

Net Gain – who really gains?

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As we contemplate Boris Johnson's exit as PM after three years in office, surviving just a couple of months longer than his predecessor, Theresa May, it will be hoped in some quarters of the Tory Party that their successor might remain in position for somewhat longer.

What is the Johnson legacy?

The PM claims to have got Brexit 'done', but it was at best a partial Brexit, with the NI Protocol a work in progress and Brexit strains still a threat to the UK Union. Whilst Johnson stated for him it was '[mission largely accomplished](#)', 'levelling up', often referenced, remains a lofty ambition.

The May government, by contrast, quietly delivered two significant policies around 'net zero' and 'net gain'. Her government marked its term by being the first major economy to pass laws to commit to 'net zero' through ending our contribution to global warming by 2050.

'Net gain' is less well known, but its implications are far-reaching. As Natural England's report explains, "[Biodiversity Net Gain \(BNG\) is an approach to development, land and marine management that leaves biodiversity in a measurably better state than before the development took place.](#)"

The approach seeks to tackle the conundrum of the 'net drain' to biodiversity associated with economic growth and development taking away ecological sites. As habitats continue to be lost to development, reducing nature's ability to thrive, [from 2023](#) the Environment Act 2021 makes it necessary that developments achieve zero net loss to biodiversity, or deliver a minimum 10% net gain if nature is damaged on site.

Theresa May's thinking was outlined [in 2018 in a speech delivered at the Barnes London Wetland Centre where she contemplated the impact of free market economies and their supposed incompatibility with environmental and biodiversity protection.](#)

In making this statement she was referring to negative economic externalities resulting from environmental degradation. However, in her view a free economy, operating 'under the right rules, regulations, and incentives' could deliver sustainable economic growth and represented 'the single greatest agent of collective human progress we have ever known.'

She went on to outline the successes of low carbon businesses across the country – a subject which together with my colleague, Dr Steve McCabe, we have looked to promote through our recent books on the [Green Economy](#) and [Green Manufacturing](#).

But Lord Nicholas Stern, former chief economist at the World Bank responsible for the Stern Review, calls climate change the "[greatest and widest-ranging market failure ever seen.](#)" ...An assertion backed up by the BBC's programme "[Big oil v the world](#)" suggesting that not only did the oil companies know way back in the late 1970s about the impact on climate change of greenhouse gases, primarily from fossil fuels, but they suppressed and cast doubt on these research findings.

In the same speech in 2018 Theresa May also referred to habitat, bird and insect declines since the 1970s and 80s. These trends have since accelerated with warnings of an '[insect apocalypse](#)' [threatening life on earth](#) with warnings that [50% of insects may have disappeared since 1970s.](#)

So how does BNG work in practice?

It looks to set up a new market in biodiversity encompassing landowners, developers and local planning authorities (LPAs) and through regulation of this market and the notion of biodiversity net gain and an associated metric tool to enable trading of biodiversity credits.

[Natural England explains](#) that landowners will be able to develop 'habitat banking' by selling their biodiversity units to developers. First of all they must undertake a baseline assessment of the value of their land to nature using the [Biodiversity Metric](#).

Developers should look at opportunities for both on-site and off-site BNG delivery.

Local planning authorities should prepare for mandatory BNG requirements and explore net gain delivery on both LPA owned and privately owned land.

This opens up significant potential for LPAs to trade in biodiversity units with developers and generate a new income stream from their landholdings as developers purchase required BNG credits. Land in LPA ownership which previously may have had no development or agricultural value now has the potential to generate revenues and fund further worthwhile environmental initiatives.

However, to do this the land must be set aside with a 30 year habitat management plan. [Natural England is developing a publicly available net gain sites register](#) with information on sites available for BNG deliver. This will include their baseline biodiversity value and expected future biodiversity value.

However not all ecologists are content with the new [BNG metric as it gives no value to 'scrubby landscapes'](#) overgrown by bramble and thistle, seen as key features of rewilding projects but logged by the metric as signs of 'degradation'.

Those flagging up this discrepancy include Isabella Tree, owner of the Knepp Estate in Sussex, a leading rewilding project in England and and Steven Falk, entomologist, also concerned that many other habitats including sand quarries and field margins, would be seen as undervalued habitats. [He emphasised his fears in a 2021 Guardian article that Biodiversity Net Gain could even be the 'single most dangerous thing' to be passed into law during his 40 year working life](#) with his concern focussed on the dismissal of degraded habitats as being of no real value to wildlife.

Fears around the lack of focus on connectivity between habitats were also cited, with ecological economist at the University of Kent, [Sophus zu Ermgassen, stating in the same article](#):

"The metric was not designed for rewilding. It was designed with very traditional conservation management in mind. ...We need to find a way of valuing scrubland that forms part of an open mosaic that is reminiscent of the evolutionarily ancient landscapes of Britain."

University of Kent research showed BNG housebuilding developments had led to 34% reductions in green space offset by BNG credits anticipating a 20% increase in biodiversity but dependent on smaller, still uncertain although supposedly more ecologically valuable habitats.

It seems for it to really work, a separate metric for rewilding is required.

[Buglife's](#) Jamie Robins, a Project Manager noted:

"When you consider that habitats take many decades to accrue wildlife value, it is unclear how BNG actually reflects any gains at all but instead the gradual replacement of habitats with temporary and lower quality ones."

For those of us involved in local planning authorities trying to grapple with these issues we are having to play by the rules as currently set out. In Malvern Hills we have already purchased 45 acres of degraded arable land to provide carbon capture and biodiversity gains. Our recently appointed Biodiversity Project Officer, Alastair Pounder, in considering the issues raised stated:

“It is a sound aspiration that Biodiversity Net Gain obligations should adopt progressive management practices such as Rewilding as their efficacy is demonstrated. This will require suitably qualified ecologists, free from the pressures of developers, to establish the true value of baseline habitats and a metric which reflects the ground truth, a wider understanding that refraining from intervening in ecological succession is not always the same as “doing nothing”, and a monitoring and enforcement system which genuinely ensures sustainable perpetual development, if such a thing is indeed possible.”

BNG is a landmark in how we look to tackle challenges around biodiversity conservation. With a flexible approach it is hoped we can build on this to deliver what this policy set out to achieve – a net gain for nature.