



Department
for Environment,
Food & Rural Affairs

Improving the implementation of Biodiversity Net Gain for minor, medium and brownfield development

Consultation document

May 2025

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The consultation will be open for 8 weeks. Please respond by 23:59 on 24th July.

Our preferred way of receiving responses is through the Citizen Space platform accessible via Gov.UK.

If you are unable to use Citizen Space, you can download the consultation documents and return your response via email to bngconsultation@defra.gov.uk. Alternatively, you can post to Biodiversity Net Gain Consultation, Defra Seacole Building, 2 Marsham Street, London SW1P 4DF, United Kingdom.

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If you answered Yes to this question, please give your reason(s).

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Introduction

Biodiversity Net Gain (BNG) is an approach to development which aims to leave the natural environment in a measurably better state than beforehand. The Environment Act 2021 introduced a mandatory BNG requirement in England for most new developments under the Town and Country Planning Act 1990, requiring them to deliver a 10% increase in biodiversity. Following a two-year transition period, BNG has been mandatory for most major developments from 12th February 2024, and for minor development (small sites) from 2nd April 2024.

The government is committed to delivering sustained economic growth as set out in our Plan for Change and building 1.5 million homes by the end of this Parliament. At the same time, we are committed to halting and reversing the decline of nature. BNG provides a clear framework to ensure development leaves biodiversity in a measurably better state, delivering health and wellbeing benefits to local communities, providing wider benefits for climate change adaptation and mitigation and contributing to our legally binding Environment Act 2021 targets for biodiversity.

The government has been working closely with stakeholders to gather feedback and evidence on how BNG is being implemented. Early information suggests BNG implementation has been broadly successful for larger developments, with a greater number of developers seeking ecological advice earlier in the process and designing their site layouts to avoid impact to biodiversity and seek to deliver more habitat onsite.

For those who are unable to meet all of their BNG onsite, an off-site market is also rapidly developing with over 2500ha¹ of habitat created or enhanced currently listed on the national register, and many more sites preparing for registration, thereby helping to increase private investment into nature recovery. There have been over 265 off-site allocations made so far to developments, enabling homes to be delivered when onsite BNG is not feasible. We have also seen innovative tech start-ups form to aid off-site market development and help smaller developers engage with the market. These tech businesses also offer services to local planning authorities that help manage their BNG responsibilities.

However, although the consensus is that BNG is working well as a whole, there is emerging evidence that some smaller developments and specific types of development are finding the operation of BNG is not as effective as could be. Minor and medium development has an important role to play in meeting the government's housing targets

¹ Figures correct at time of publication. Gov.UK (2025) The Biodiversity Gain Site Register [Search the biodiversity gain sites register - GOV.UK](#)

and we want to go further in shaping the future of BNG to ensure the framework is simple and proportionate for SME developers whilst delivering on its potential for nature. This will be taken forward alongside broader work to reduce the burden on SME developers which the [‘reforming sites thresholds’ working paper](#) sets out.

Purpose of the consultation

The introduction of a mandatory BNG requirement represented a significant shift for developers, and we want to explore early opportunities to reduce process burdens, whilst still delivering measurable gains for nature. We want to gather views and evidence, and work with the sector to ascertain where changes could be implemented both to improve the experience of SME developers in the planning system and of the impact on nature.

We have listened to industry and stakeholder groups, and this consultation sets out proposals based on initial feedback. It is focused on:

- ensuring proportionality in the application of BNG.
- improving the implementation of BNG for SME developers to deliver win-wins for development and nature.
- addressing specific challenges for some brownfield development.

Government remains committed to BNG. It is a world leading policy, and it will be retained as a statutory requirement in the planning system, with the BNG framework set out in the Environment Act 2021 unchanged. BNG is not in scope of the Planning and Infrastructure Bill and the Nature Restoration Fund proposals in the Bill are not expected to have any substantive impact on the operation of BNG in practice. Where a developer engages with the Nature Restoration Fund to address a specific environmental impact on a protected site or species, the biodiversity gain requirement will continue to apply to the development.

The purpose of this consultation is to inform potential changes to the BNG regulations, small sites metric (SSM) and guidance, and to improve implementation of BNG more widely. We want to hear from all BNG stakeholders, including developers, environmental groups, ecologists, planners and landscape architects, local authorities and community members, to share their insights and feedback on these proposals. We encourage large developers as well as those delivering minor development to respond.

Targeted stakeholder engagement will take place throughout and following this consultation to further our understanding of implementation challenges and gather feedback on potential solutions.

The previous government published a full impact assessment² on implementing BNG alongside the 2019 BNG consultation. This consultation aims to gather evidence on the impact of the suggested changes both on improving the experience of minor development applications in the planning system and of the impact on nature. This, along with the early

² Defra (2019) Biodiversity net gain and local nature recovery strategies impact assessment [Net gain impact assessment](#)

evidence from implementation, will help to inform an impact assessment which will be published alongside the government's consultation response.

Annex A sets out what the potential process changes would mean for different developments when compared to the current process, and where the simplifications proposed would have an impact.

This consultation does not cover the application of BNG to Nationally Significant Infrastructure Projects (NSIPs) consented under the Planning Act 2008. A separate consultation on BNG requirements for NSIPs is underway.

Background

The Environment Act 2021 introduced a mandatory BNG requirement in England for developments under the Town and Country Planning Act 1990. BNG evolved from earlier policy approaches such as 'no net loss' and 'biodiversity offsetting'. It was introduced in response to the significant decline of biodiversity in England, seeking to help reverse this trend by ensuring new developments secure positive outcomes for nature. Alongside better outcomes for nature, the objectives for mandatory BNG were to address the inconsistencies of the (previously policy-led) BNG process for developers and create better places for local communities.

Under the statutory framework for BNG, planning permissions are granted subject to the biodiversity gain condition. The biodiversity gain condition requires development to deliver a 10% increase in biodiversity, as calculated by the statutory biodiversity metric³. The increase in biodiversity can be achieved through onsite biodiversity gains, registered off-site biodiversity gains, or statutory biodiversity credits as a last resort for developers who are unable to meet their BNG requirement onsite or off-site.

The metric-based approach is one of the key principles of BNG, using habitat as a proxy for the quantification of biodiversity value. The statutory biodiversity metric tool considers factors such as habitat type, distinctiveness and condition to provide a standardised methodology to account for biodiversity impacts, ensuring consistency and comparability across different projects. A simplified version of the statutory biodiversity metric tool, which does not require an ecologist to complete it and automatically assigns condition, is available for small sites, the small sites metric (SSM).

Another underpinning principle of BNG is the mitigation hierarchy, set out in the National Planning Policy Framework (NPPF), which ensures developers prioritise avoiding and minimising impacts on more valuable habitats before compensating for them. Planning authorities must take account of the Biodiversity Gain Hierarchy⁴ when discharging the biodiversity gain condition, which prioritises the delivery of biodiversity gains onsite over off-site, with statutory biodiversity credits⁵ available as a last resort option. The biodiversity gain hierarchy and mitigation hierarchy are distinct.

³ GOV.UK (2023) The statutory biodiversity metric tools and guides [Statutory biodiversity metric tools and guides - GOV.UK](#)

⁴As defined by Article 37A of The Town and Country Planning (Development Management Procedure) (England) Order 2015 [The Town and Country Planning \(Development Management Procedure\) \(England\) Order 2015](#)

⁵GOV.UK (2023) Statutory biodiversity credits guidance [Statutory biodiversity credits - GOV.UK](#)

The 10% BNG requirement does not apply to irreplaceable habitats as they are so ecologically valuable and very difficult (or take a very long time) to replace once destroyed. Instead, developers must seek to minimise adverse impacts and agree a bespoke compensation strategy, with the local planning authority. The biodiversity net gain regulations set out a list of irreplaceable habitats for BNG purposes⁶. This consultation does not affect the treatment of irreplaceable habitats.

‘Significant’ onsite and registered off-site biodiversity gains must be secured for at least 30 years through Section 106 agreements, conservation covenants, or conditions for onsite gains. These create binding obligations and conditions for developers and land managers to implement and maintain the biodiversity gains in the long-term, ensuring the ecological benefits of the habitat enhancements are sustained.

