driveway with non-permeable material**, such as tarmac.
- See proposal above re. changing de minimis and creating environmental gain for minor developments/small sites between 25 - 50 square meters.

Question: Do you agree the biodiversity gain hierarchy should be updated for minor development?

The biodiversity gain hierarchy should not be updated for minor developments/small sites.

As above, there are pros and cons to relaxing the need to mitigate onsite and offsite.

See proposal above re. changing de minimis and creating environmental gain for minor developments/small sites between 25 - 50 square meters.

Question: Should we review the metric habitat definition, condition assessment criteria and guidance to assist with the correct identification and classification of OMH?

There should be a definition of OMH and this should be carried out in collaboration with UK Habitat Classification. There should be guidance alongside any definition..

There seems to be a gap between OMH which is high distinctiveness and vacant/derelict land which is low distinctiveness. There should be a category to reflect brownfield sites that don't neatly fall into either of these.

OMH should not need to be on previously developed land.

Previously developed land that is in the process of succession but which doesn't yet have the matrix of habitats present on OMH should be considered. In this context, the previous use of the land needs to be thought about too as, for example, a degree of contamination can 'help' with OMH. This would avoid valuable sites that don't meet specific OMH criteria from being downgraded to vacant.

There could be a distinction between OMH on a greenfield site and a brownfield site.

Question: Should we allow alternative habitat delivery for the loss of Open Mosaic Habitat?

Creating an alternative would be useful, but this needs careful consideration. It's very hard to create an alternative due to the rules on previously developed land. Habitat could be allowed that hits all the 'points' but on land that wasn't previously developed. This could include creating the same ecological niches. However, this might make the process more complicated for local authorities in applications. Guidance would have to be provided.

More information

ISEP are happy to work with government on these proposals and to discuss any of these points, or additional ones, further.

For more information on this consultation response please contact:

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