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## **EIC Natural Capital Taskforce Response to the Biodiversity Metric Consultation**

To the Biodiversity Metric Team,

I write as a Policy Analyst at the **Environmental Industries Commission** (EIC). The EIC is the leading business association for environmental businesses. This response has been produced with the input and assistance of our Natural Capital Taskforce. The Taskforce brings together natural capital experts from most of the UK's large environmental consultancies, alongside some key landowners innovating in this field, including water companies, utilities and developers. We have worked closely with government over the last year to support its programme of implementing natural capital approaches into policy making.

This response represents a consensus view of the Natural Capital Taskforce, but does not necessarily reflect the views of individual members of the group.

### **Q1. Do you think that the spatial risk multiplier values need reconsidering to better incentivise high value off-site delivery?**

In response to this question, our members have a variety of views with regards to the proposed change of "Applying the multiplier to the overall off-site unit change instead of applying multiplier to the off-site post-intervention. Some members believe this would allow developers to support important habitat enhancement projects where delivery on long term high value on-site biodiversity gains is not achievable.

However, other members feel this change would encourage and facilitate offsetting at a distance where land is cheap. The priority should be for on-site integration, with off-setting strongly encouraged to be within the local area of impact.

Others have expressed a view that on-site delivery of BNG units (which is preferable to off-site delivery) is not disincentivised. It is preferable to address the impacts of biodiversity loss at the source and follow the mitigation hierarchy, with offsetting only being considered as the last resort.

Changes to the metric that incentivise the creation of higher distinctiveness habitats over lower distinctiveness habitats would be welcomed; however, if this involves changes to the spatial risk

multipliers it should be done in a way whereby the spatial risk multipliers continue to appropriately incentivise the on-site delivery and the use of the mitigation hierarchy. It may be that amendments in relation to the difficulty multiplier could be considered as an alternative where, for example, a provider is a particularly skilled and experienced organisation accredited in some way in relation to that habitat, or where the habitat has already been created on an offset site with success.

Some members feel that any alteration to the way that spatial risk multipliers impact upon the metric score should be considered within the framework of the BNG Best Practice Principles and the correct application of the mitigation hierarchy.

Under this framework weight should be given to onsite solutions that seek to first avoid impacts and then 'inset' habitat creation or enhancements before seeking to 'offset' impacts outside the development footprint.

## **Q2. Do you think that providing guidance on considerations for what habitats can be typically achieved on-site would be helpful?**

Members feel that it would be helpful on providing guidance on considerations for what habitats can be typically achieved on-site. It is important that those providing advice to developers (and those assessing BNG reports) are aware of what is practical to deliver. Consideration in particular should be given to peatland restoration and the successes of the different techniques.

Furthermore, guidance should be high level and not prescriptive. Some members state that the outcome where all habitats are forced to align with a small number of guidance notes should be avoided. Also, signposting should direct to detailed advice (links to single data sources should be avoided to prevent the situation where all habitat management follows a single piece of potentially inappropriate management). Additionally, guidance should be clear about its intended target audience, e.g. for practitioners, or planning.

Also, resources that provide advice on ensuring habitat creation/enhancement proposals are appropriate for a site would be welcomed. It is considered that this would be useful if provided as a stand-alone guidance document, rather than being incorporated into the biodiversity metric user guide. This should include guidance on the baseline information that is required in order to determine whether particular habitat interventions would be possible on an area of land (e.g. soil testing, hydrology) and the expertise that may be needed to make such a determination and design feasible interventions.

Others have told us that providing guidance in relation to the creation of high distinctiveness habitats would be useful. It was considered that the provision of minimum areas, or 'perimeter to core' ratios would be valuable and that guidance on the creation of certain habitats within more urban/built settings would also be useful.

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### **Q3. Do you have any suggestions for additional case studies that we should produce?**

In response to this question some members have told EIC that the use of practical case studies which detail real world examples of success stories would be of value. They should include practical details of how interventions were identified and carried out.

Details of monitoring regimes and cases where management needed to be changed during the scheme would be valuable. Practical case studies of good practice offsetting should be included. This should be used to guide how offsetting should be carried out, not an indorsement of offsetting in the first instance. These should be linked to CIEEM's environmental net gain principles.