These key elements of BNG were developed over the last decade, through extensive stakeholder engagement and consultation, reflecting the collective input of industry experts, environmental organisations, developers, land managers, and local planning authorities.

⁶ UK Government (2024) The Biodiversity Gain Requirement Irreplaceable Habitat Regulations [The Biodiversity Gain Requirements \(Irreplaceable Habitat\) Regulations 2024](#)

Options to improve the implementation of Biodiversity Net Gain

The mandatory BNG requirement was introduced for most major developments from 12th February 2024, and for small sites/minor development from 2nd April 2024. The definition of a minor development for the purposes of BNG is development that is not major development⁷ and includes:

- residential development where the number of dwellings is between 1 and 9 on a site of an area 1 hectare or less, or if the number of dwellings is unknown, the site area is less than 0.5 hectares.
- commercial development where floor space created is less than 1,000 square metres or total site area is less than 1 hectare.
- development that is not the winning and working of minerals or the use of land for mineral-working deposits.
- development that is not waste development.

This is the definition that we are referring to in this document when we make reference to ‘minor development’.

Minor development covers a wide range of development types including householder development, small residential and commercial schemes, community development such as scout huts, small agricultural buildings, and small energy infrastructure and retail development.

Minor development represents the majority of planning applications. In the year to December 2024, there were approximately 267,000 minor development decisions made by local planning authorities, including 161,000 decisions on householder development, out of a total of 316,000 decisions (84%). The existing exemptions already exempt householder development and cover in practice many other minor developments due to the nature of development, particularly through the de minimis exemption which will cover, for instance, development on hard standing such as a car park redevelopment that has little or no impact on biodiversity. Existing exemptions are set out in more detail below.

The existing exemptions however do not cover all minor development. A high proportion of more substantial minor developments impact on habitats which are above the de

⁷ MHCLG (2015) Interpretation, The Town and Country Planning (Development Management Procedure) (England) Order [The Town and Country Planning \(Development Management Procedure\) \(England\) Order 2015](#)

minimis threshold, including many minor residential developments for new dwellings. Many of these residential developments are also outside the scope of the separate self and custom build exemption. Although these minor developments subject to BNG cover only a small area as minor development, the cumulative impact of the large number of these developments is significant, and the habitat enhancements delivered through BNG make an important contribution to halting the decline of nature.

Whilst we have seen many examples of minor development successfully meeting the 10% BNG requirement, and the mandatory requirement brings certainty to help developers meet their environmental commitments, there is some emerging evidence and growing stakeholder feedback highlighting the particular challenges that some minor developments are facing.

The challenges we have heard, can be summarised as:

- increased costs and/or time from additional steps in the planning process.
- increased costs from delivering habitat enhancements where sites may be more constrained so opportunities for onsite BNG may be limited, impacting viability.
- developing knowledge and expertise amongst developers, ecologists and local planning authorities.

The previous Government consultation response⁸ confirmed that BNG would apply to minor development but that mitigations would be put in place, including the simplified small sites metric (SSM) which does not require ecologist expertise to complete, and an extended transition period to support both industry and local planning authorities to prepare.

The [reforming site thresholds working paper](#) sets out that the government is considering introducing a new medium development threshold for sites between 10 and 49 homes, up to 1.0 ha in size. There is increasing evidence that these medium developments, can face similar pressures as minor development in relation to BNG, particularly where the BNG requirements cannot be met onsite and require significant off-site gains. However, these developments can often contain significant amounts of habitat and any changes to BNG applying to this type of development will need to be proportionate to their impact and the habitat creation and enhancement these developments can achieve.

This consultation now tests, and seeks evidence on, options that have been identified to streamline and improve the BNG system for minor development further still. It also tests and seeks evidence on whether the revised simplified metric should apply to medium

⁸ Defra (2023) Government response and summary of responses to the BNG regulations and implementation consultation [Government response and summary of responses - GOV.UK](#)

residential development as well. The environmental impact of any changes will be considered, as some options will result in fewer planning permissions being subject to the BNG planning condition, or a reduction in the number of biodiversity units required to fulfil a development's 10% BNG requirement.

Consultation Structure

The consultation seeks feedback on four broad areas of possible improvements to the implementation of BNG. These are:

- Reform of existing exemptions and introduction of new exemptions
- Streamlining the small sites metric and considering whether this could apply to medium development
- Relaxation of the biodiversity gain hierarchy⁹⁹ and disapplication or amendment to the spatial risk multiplier for minor development
- Delivery of compensation for development on brownfield sites with open mosaic habitat, applicable to all development categories

There are questions on each of the options within these broad areas, as well as questions at the end of each section on the effectiveness of the group of options.

⁹⁹ This does not affect the mitigation hierarchy as set out in the National Planning Policy Framework

1. Improving exemptions

Introduction

The Environment Act 2021 exempts development granted by a development order from BNG requirements. Secondary legislation also exempts specified types of development¹⁰. Exemptions were designed to ensure BNG requirements are focused on developments likely to have a direct impact on biodiversity. The list of exemptions is relatively narrow, whilst being proportionate and deliverable for developers and local planning authorities.

Exemptions currently include:

- Householder applications¹¹
 - Applications made by householder including, for example, small projects like home extensions and conservatories.
- Developments below the threshold
 - Developments which do not impact priority habitats and impact less than 25square metres (5m by 5m) of onsite area habitat and 5 metres of onsite linear habitats such as hedgerows.
- Self-build and custom build applications
 - Developments consisting of no more than 9 dwellings, on a site no larger than 0.5 hectares, exclusively of dwellings that are self-build or custom housebuilding.¹²
- Biodiversity gain sites
 - Developments undertaken mainly for the purpose of fulfilling the BNG planning condition for another development.
- High speed rail transport network
 - Any development forming part of, or ancillary to, the high-speed railway transport network, comprising connections between all or any of the places or parts of the transport network.¹³

¹⁰ UK Government (2024) The Biodiversity Gain Requirement Exemption Regulations [The Biodiversity Gain Requirements \(Exemptions\) Regulations 2024](#)

¹¹ As defined by article 2(1) of the Town and Country Planning (Development Management Procedure) Order 2015 [The Town and Country Planning \(Development Management Procedure\) \(England\) Order 2015](#)

¹² As defined by article 1(A1) of the Self-build and Custom Housebuilding Act 2015 [Self-build and Custom Housebuilding Act 2015](#)

¹³As specified in section 1(2) of the High-Speed Rail (Preparation) Act [High Speed Rail \(Preparation\) Act 2013](#)

The exemptions regulations also temporarily exempted new applications for minor development for the transition period until 2nd April 2024 when this exemption ceased to apply to new planning applications.

The statutory BNG framework has not yet been applied to retrospective permissions or other routes to planning permission, such as Local Development Orders. This will require further legislation and is outside the scope of this consultation.

Context

The government has been monitoring the use of exemptions and gathering feedback from stakeholders involved in all aspects BNG delivery. Overall, evidence suggests that some of the BNG exemptions are working well, for example for householder developments, however evidence has also indicated that there are issues with other exemptions. To respond to this, we have identified process and policy improvements that will simplify requirements for developments that have less impact on nature, whilst supporting local planning authorities to target their resources towards developments that deliver the greatest gains for nature.

Minor development has been identified as an area where the BNG requirement can in some cases be overly burdensome and the options below test proposals to improve this.

Options

We are seeking views on changes to the existing exemptions. We are considering two key options packages for minor development to ensure the scope of BNG is more proportionate to their scale of development and impact on biodiversity:

- Targeted revisions to the existing exemptions for **self and custom build development** (option 1) and **development below the 'de minimis' threshold** (option 2). This includes an exemption for all single dwellings to replace the self and custom build development exemption and tests options for a higher de minimis threshold so more minor development would be exempt in practice; or
- A **full exemption for all minor developments** (option 3) This would remove the existing exemption for self and custom build development. The 'de minimis' exemption (potentially with a higher threshold) would remain to capture other developments which have no or little impact on habitats.

Neither options package will apply to medium development (although if supported, a higher de minimis threshold would benefit developments within the category that meet the criteria).

In addition, we are considering whether there is evidence to support the introduction of new exemptions for certain types of development (which could apply to non-minor

development independently of the minor development options packages if they meet the criteria):

- **Parks, public gardens and playing fields development** (option 4)
- **Development whose primary objective is to conserve or enhance biodiversity** (option 5)
- **Temporary planning permissions** (option 6)

Any changes to exemptions would require secondary legislation and accompanying guidance. Each exemption option is discussed further in the following sections.

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**

1. Self and custom build development

This option would remove the existing exemption for small scale [self and custom build development](#) and replace it with a new exemption for a 'single dwelling house' on a site of less than 0.1 hectares with no onsite priority habitats, and where the single dwelling house is the primary purpose of the development. The new exemption would not have a self and custom build criterion

We recognise that the existing exemption has been challenging to implement and there are concerns around what evidence local planning authorities can accept for assurance purposes, which can lead to delays with planning decisions, and in some cases misuse of exemptions claim.

We consider this simplification will remove this barrier, supporting the government's ambitions for housebuilding and saving time and money for local planning authorities. It would also remove the risk of development claiming the exemption where dwellings are then sold on the open market, with no recourse to retrospectively apply BNG. We consider that it will cover the majority of true single, self and custom build developments.

Example A – Single dwelling currently subject to BNG that would be exempt under this option

An application to erect one 4-bedroom dwelling on a 900sqm site was required to purchase biodiversity units from the private off-site market to address a 0.13 unit deficit. The application did not claim the self/custom build exemption as it was for open market sale.

The developer secured fractional units of mixed scrub from a provider over 200 miles away from the development.

Under the proposal, this development would be exempt, removing the need for the developer to provide BNG information and the LPA to review for mandatory BNG.

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?

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

2. Development below the ‘de minimis’ threshold

The [de minimis exemption](#) currently applies to:

Developments which do not impact priority habitats and impact less than 25square metres (5m by 5m) of onsite area habitat, such as grassland, and 5 metres of onsite linear habitats, such as hedgerows, are exempt from BNG. These thresholds were set following consultation¹⁴ in 2021 and were intended to exempt development that is having little or no impact on biodiversity.

Example B – Development where the De minimis exemption currently applies

An application to build two 2-bedroom dwellings with adjoining gardens solely on an existing sealed surface is exempt from the BNG requirement under the de minimis exemption as there is no impact on existing habitats and no priority habitat onsite.

The de minimis exemption is the most commonly claimed exemption, data published showed that between September 2024 to December 2024, over 75% of non-householder

¹⁴ Defra (2023) Government response and summary of responses to the BNG regulations and implementation consultation [Government response and summary of responses - GOV.UK](#)

planning applications claimed the de minimis exemption¹⁵, which suggests it is working as intended and ensuring BNG is not applied to development that has the lowest impact on biodiversity or habitats.

However, there is emerging evidence that some minor developments which are impacting non-priority habitat just above the de minimis threshold are finding it challenging to deliver 10% BNG through onsite enhancements. This may be due to site constraints, to having high value habitats such as trees onsite, or due to the proportion of the site the development itself takes up. This then requires developers to secure very small numbers of off-site units, which can be at a disproportionate cost.

We therefore want to gather views on whether an increased threshold will remove the BNG requirement from those developments that need relief, and what the impact of this would be on biodiversity and the off-site BNG market.

Area thresholds being considered, and illustrative examples of the types of development that are currently eligible for BNG but would be exempted are:

- I. 50 square metres (for example 10m x 5m)
- II. 100 square metres (for example 10m x 10m)
- III. 250 square metres (for example 25m x 10m)

Example C- Development where the De minimis exemption could apply

- I. 50 meters squared - An application for six car parking spaces at a village hall, removing 36 square metres of closely mown amenity grassland. Due to site constraints, onsite is not achievable and a very small amount, 0.02, of off-site habitat units must be purchased.
- II. 100 meters squared – An application to alter an existing residential site and construct an additional dwelling will result in the loss of 100 square metres of vegetated garden. The developer was unable to deliver BNG on-site and will source 0.01 low distinctiveness habitat units from the private off-site market.
- III. 250 meters squared – An application for the development of a terrace of three two-bedroom houses on an infill urban site, the development is mainly on sealed surfaces or bare land with 215 square meters of mixed scrub lost. A short section of existing low distinctiveness hedgerow will be retained and enhanced. Onsite opportunities were maximized however due the site size, 0.11 units of mixed scrub were required to meet the 10% net gain.

¹⁵ Planning Portal (2025) Biodiversity Net Gain: The Story so Far White Paper [Biodiversity Net Gain: The Story So Far](#)

We are interested in views on what could be considered the upper limit of de minimis exemption for area habitats. For instance, what is the maximum threshold that can reasonably be considered 'de minimis', beyond which the intention of the exemption is undermined and may incentivise changing behaviour such as manipulation of habitat area through boundary definitions or previous development.

If the threshold were to change, the existing condition that the de minimis exemption does not apply where any onsite priority habitats are impacted will remain.

Please submit evidence to support your answer, where possible, such as examples of development types which would be exempted under different thresholds and of the environmental risks and impact of extending the threshold

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**

We are not consulting on amending the threshold for linear habitats, which includes all habitats within the hedgerow and watercourse modules. This will remain at 5m.

Full exemption for all minor development

Small residential sites have a cumulatively significant impact on the delivery of housing and will be key to meeting the government's objective of building 1.5 million homes this parliament. However recent analysis from the Federation of Master Builders (FMB) highlights ongoing challenges, with the proportion of planning permissions granted on minor development sites with 1 to 9 units having steadily declined over the past 13 years, falling from 21% in 2010-11 to 9.3% in 2023-24. Addressing this trend, reducing risks and costs, and removing barriers to entry is key to supporting the government's ambitions for a reformed housebuilding system.

That is why we are consulting on an option to remove the statutory BNG requirement from all minor development. This would remove the hurdles small developers are facing whilst freeing up local authority capacity to focus on larger development where the statutory BNG requirement will still apply.

Evidence from applications made to date suggest that, in many instances, eligible minor developments can meet their 10% BNG contribution through onsite improvements, including through delivering good practice set in planning policy. There are already policies which encourage the retention of habitat (especially trees) onsite, alongside delivery of green infrastructure. However, some sites are not able to deliver BNG onsite and therefore

are reliant on delivering BNG off-site which, depending on the value of the baseline habitats of the site, can have higher costs, and may present difficulties for developers purchasing small fractions of units, or finding suitable biodiversity units. In some cases, this has led to significant viability pressures for minor residential developments. However, exempting all minor development would significantly reduce the number of planning permissions granted with the BNG condition attached and therefore the amount of habitat creation and enhancement. Initial analysis suggests that impacts from minor developments will be equivalent to BNG taking place on 500-1,500ha per year.

Exempting minor development would also lead to a corresponding reduction in demand for the off-site market. Although individual transactions for minor developments require fewer units than the average, and they are on average for lower unit values, they represent 80% of the transactions to date. This new market is an important lever to drive private investment into nature, including meeting the goal for at least £500million of private investment to flow into nature recovery every year by 2027, rising to more than £1billion by 2030, as set out in the Nature Markets Framework 2023¹⁶.

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

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?

Creating new exemptions for certain types of development

Emerging evidence from development proposals suggests that some specific types of development are finding it challenging to deliver BNG due to other requirements such as restrictions on the uses of playing fields or land ownership limiting the opportunity to enter into legal agreements.

We want to gather evidence and views on whether new exemptions should be extended to these development types, and whether these developments would be captured by an extension to the existing de minimis exemption. These exemptions could apply to non-minor development if they meet the criteria set out below.

3. Parks, public gardens and playing fields development

¹⁶ HM Government (2023). Nature markets: A framework for scaling up private investment in nature recovering and sustainable farming. [Nature markets](#)

Parks, public gardens and playing fields are often valuable community assets, especially in urban areas. They can deliver a wide range of benefits to local communities, including increased mental and physical health and wellbeing as well as social and economic benefits.

Planning permission is often required for improvements to them, for instance, the upgrading of playgrounds and sports pitches, new fencing and lighting, and refurbished changing rooms and cafes.