Other members have said that case studies on a variety of minerals/quarry schemes would be particularly useful due to the complex nature of applying the BNG metric and associated rules/principles on phased sites that are in operation for many years but are ultimately restored.

With the increase in beaver reintroductions and ecological restoration/'re-wilding' and the complexities with predicting BNG outcomes in beaver-modified and 're-wilded' habitats, it would also be useful to have a case study on approaches to the BNG metric at beaver re-introduction sites and/or 're-wilding' schemes.

Additional case studies for small sites, development which borders a river or stream, development of energy infrastructure which only impacts a small portion of the site (such as wind farms or solar panels), and development impacting a river close to an estuary should also be included.

Also, case studies on linear road and rail, solar and onshore wind, multiphase urban extension would be useful.

### **Q4. Do you agree with the described measures and proposals to help with applying the metric to minerals developments?**

In response to this question some members indicated that separate guidance for mineral developments would be supported. This would help reduce the size of the user guide, while still providing guidance on the topic for those that need it. Guidance should be provided on how a positive outcome can be secured from the outset on these long-term, staged and (negatively) impactful projects.

Detailed guidance should also be provided that covers a range of possible approaches to BNG assessments for minerals developments, accounting for the fact that there is unlikely to be a 'one-size fits all' approach to minerals sites as they are typically phased and may require BNG assessments at various stages during their life cycle (e.g. when applying for planning permission to extend their activities).

Members also felt that it would be appropriate to provide a stand-alone guidance note, particularly if there are ambitions to reduce the size of the user guide that accompanies Metric 4.0.

**Q5. Are there any improvements you would make to the following components of biodiversity metric 3.1 in the short-term, regarding in terms of user-friendliness, simplicity or function?**

- a) the metric calculation and tool (the spreadsheet, values, and calculations)**
- b) user guide (including the rules and principles for using the metric)**
- c) habitat condition sheets (included in the technical supplement)**

Below is a summary of the responses from members regarding some of the aspects highlighted in the above question:

a)

- Yes. The time to target condition and difficulty of creation/enhancement of bogs does not reflect the experience of those involved in peatland restoration. The current scoring does not incentivise the restoration of peatland and is overly precautionary.
- It is currently not possible to reduce the condition of a habitat, a reduction of condition must be recorded as a loss. For the Rivers and Streams metric this is misleading features of a proposed development are often encountered that would result in a reduction in habitat condition rather than total habitat loss.
- Ambitious projects appear to be penalised as the time to target weighting is greater than the condition score thus dissuading the creation of good quality habitats.
- It would be beneficial for new versions of the metric to be tested on large infrastructure projects during their development, as it is considered that such projects offer the opportunity to test the metric tool in various scenarios across a broad range of habitat types.
- Trading rules should be incorporated into the main metric so that the results tab no longer shows a 'green' net gain and a 'red' trading rules result.
- Excel sheets that enable several post development scenarios to be calculated in one excel document.
- Revisions to the 'enhancement' tab so data does not need to be inputted when the baseline data sheet is amended.

b)

- The current trading rules do not work for the Rivers and Streams metric as the guidance states that you cannot trade outside of the broad habitat type. This means that ditches must be replaced with ditches (which are man-made, artificial habitats) rather than promoting

improvements to rivers to compensate for the loss of ditch units. This could promote the creation of ditches which may be detrimental to surrounding habitat. A solution would be for habitat trading outside of broad habitat type with the Rivers and Streams metric, providing there was an increase in distinctiveness in the replacement habitat.

- There is a discrepancy between terrestrial habitat and River and Streams metric whereby in the terrestrial metric high and very high distinctiveness habitat types are irreplaceable and the metric cannot be applied, but not the same as watercourses. It would be useful for the reasons why to be made clear in the user guide.
- It would be useful to have an FAQ section to the user guide that brings together the most frequently used questions regarding the use of the metric and the design of BNG interventions.

c)

- Habitat condition sheet for wetlands should consider whether condition assessment for bogs should more closely align to the methodology used within the Peatland Carbon Code.
- Currently there is no cell in the condition sheets to add the habitat type into. It would be useful to have a free-text or drop-down cell near the top of each condition sheet to allow for this.
- Automation within the condition sheets would be useful.
- The introduction of a non-priority calcareous grassland category.
- Urban street trees do not reflect the biodiversity value of in field trees in rural settings including veteran and near veteran trees.

**Q6. Do you think there are other biodiversity metrics that should be considered alongside biodiversity metric 3.1 for measuring mandatory biodiversity net gain?**

Some mixed opinions from members on there being other biodiversity metrics that should be considered:

Some members stated that yes there should be. The Urban Greening Factor or another similar tool should be used to assess developments in urban areas with very low baselines.

Other members indicated no as an answer, saying that the use of one metric only is important for consistency and comparability.

Also, it was felt that using multiple biodiversity metrics at the same time could potentially result in duplication and confusion. But other metrics used to measure green infrastructure provision including the Urban Greening Factor and local tree replacement standards could sit alongside the biodiversity metric.

**Q7a: Do you have any practical suggestions on how we could use species or other ecological data to improve:**

**a) the measuring of losses and gains in the metric?**

Mixed opinions from members on the issue as to how to use species or other ecological data to improve the measuring of losses and gains in the metric. Listed below is a summary of viewpoints given by members to Q7a:

- The metric is a habitat based tool and should remain as such. Guidance should be signposted to wider ecological assessments (e.g. building with nature guidance, green infrastructure etc.).
- Wider ENG benefits should be considered in terms of maximising benefits and delivering a location appropriate holistic benefit, but not included within the metric in terms of measuring of losses and gains.
- Signposting guidance would be very beneficial
- The BNG metric should always be used alongside existing policy and legislation for species/habitats.
- There is a concern that if species are further incorporated into the metric calculations then this will give leverage to the stripping back of existing species/habitat policy and legislation.
- However, it would be beneficial to build into the metric the ability to take into account the location and connectivity of habitats, including the location of key species and their core sustenance zones. For example, the metric should encourage habitat creation or enhancement in buffer zones around nature reserves, alignment with species conservation strategies and alignment with Local Nature Recovery Strategies

**Q7b: Do you have any practical suggestions on how we could use species or other ecological data to improve:**

**b) designing habitat enhancements?**

Listed below is a summary of viewpoints given by members to Q7b:

- Existing guidance should be signposted to for designing for nature.
- BNG interventions (habitat creation/ enhancement) should be designed with the species that are present on-site or in the local area in mind (including local priority species) rather than for biodiversity unit gain alone.
- The design of such interventions should therefore always use species or other ecological data.
- Further guidance could be provided on designing habitat interventions that work best for local wildlife populations and the importance of doing so should be incorporated into any accreditation scheme and/or training.

**Q8. Do you think that metric users should be required to attend a verified training course or be accredited before completing the calculation? Explain why and what these should cover.**

In response to this question, those members who stated that yes to this question expressed the view that:

This could allow those with existing experience to become accredited without having to do a training course, but also provides a route to the less experienced to do verified training to be able to use the metric.

Training and accreditation should encompass all steps required to achieve BNG including habitat/site assessment. This should include: use of the metric, habitat enhancement/creation opportunities including appropriate choice of interventions, habitat management techniques, development of appropriate landscape plans for planning submissions, monitoring of habitats, adaptive management techniques and identification and assessment of risks to delivery, an understanding of when off-site delivery is desirable, opportunities and risks to off-site delivery including the legal frameworks needed.

Although accompanying training would be valuable it is considered that a single training course is unlikely provide the knowledge and skills required to do BNG well. People should therefore not be certified based on attendance on a training course alone.

Any accreditation scheme should therefore also require further evidence of competence such as the provision of portfolios and interviews.

The provision of training and the assigning of accreditation must be fully transparent and not lead to inequality of opportunity. Whilst training could be provided through third parties any accreditation should be issued through DEFRA via the SNCO. Levels of accreditation should also be examined e.g. 'small sites metric', 'minor' and 'major' developments and 'NSIP'.

In response to this question, those members who said no to this question expressed the view that:

Support and training can be of value, but you would want to avoid putting barriers up to practitioners. Free basic level training could be provided to allow the sector to engage with the topic. This could be recorded. Also requests from industry to share best practice through a user group forum would be helpful.

In conclusion, our members have welcomed the opportunity to submit evidence to this consultation.

As the business association representing these members, we are very grateful for the opportunity to reinforce some of their points and provide some additional information.

We look forward to engaging with you on the next steps. Should you require any further information on our response, or indeed EIC and its members more generally, please do not hesitate to get in touch.

Kind regards,

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