We have heard, particularly from grassroots sporting groups, that the introduction of BNG has created additional cost burdens for these projects, making them unviable in some cases. A key issue is that, while the improvements often only impact on low distinctiveness maintained grass fields, the amount of habitat impacted can be significantly more than the de minimis threshold, for example converting grass pitch to an astroturf or similar pitch. The red line of the development can include more valuable trees, shrubs and hedgerows, which although sometimes untouched, increase the pre-development biodiversity value of the development. In some cases, due to the nature of the land, it can also be challenging to secure the gain onsite, requiring projects to seek off-site gains.

We are keen to explore whether there is merit in a partial exemption from BNG for these types of development. We propose that if the development only directly impacts on low distinctiveness area habitats, then it would be exempt from BNG. This would ensure that development within parks or gardens or on playing fields which are on a maintained grass field would be exempt, but if the development involved the removal of trees, shrubs or hedgerows, the development would be subject to BNG.

We propose that this partial exemption would apply to development within all parks, public gardens, playing fields and sporting grounds (whether they are free to access by the general public or are part of a paid sports club or historic attraction) provided there is no substantive change to the existing use of land (for example that it remains a playfield or sports pitch).

There would be no size threshold to the development so the exemption could cover more than minor development.

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.

4. Development whose sole or primary objective is to conserve or enhance biodiversity

There is some evidence and feedback that BNG is disproportionate when applied to some biodiversity conservation or enhancement schemes which themselves require planning permission.

In many cases the requirement to achieve the 10% net gain from these schemes is readily achievable, but the requirement to secure legal agreements with landowners to manage and monitor the habitat enhancements for 30 years can limit development coming forward for planning permission.

There is an existing exemption for biodiversity gain sites that exempts development which is undertaken solely or mainly for the purpose of meeting another development's BNG requirement, which includes selling units through the off-site market. This gives the option to legally secure and register as a biodiversity gain site, therefore exempting the development itself from achieving the BNG requirement and providing a potential source of income through the sale of biodiversity units.

We have seen examples of restoration projects, including wetland construction to improve flood resilience or weir removals, which require planning permission and are not biodiversity gain sites, being impacted by landowners being disincentivised from proceeding with schemes due to the 30-year legal obligation for mandatory BNG. This is despite those projects often comfortably delivering a 10% uplift in biodiversity units.

We want to test whether development whose sole or primary objective is to conserve or enhance biodiversity and that doesn't impact priority habitats should be exempt from BNG. We also want to gather views on whether there should be a size threshold. Following the consultation, and if supported, we will consider whether the existing exemption for biodiversity gain sites should be widened or whether this should be a new exemption.

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.

If yes, do you think there should be an upper size limit?

5. Temporary development

Planning permission is required for temporary development. Such development can include the meanwhile use of buildings and land, temporary construction works associated with larger projects, and longer-term time-limited infrastructure such as wind turbines. Where habitat is affected, there are usually conditions requiring the habitat to be restored to its original condition.

The statutory BNG metric already allows for temporary losses to be recorded as retained where the area can be restored to both:

- baseline habitat type within two years of the initial impact; and

- baseline condition within two years of the initial impact.¹⁷

However, this doesn't exempt the development itself from BNG and if the temporary impacts are above the de minimis threshold, then BNG will apply to the whole development. In these circumstances, the development will need to provide a 10% gain. But the scope to deliver onsite enhancements is limited due to the temporary of the nature of the development, meaning purchases from the off-site market are necessary. This creates cost pressures and additional burdens particularly for short term temporary development.

We would like views about the merits for an exemption for short term temporary developments to avoid the additional complexities and costs as a result of BNG. However, we do not consider it appropriate to exempt long term temporary developments from BNG as there are more opportunities to incorporate BNG into the design of the development. We propose a temporary development would be exempt if the planning permission was granted for a limited period of no more than 5 years. We will explore further how, in the case of temporary development, which is subsequently made permanent, BNG can be applied with the baseline biodiversity value calculated on the basis of the original condition of the land.

Example D - Temporary planning permission

An application submitted for a temporary haulage road needed for construction traffic to serve a residential site already permitted. Onsite BNG is not possible, so the development must secure 0.25 area habitat units and 0.06 hedgerow units from an off-site BNG unit provider to achieve a 10% net gain.

Under the proposal, this development would be exempt from BNG.

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?

¹⁷ Defra (2023) The Statutory Biodiversity Metric User Guide – Table 3 Trading rules [The Statutory Biodiversity Metric](#)

2. Streamlining the BNG metric process

Introduction

The statutory biodiversity metric

The statutory biodiversity metric is a document for measuring the biodiversity value or relative biodiversity value of habitat or habitat enhancement. The metric's purpose is to measure and calculate biodiversity losses and gains for development and it expresses these in terms of 'biodiversity units'. The statutory biodiversity metric tool¹⁸ is currently in an excel spreadsheet format and can be downloaded from GOV.UK.

Baseline, or pre-development, 'biodiversity units' are calculated by multiplying scores for a habitat's:

- **distinctiveness** (based on the type of habitat and its distinguishing features).
- **area** (hectares or squared metres in the small sites metric) or length (kilometres or metres in the small sites metric).
- **condition** (measure of the state of the habitat).
- **strategic significance** (the local significance of the habitat based on its location and the habitat type – to be assessed using Local Nature Recovery Strategies when published).

Post-development biodiversity units are calculated using the above and these additional risk factors:

- **temporal risk** (time taken for a created or enhanced habitat to reach target condition).
- **delivery risk** (difficulty in creating or enhancing habitat).

Off-site habitat interventions have an additional risk factor:

- **spatial risk** (distance of habitat creation or enhancement from the development).

Changes in biodiversity value can then be calculated from the difference in baseline and post-development units.

There are three 'modules' of the biodiversity metric, with distinct unit types, area habitats, hedgerows and watercourses.

¹⁸ GOV.UK (2023) Statutory biodiversity metric tools and guides [Statutory biodiversity metric tools and guides - GOV.UK](#)

The Small Sites Metric

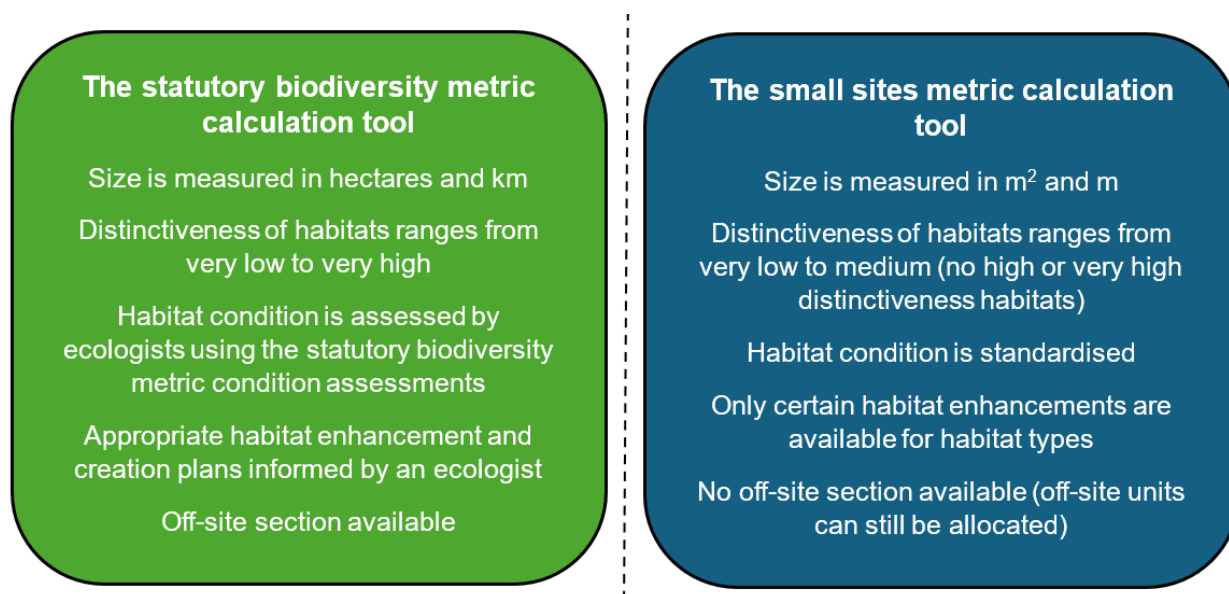
The Small Sites Metric (SSM) is a simplified version of the biodiversity metric calculation tool incorporating only very low, low and medium distinctiveness habitats. It can be used to calculate BNG for [minor development](#), however it cannot be used where the following are present:

- priority habitats (excluding some hedgerows and arable field margins).
- protected sites.
- European protected species.

A developer can still choose to use the main metric for their minor development site.

The SSM can be completed by a 'competent person' who does not need to be an ecologist. A competent person has the knowledge and skills to perform specified tasks to complete and review SSM calculations. They should be competent at identifying the habitats onsite and any management requirements for created or enhanced habitat.

There are some differences between the statutory biodiversity metric tool and the SSM.



SSM Challenges

The SSM was designed to streamline and simplify the BNG calculation process for minor, low impact developments. However, we have heard from stakeholders that the SSM poses some challenges:

- The standardisation of habitat condition leads to variations in unit outputs between the SSM and statutory biodiversity metric tool, which means some small developers can be penalised for using the SSM.
- Small developers still find the calculation process can be overly burdensome and the tool complex to use.
- The definition of a 'competent person' is not clear enough.

- There has been a lower level of accuracy in the identification of habitats, by users of the SSM.

Evidence suggests that SME developers have also had difficulty delivering onsite gains for small residential sites, due to a high proportion of the post-development being low value habitat (such as vegetated garden) with limited opportunity for the inclusion of biodiverse features (such as individual trees or ponds). Stakeholders have found that the costs of BNG for some minor and medium development are high, especially relative to the perceived biodiversity benefit. This is due to minor and medium developments often requiring the allocation of fractional or a small number of biodiversity units from the off-site market, which can incur transaction costs which make it more expensive per unit. This can affect the viability of the development project.

Minor and medium developments are key to meeting the government's housing targets and we think there are opportunities to overcome these challenges and further streamline the BNG calculation process for these sites, making sure the BNG process is proportionate to the biodiversity benefits realised.

Options

The options below outline several changes that will simplify and streamline the metric process for these developments alongside additional guidance to support its use. Any changes to the SSM or main metric tool require the re-laying of the statutory metric in Parliament.

We will put transitional arrangements in place when the statutory metric is updated, to ensure developers have a suitable changeover period, rather than requiring an immediate switch.

We are seeking views on the following relating to the SSM:

1. Development which can use the SSM
2. Amendments to the SSM to provide more flexibility to meet the BNG requirement onsite
3. Simplifying and amalgamating habitats in the SSM to reduce misidentification and support the use of image analysis
4. Additional guidance to aid identification of habitats and to clarify who is considered a competent person

And the following for minor development, using the main metric tool:

5. Considering the proportionality of the river condition assessment survey for minor development and whether the watercourse metric should be engaged when there is no impact

And for all development:

6. Improving the usability of the metric tools through digitisation
7. Changes to guidance to incentivise the inclusion of biodiverse features

Small Sites Metric

The following options relate to changes to the Small Sites Metric (SSM) and are only applicable to development which can utilise the SSM. These options would have the greatest benefit for small developers if undertaken in a package. However, they could also be implemented independently. These options would require re-laying the statutory metric in Parliament and subsequent updates to the SSM tool and guidance.

Development which can use the SSM

Currently, the SSM can be used by minor development with no priority habitat, European protected species or protected sites present.

We are considering whether the use of the SSM should be extended to the new medium development category. For residential development, this would increase the scale of use of the SSM from sites with 1-9 dwellings on up to 1.0ha (or 0.5ha when the dwelling numbers aren't known), to up to 49 homes on up to 1.0ha. If taken forward, we would change the criteria for use of the SSM so it is based on size of site, and any development under 1ha (which met the other ecological criteria) could utilise the simplified tool.

We have also heard from stakeholders that the restrictions relating to European protected species and protected sites can be confusing (for example, because species presence is not always known at the time of use). These restrictions were originally introduced to ensure that an ecologist was engaged when protected species or sites were present. However, local planning authorities will consider whether ecological surveys or licences are required independently of BNG.

If all the above options were taken forwards, the criteria for using the SSM would be:

- <1ha site
- No priority habitats present (excluding some hedgerows and arable field margins)

We could then re-badge the SSM the 'low impact metric' as it could only be used on small-scale sites containing lower value habitats.

The potential for the types of development which can use the SSM to be changed should be considered alongside the other options for simplifying and streamlining the SSM.

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

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

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

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?

Amendments to the Small Sites Metric

I. Removal of the trading rules

The biodiversity metric trading rules¹⁹ set out the minimum habitat creation and enhancement requirements for losses to habitats. The trading rules are determined by the habitat type and distinctiveness of the lost habitat. Trading rules only apply up to No Net Loss (NNL), the 10% gain delivered by a development can be through the creation or enhancement of any habitats.

The SSM only contains very low, low and medium distinctiveness habitats. This means that currently if a development using the SSM impacts medium distinctiveness habitats, the developer needs to compensate for the losses with the creation of the same broad habitat type onsite (for example, individual trees, scrub, grassland or woodland) or the same broad habitat or a higher distinctiveness habitat if purchasing off-site units.

If removed within the SSM, minor and medium developments would benefit from increased flexibility in their site design. They would be able to create and enhance any SSM habitats to reach the 10% BNG requirement onsite, rather than needing to create specific broad habitat types. It would additionally mean non-specific units could be allocated from the off-site market, rather than needing a unit generated from the creation of a specific broad habitat type or higher distinctiveness habitat. If this amendment was taken forwards, we could allow off-site providers to allocate their 'total net unit change' in their main metric to minor developments (using the SSM), without needing the onsite metric details to be filled out.

As the SSM does not contain high or very high distinctiveness (priority) habitats, this change will not impact the requirement to compensate for these habitats on a like-for-like basis. It is also important to note that the removal of the trading rules does not impact rule two in the metric, which states that biodiversity units for each type of unit are distinct and cannot be converted. In practice this means that area habitats (such as grassland) cannot be compensated for with hedgerows or watercourses (and vice versa).

¹⁹ Defra (2023) The Statutory Biodiversity Metric User Guide – Table 3 Trading rules [The Statutory Biodiversity Metric](#)

The risk of medium distinctiveness habitats being 'traded down' is mitigated by:

- the SSM still requires a 10% gain in biodiversity and will still incentivise the creation of medium distinctiveness habitats onsite due to the increased unit outputs.
- most habitat enhancements listed on the Biodiversity Gain Site Register are medium distinctiveness or higher due to increased unit outputs. As such minor and medium developments purchasing off-site units will typically be purchasing those generated by the creation of medium or higher distinctiveness habitats.

However, there is still a risk that medium distinctiveness habitats (such as individual trees, scrub, non-priority ponds or other broadleaved woodland) will no longer be compensated for with the same broad habitat type. Developers may opt for the delivery of cheaper habitats or those with better unit outputs (due to their reduced 'time to target condition' or difficulty of creation). This could mean habitats which species rely on locally are not replaced.

Example E – removal of the trading rules

A developer is planning a minor residential development for 5 dwellings on ~0.4ha (4030m²). They choose to use the Small Sites Metric to calculate their BNG. They have a 10% BNG requirement and there is ~0.1ha (980m²) of bramble and mixed scrub on the site which will be lost to the development.

Current

Under the current trading rules, the developer must replace the lost scrub with the creation of medium distinctiveness scrub onsite, or through the purchase of offsite units for medium distinctiveness scrub or a higher distinctiveness habitat (generated through the creation or enhancement of a priority habitat).

The developer does not have space in their site plan to create enough scrub habitat, due to the high proportion of developed land and vegetated garden being created. They are planning a small community green space as part of the development, but a high proportion scrub is not suitable for this area. To satisfy the trading rules, the developer has to purchase 0.4 scrub units from a local habitat bank.

Proposed

With the amended SSM, without trading rules, the developer could compensate for the loss of scrub with any habitat.

The developed land and vegetated garden would not create enough units to satisfy the 10% gain, but the developer is planting some individual trees, a small area of hawthorn scrub, creating a non-priority pond and some other neutral grassland in the community green space area. This allows the developer to meet the 10% requirement, with no need to purchase offsite units.

Alternatively, rather than removing the trading rules in the SSM, we could amend them 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. For example, the loss of individual trees could be compensated for with mixed scrub or other

neutral grassland. This would still increase the flexibility the developer has in terms of site design, but further mitigates the risk of 'trading down' by ensuring semi-natural habitats must be compensated for with semi-natural habitats

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)?

II. Changing how habitat condition is fixed

Habitat condition is standardised in the SSM. The condition of baseline habitats is fixed at moderate, and the target condition of any enhanced habitats is fixed at good. Both moderate and good condition can be targeted for created habitats. The purpose of this was to prevent SME developers needing to seek ecological advice and a condition assessment for habitats when they wouldn't otherwise need to.

However, this standardisation has led to variations in the unit outputs between the SSM and statutory biodiversity metric tool. When poor condition habitats are present onsite, the SSM presumes habitats are in a better condition and this over inflates the value of the site. This has penalised some developments and we have had feedback that it negates the value of using the SSM.

We recognise that a lot of these low impact, minor and medium developments typically take place on poor condition habitats. As such, we are considering fixing habitat condition at poor for baseline habitats. We would also fix the target condition of enhanced habitats at moderate and allow poor and moderate condition to be targeted for created habitats. This would ensure that the reduction in unit value for baseline habitats is balanced. If developers wanted to target more ambitious creation or enhancement of habitats, they would need to use the main metric tool.

This would ensure developers are not penalised for using the SSM, and a condition assessment by an ecologist would not be required. This change would result in baseline habitat value for developments using the SSM being lower (when moderate and good condition habitats are present) but would also mean that the value of enhanced and created habitats could be reduced. If progressed, we would want to keep this change under review to ensure that the future SSM is not significantly undervaluing the biodiversity value of existing moderate and good condition habitats and the compensation being delivered is adequate to compensate for losses.

Example F – fixing habitat condition in the Small Sites Metric

A developer is planning a minor residential development on an 750m² site. They choose to use the Small Sites Metric (SSM) to calculate their BNG. They have a 10% BNG requirement and the existing habitat on the site is primarily modified grassland, with some other neutral grassland and mixed scrub.

Current

With the current standardisation of condition in the SSM, all habitats on site would be considered moderate condition. This means the habitats are valued by the SSM as:

- 550m² modified grassland = 0.22 units
- 150m² other neutral grassland = 0.12 units
- 50m² mixed scrub = 0.04 units

The overall baseline value of the site is 0.42 units

The developer plans to enhance the existing other neutral grassland by condition and create some other neutral grassland, hawthorn scrub and two ponds, all targeted at good condition. This would generate the following unit outputs:

- 400m² developed land = 0 units
- 150m² enhanced other neutral grassland = 0.16 units
- 100m² created other neutral grassland = 0.08 units
- 50m² created hawthorn scrub = 0.04 units
- 50m² created non-priority pond = 0.05 units

The development has a -11% deficit and requires 0.08 units from an offsite provider. The post development value of the site is = 0.34 units.

Proposed

On the same site, where the condition of the baseline habitats is fixed to poor, the habitats would be valued by the SSM as:

- 550m² modified grassland = 0.11 units
- 150m² other neutral grassland = 0.06 units
- 50m² mixed scrub = 0.02 units

The overall baseline value of the site is 0.19 units

The developer plans to enhance the existing other neutral grassland by condition and create some other neutral grassland, hawthorn scrub and two ponds, all targeted at moderate condition. This would generate the following unit outputs:

- 400m² developed land = 0 units
- 150m² enhanced moderate condition other neutral grassland = 0.10 units
- 100m² created other neutral grassland = 0.06 units
- 50m² created hawthorn scrub = 0.02 units
- 50m² created non-priority pond = 0.02 units

The post development value of the is 0.20 units. The developer has a +3.4% increase in biodiversity value and would require 0.01 unit from an offsite provider or a small change their site plans to deliver this onsite (such as the planting of individual trees or provision of green roofs).

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?

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?

Simplifying and amalgamating SSM habitats

Some habitat types within the same broad habitat groups have very similar biodiversity values. Merging these habitat categories (where possible) would reduce the number of habitat types in the SSM. This would mean users would not need the technical knowledge to differentiate between similar types such as arable field margins, types of scrub or some grasslands. In order to enable some habitat types to be merged, this may require the ‘time to target condition’ multipliers to be averaged out. The names of habitats in the SSM could also be revised, to ensure they can be easily understood by a non-ecologist.

One risk of merging and simplifying habitats in the SSM is the biodiversity value for created and enhanced habitats may change slightly (due to averages of time to target multipliers being used). These changes would be minimal but there would be reduced comparability with the main metric. Merging of habitats would also reduce the granularity of habitat data for monitoring and evaluation.

Example G – simplifying and amalgamating SSM habitats

Current

A competent person using the SSM currently would have to identify and record individual scrub types present on the development site as their individual habitat types: ‘mixed scrub’, ‘blackthorn scrub’ and ‘gorse scrub’.

Proposed

If this change was enacted the developer would instead be able to record these habitat types under a broader ‘scrub’ category (medium distinctiveness). The same would apply for any scrub being created as part of the development.

We could additionally explore which habitats in the SSM have a higher chance of being correctly identified by image analysis. If habitats are easily identified by image analysis this could streamline BNG assessments for minor developments whilst improving the accuracy of habitat classification, another measure to move away from the need for ecological expertise when completing the SSM.

We will consider whether this will pose any challenges in terms of allocating off-site units to minor and medium developments using the SSM. If the option of removing the trading rules in the SSM was taken forward, this could mean the onsite details from the SSM would no longer need to be transferred to the offsite providers main metric tool. This would overcome the challenge of translating habitat types between the versions of the

metric tool. If the trading rules are not removed from the SSM, we will need to consider whether the benefits of this are outweighed by the complications of translating habitat types between the tools.

Currently the SSM contains a watercourse module with the low and medium distinctiveness watercourse habitats (canals, culverts and ditches). In order to simplify the SSM, we are also considering whether these habitats should be included or whether, if the development falls within the riparian zone of any watercourse habitats, the main metric tool should be used.

Question: Do you think some habitats of the same broad type with the same value should be amalgamated in the SSM?

Question: Do you think the habitats in the SSM should be reviewed, to ensure they are easily identified by non-ecologists?

Question: Do you think there should be a watercourse module in the SSM, or should all developments within the riparian zone of watercourse habitats use the main metric tool?

Competency, habitat identification and guidance

One of the principles underpinning use of the metric is that the BNG calculation should be completed by a competent person. A competent SSM user, as defined in the guidance, must be able to correctly identify habitats onsite and requires knowledge of habitat management measures for those created or enhanced after development.

However, stakeholder feedback suggests uncertainty about how competency is interpreted for SSM users and assessors. The uncertainty arises when the baseline or post development habitats require technical knowledge for correct identification or to inform habitat creation/enhancement and management plans.

Providing an SSM habitat identification and management guide (alongside the potential changes to habitat groupings) could help to reduce some uncertainty and inconsistencies with the use of the SSM and improve the quality of habitat management prescriptions for small site developments. We could also consider how competency requirements could be met through suitable technology (for example, supported through image analysis).

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

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?

If yes, do you have any suggestions as to how competency could be defined for the SSM?

Minor development using the main metric tool

The following option would be available to all minor development using the main metric tool.

This option would require re-laying the statutory metric in Parliament and subsequent updates to guidance and the main metric tool.

Watercourse metric – condition surveying and when to complete for minor development

The watercourse module of the biodiversity metric calculates the biodiversity value of watercourses such as canals, streams or rivers. When a development crosses into the riparian zone of a watercourse, there is a requirement to include any adjacent lengths of the watercourse, within the watercourse module of the metric tool.

When using the main metric tool, which is required when the development falls into the riparian zone for rivers or streams, a river condition assessment (RCA) survey must be completed. Both banks of the watercourse must be surveyed, regardless of how much of the site falls within the riparian zone, or how much of the watercourse falls in the red line boundary.

We have heard through stakeholder feedback and emerging evidence that this requirement is felt to be disproportionate for minor development. Stakeholders have reported these surveys add considerable cost to proposals, compounded by a shortage of available RCA assessors.

We therefore want to gather views as to whether we should change this approach to ensure that it is proportionate for minor development which is not impacting the watercourse.

We would like to gather views on whether:

- the RCA survey is appropriate for minor development
- the RCA survey is appropriate when there are no impacts to the riparian zone
- the watercourse module of the metric should be engaged when there are no impacts to the riparian zone

We would suggest that if the ecologist considers that the development does not result in any:

- riparian zone encroachment²⁰ (where there are any habitat impacts or losses in the riparian zone as a result of the development)
- direct encroachment of the watercourse²² (where there are no impacts to the watercourse riverbank or channel that impacts the function of the river corridor as a result of the development)

The developer can agree with the relevant planning authority that they do not need to complete the watercourse module of the biodiversity metric tool (or associated surveys).

Example H - a minor development with no negative impacts to the riparian zone

A developer is planning a minor residential development where a small area of the 10m riparian zone of a watercourse falls within the red line boundary of the development site. The development will retain the habitat in the riparian zone and there are no impacts to the watercourse riverbank or channel (the watercourse falls outside the red line boundary for the site).

Current

As part of the riparian zone falls within the red line boundary of the development, the developer is required to undertake a river condition assessment survey of the watercourse (undertaken by a qualified assessor) and complete the watercourse part of the metric to demonstrate how the proposal will deliver a 10% gain in habitat and watercourse biodiversity units.

Proposed

The developer can approach the relevant local planning authority with details of the minor development with evidence of no impact to riparian zone habitat. Should the local planning authority have no ecological concerns with the development, under these circumstances, the developer and planning authority can agree an RCA survey and completion of the watercourse part of the metric is not required for the development, and it does not need to deliver 10% BNG for watercourses but must deliver 10% BNG for area habitats, and hedgerows where present.

Question: Should a different watercourse condition survey be employed for minor development using the watercourse metric?

Question: Should a different watercourse condition survey be employed for minor development using the watercourse metric when there is no impact?

Question: Do you think that minor developments should be able to agree with the relevant planning authority that they do not need to complete the watercourse module of the metric when there is no impact?

²⁰ Defra (2023) The Statutory Biodiversity Metric User Guide [Statutory biodiversity metric tools and guides - GOV.UK](#)

All development

The following option would be available to all development. It would require re-laying the statutory metric in Parliament and work to digitise future versions of the tool.

Improving the tool

The SSM (and statutory biodiversity metric tool) are both in excel format. Stakeholder feedback to date has been that the excel tools pose challenges in terms of functionality, security and user experience. In the previous biodiversity metric consultation²¹ respondents wanted the current calculation tool to be moved to an online platform.

We are planning for future versions of the metric tools to be digitised. The aims are to improve functionality, user experience and reduce cost, further streamlining the BNG calculation process for developers.

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

Incentivising the inclusion of biodiverse features

Developers have cited difficulty delivering onsite gains (particularly for small residential sites), due to a high proportion of the post-development being low value habitat (such as vegetated garden) with limited opportunity for the inclusion of biodiverse features. The Statutory and Small Sites Biodiversity Metric User Guides²² state that where vegetated gardens are being created as part of a development, no other habitats within them should be recorded as created or enhanced. This is because they will be under private ownership and not legally secured, and because the value of vegetated gardens was assessed as an average, recognising that some will be biodiverse and some may not be.

We could make changes to the tools, condition assessments or guidance relating to vegetated gardens to allow certain biodiverse features to count (such as individual trees, non-priority ponds or native hedges). This would incentivise wildlife-friendly gardens in residential developments, but the management of private gardens cannot be secured, and there is a risk that biodiverse features will be removed by homeowners.

²¹ Defra (2023) Government response – technical consultation on the biodiversity metric [Technical consultation on the biodiversity metric - Defra - Citizen Space](#)

²² Defra (2023) The Statutory Biodiversity Metric User Guide [Statutory biodiversity metric tools and guides - GOV.UK](#)

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

If yes, do you have any suggestions of how we should account for biodiverse features in vegetated gardens being created as part of a development?

3. Increasing flexibility to go off-site for minor development

Introduction

The Biodiversity Gain hierarchy²³, set in secondary legislation, requires developers to deliver onsite habitat improvements in the first instance, followed by off-site gains and finally by purchasing statutory credits from the government as a last resort.

The Spatial Risk Multiplier (SRM)²⁴ also requires developers to buy 1.33x more off-site units in neighbouring Local Planning Authorities (LPA) or National Character Areas (NCA)²⁵ and 2x more units on the national market, for developments that require off-site BNG.

To date, the majority (around 80 %) of allocations from the Biodiversity Gain Site Register are to minor development and a high proportion (around 75%) of these sales have been of fractional units. Stakeholder feedback to date has been that costs for purchasing the required off-site units have been disproportionately high for minor development, and some developers have cited challenges with finding fractional off-site units. However, as the supply market has grown, we are now at a point where most commonly required habitats are available locally.

We are considering whether we should relax the hierarchy to place onsite habitat improvements with the same preference as off-site, for minor development only. This would make it easier for small sites to discharge the BNG condition, removing the need to evidence to LPAs that all onsite possibilities had been exhausted. Statutory credits would remain a last-resort option.

Additionally, in order to increase the ease in which minor development can access the off-site market for a range of habitat types, we are considering whether to disapply or amend the SRM for minor development.

²³ UK Government (2024) The Biodiversity Gain Town and Country Planning Act Modification and Amendments Regulations [The Biodiversity Gain \(Town and Country Planning\) \(Modifications and Amendments\) \(England\) Regulations 2024](#)

²⁴ Defra (2023) The Statutory Biodiversity Metric User Guide [Statutory biodiversity metric tools and guides - GOV.UK](#)

²⁵ Marine Plan Areas for intertidal habitats / Waterbody and operational catchment areas for watercourse habitats.

These proposals do not apply to medium development. We want to ensure the delivery of BNG is onsite where possible, and compared to minor developments, we consider there is more opportunity to deliver BNG onsite for medium development.

Context

Onsite gains have an important role in BNG, and the hierarchy was deliberately designed to require onsite gains in the first instance. We are already seeing that BNG is driving change with developers considering nature at the outset of the development process, designing thoughtful and high-quality schemes that protect the more valuable habitats, and deliver important health and wellbeing benefits for local communities who are experiencing development.

Onsite BNG can help ensure communities have access to nature and wildlife within walking distance of new residential developments, protect important local habitats and improve habitat connectivity. Green infrastructure, such as floodplain marsh and woodland, can help to boost climate resilience, protect communities from flooding and extreme heatwaves, and improve air quality. It can provide social benefits with attractive green spaces for communities to come together and provides opportunities to get involved in the active managing and maintaining of these spaces. For all these reasons, onsite BNG is often an important factor in gaining community support for development proposals.

However minor development may be more constrained, for example, a typical small residential site may have the majority of their green space in residential gardens, which restricts the opportunities for onsite BNG and means that many of the benefits set out in the previous paragraph do not apply.

Placing off-site gains on the same preference as onsite gains and removing or amending the SRM, for minor development, could lead to lower BNG costs while also delivering better biodiversity outcomes (for example through habitat banks). There would be time savings for both LPAs and developers as this would remove the need for evidencing why onsite was not possible or practical, and cost saving for developers not having to pay for management and monitoring plans, negotiate legal agreements with LPAs, and comply with the requirement to maintain habitats for 30 years. These responsibilities would be discharged by the biodiversity gain site operator.

The Lawton review (which helped shape BNG policy and the hierarchy) cited the importance of ecological networks to make bigger, better and more joined up spaces for nature. There may be a greater benefit overall therefore if minor development is able to contribute towards bigger joined up areas for nature by going off-site, rather than creating very small pockets of nature in individual and disconnected sites. However, the flipside to this argument is that it could lead to nature being concentrated out of urban areas.

This approach is also being tested in the consultation on applying BNG to Nationally Significant Infrastructure Projects.

Options

I. Relaxing the biodiversity gain site hierarchy for minor development

We want to gather views on relaxing the biodiversity gain hierarchy²⁶ for minor development only to allow developers to deliver off-site BNG more easily.

Updating the hierarchy could be delivered together with the option to remove the spatial risk multiplier to improve the effectiveness of both options.

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

Question: Would relaxing the biodiversity gain hierarchy for minor development support small developers to deliver BNG more easily?

Question: Do you think placing off-site habitat enhancements with the same preference as onsite habitat enhancements for minor development would deliver better outcomes for nature? Please provide evidence to support your answer where possible.

The Spatial Risk Multiplier for minor development purchasing off-site units

I. Disapplying the Spatial Risk Multiplier for minor development

Disapplying the SRM for minor development purchasing off-site units would make it cheaper and easier to source units to meet their BNG requirement. However, it does remove the incentive for 'local' off-site habitat provision for these small sites, and there is a risk that biodiversity could migrate away from LPAs with less opportunities for habitat bank provision.

²⁶ The biodiversity gain hierarchy is distinct from the mitigation hierarchy, set out in the National Planning Policy Framework.

This change would be applicable to all minor development, rather than just minor developments using the SSM. This change would be implemented via updated guidance, stating that off-site providers can claim the 'local' multiplier if allocating units to minor development. We would need to amend the main metric tool, to allow offsite providers to minor developments using the 'local' multiplier, regardless of their location.

Example I - disapplying the Spatial Risk Multiplier for minor development

A minor commercial development, using the main metric tool, needs a further 4.5 high distinctiveness 'open mosaic habitat' units in order to satisfy their BNG requirement and meet the trading rules. This must be compensated for with the same habitat type.

There are no 'open mosaic habitat' off-site habitat units available within the same LPA or NCA, but these unit types are available for purchase nationally.

Current

To meet 10% BNG and the trading rules, the developer would need to purchase 9 units of OMH from the off-site market. This is due to the SRM increasing the required units by x2 when being purchased nationally (the provider is not within the same or neighbouring LPA).

Proposed

If the SRM is disappplied, to meet 10% BNG and the trading rules, the developer would need to purchase 4.5 units from the off-site market.

Question: Should the Spatial Risk Multiplier be disapplied for minor development purchasing off-site units?

II. Assessing spatial risk using Local Nature Recovery Strategy areas

Currently, the assessment of spatial risk is based on Local Planning Authority (LPA) and National Character Area (NCA) boundaries. The assessment methodology could be amended so that Local Nature Recovery Strategy (LNRS) areas²⁷ are used (alongside NCAs) instead of LPA areas.

This change would be applicable for **all development**, as it would require a broader change in assessment methodology for spatial risk in the SSM and statutory metric.

There are 48 LNRS areas in England, compared to 337 LPAs, so this change would allow developments to access a wider range of off-site providers and apply the 'local' multiplier (meaning they do not have to buy more units). This change would widen the definition of

²⁷ Defra (2023) Local Nature Recovery Strategy areas [Local nature recovery strategies: areas and responsible authorities - GOV.UK](#)

local for the SRM and mean that off-site habitat delivery may be further from the development.

However, LNRSs are locally led strategies and designed to guide nature recovery at this local level. Using them to inform spatial risk would encourage off-site habitats to be delivered in line with nature recovery priorities for the local area. Additionally, this would mitigate the risk of biodiversity migrating away from some areas of the country if the SRM was disapplied.

Example J – assessing strategic significance based on Local Nature Recovery Areas

A major residential development needs 0.65 ‘species rich hedgerow’ units and 4.0 ‘lowland meadow’ habitat units to meet their 10% requirement and trading rules. They cannot deliver this onsite.

There are no ‘species rich hedgerow’ units or ‘lowland meadow’ habitat units available for purchase within the same LPA or NCA. However, there are units available to purchase within a neighbouring LPA, which within is in the same LNRS area.

Current

To meet 10% BNG and the trading rules, the developer would need to purchase 0.86 ‘species rich hedgerow’ units and 5.32 ‘lowland meadow’ units. This is due to the SRM for neighbouring LPAs increasing the required units by x1.33.

Proposed

To meet 10% BNG and the trading rules, the developer would need to purchase 0.65 ‘species rich hedgerow’ units and 4 ‘lowland meadow’ units.

Question: Should the Spatial Risk Multiplier assessment methodology be amended, so that it is based on Local Nature Recovery Strategy and National Character areas rather than Local Planning Authority and National Character areas?

4. Brownfield developments with Open Mosaic Habitat

Introduction

This section is applicable to all development.

Open Mosaic Habitat (OMH) is a priority habitat which predominantly exists on previously disturbed brownfield sites. OMH is characterised by a mix of bare ground and vegetated patches (including flower rich meadows, grasslands, scrub) with potential for wet areas. OMH supports a wide range of invertebrates.

OMH is a high distinctiveness habitat in the statutory biodiversity metric meaning its loss must currently be compensated for on a 'like for like' basis through:

- **Onsite:** Creation, retention, or enhancement of OMH
- **Off-site:** Purchase of OMH units from the private market
- **Statutory credits:** Buying OMH credits

Context

Government is committed to delivering 1.5 million homes by the end of this Parliament and has strengthened its brownfield first approach to development in the updated National Planning Policy Framework (NPPF). Stakeholder feedback has shown that delivering BNG for brownfield sites is challenging due to the presence of OMH. This is because:

- OMH habitat definitions vary across different sources, and it can be misidentified by ecologists resulting in other habitats being identified as OMH
- It is not always possible or viable for brownfield developments to create and enhance OMH onsite due to spatial constraints
- Initially, there was an under supply of OMH on the biodiversity gain site register. However, the market has responded and there are now OMH units available for sale²⁸, with some already allocated
- Statutory credit prices for OMH are £48k (+VAT)²⁹ – they are priced deliberately high to not undercut the market but are not feasible when the market supply is not there

²⁸ ~24ha of Open Mosaic Habitat has been created or enhanced on the Biodiversity Gain Site Register at the time to publishing GOV.UK (2025) The Biodiversity Gain Site Register [Search the biodiversity gain sites register - GOV.UK](#)

²⁹ Defra (2023) Statutory biodiversity credit prices [Statutory biodiversity credit prices - GOV.UK](#)

Anecdotally, we have heard that it is difficult and expensive for developers and off-site providers to create OMH due to the unique conditions it requires and need for intermittent disturbance to maintain it.

Options

We are considering options to overcome these challenges and ensure there is a viable compensation route for brownfield development with OMH present. We are considering:

- I. Updates to the metric definitions, guidance and condition assessment to support ecologists in the identification of OMH
- II. When there is no OMH habitat available off-site, allowing the loss of OMH habitats to be compensated for with an alternative habitat mosaic with similar ecological benefits.

An example of suitable alternative habitat delivery could be a mosaic including grassland, bare ground scrub and seasonal pools or wet scrapes or brownfield landscaping including brown roofs using aggregate. We will work with experts and use the responses to this consultation to inform which alternative habitats may be suitable to compensate for the loss of OMH. A key consideration will be the need to provide a range of structurally diverse microhabitats to ensure the habitat supports invertebrates.

These options will not be limited to minor development. They will be applicable to all development with a BNG requirement and OMH present (including NSIPs once BNG applies).

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

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

Question: Do you have any suggestions as to the habitat mosaic which may provide the same ecological benefits as OMH or the key considerations we should be incorporating?

Question: Do you have any further suggestions of how we could improve the viability of brownfield sites with Open Mosaic Habitat present, in relation to their BNG requirement?

5. Next Steps

The consultation will run for 8 weeks and closes on 24th July. We will consider the views raised in responses to this consultation. We will then publish a summary of responses and government response to this consultation.

Following this, depending on which options are taken forward, there are a number of steps that would need to be taken to deliver the changes:

- Defra will publish a full impact assessment considering the social, economic and environmental impacts of the options identified through this consultation
- Secondary legislation, where required for example to amend exemptions, would be drafted and laid before parliament to an agreed timetable
- Changes to the metric (including Small Sites Metric) would require the statutory metric act paper to be re-written and laid before parliament
- The statutory metric user guides and tools would be updated and republished. Transitional arrangements and guidance would be provided for projects using the current statutory biodiversity metric when the metric tools are updated.
- Future versions of the metric tools will be digitised, but the timescales for this may not align with any changes to the current tools, and these may be initially progressed in the excel tools.
- Guidance and training for LPAs, developers and other stakeholders would be published.

Government will publish more information on expected timescales of any changes in the response to the consultation.

The BNG requirement remains in place and developers should continue to follow existing guidance and legislation when delivering BNG.