26th August 2025

This is the response of The Wildlife Trust for Lancashire, Manchester & North Merseyside to OfGem in respect of its draft determination of National Grid’s **RIIO3**.

***Locus Standi***

We are part of the Wildlife Trusts movement, the UK's leading conservation charity dedicated to all wildlife. We are your local charity, working hard to improve your local area for wildlife and people.

The Wildlife Trust for Lancashire, Manchester and North Merseyside was founded in 1962 by local people who knew they needed to act.

Since then, we have grown to be the largest nature conservation body in the area. We are uniquely positioned to lead change our region, working at a grass roots, local level whilst also being part of a strong cohesive movement.

We have saved many special places, acquiring and managing many of them as nature reserves—we look after over 1 288 hectares of havens for rare and threatened species and habitats

We have the powerful voices of over 29 000 members, whose invaluable support we simply could not do without. We engage over 4 000 volunteers in our mission, 1 200 are active on a very regular basis alongside our team of 140 staff. Whether this is ‘digging in’ on the land or helping with education, fundraising, governing the charity. We even have volunteers working on planning matters, campaigning  and working in finance.

We are delivering environmental education to around 20 000 children per year. We have built three eco-buildings for our operations to demonstrate how we can live lightly on the earth, Brockholes floating visitor centre in east Preston being the latest of these.

**Our Response**

The Wildlife Trusts collectively welcome National Grid’s environmental ambitions, particularly in relation to Biodiversity Net Gain (BNG).

National Grid’s proposed Environmental Action Plan (EAP) for the upcoming regulatory period (2026–2031) sets out a suite of over 27 sustainability commitments, including BNG commitments which go above and beyond the statutory minimum 10%, marine restoration, and carbon reduction.

This response from The Wildlife Trust for Lancashire, Manchester & North Merseyside is supplemental to that of The Wildlife Trusts at UK level, which response we support.

This is specifically a response to:

**Q OVQ2.** Do you agree with our proposed position on the Environmental Action Plan and Annual Environmental Report ODI-R for RIIO3?

No.

Q ETQ11. Do you have any views on our proposed approach to biodiversity funding, notably whether it is appropriate or not for consumers to fund biodiversity outputs beyond legislative requirements?

Yes.

The Wildlife Trust for Lancashire, Manchester & North Merseyside has a long history of engagement and partnership with National Grid and its predecessor, the CEGB, at the sub-regional level, and particularly with its Penwortham substation in South Ribble Borough, Lancashire County, where we manage parts of its estate for nature recovery and environmental education and as a local greenspace amenity. By way of specific illustration of community/customer benefit, our Education Team already manages Booth’s Plantation (also known as Ratten Lane Wood) on National Grid’s Penwortham estate and we are currently in negotiations on taking on the management of its nearby Howick Hall Wood, also primarily for educational purposes.

We also manage land for nature and amenity as near neighbours to its Middleton substation in Lancaster City District, Lancashire County.

Both substations are proposed to expand during the period of the latest National Grid draft business plan, and both lie within parts of the draft Lancashire Nature Recovery Strategy’s mapped Nature Recovery Network, so are key to delivery of the UK’s legal commitments under the Environment Act 2021:

* to reduce the risk of species going extinct in 2042, compared with 2022
* to create or restore 500 000 hectares of wildlife-rich habitats by 2042
* to ensure overall species abundance is increasing rather than decreasing by 2030, and increases by 10% by 2042, compared with 2030.

OfGem’s suggested approach would also be in contrast with our relatively recent experience at our Highfield Moss SSSI nature reserve in Wigan Borough, Greater Manchester (<https://www.lancswt.org.uk/nature-reserves/highfield-moss>), which we manage on behalf of its owner, Wigan Borough Council.

On 1st July 2022, we signed a 30-year memorandum of understanding with National Grid to deliver offsite biodiversity net gain on the degraded Highfield Moss, related to mitigation for National Grid’s site separation development at Fiddler’s Ferry substation in neighbouring Warrington Borough, Cheshire, in association with the decommissioning and redevelopment of Fiddler’s Ferry coal-fired power-station. Highfield Moss is now part of the 530ha Risley, Holcroft & Chat Moss National Nature Reserve, designated by Natural England earlier this year and managed in partnership by Natural England, Cheshire Wildlife Trust, Forestry England, Warrington Borough Council, Wigan Borough Council, the Woodland Trust, and us.

We are, in consequence, troubled by Ofgem’s draft determinations and the implications of these for National Grid’s positive environmental ambitions.

Restricting funding to the statutory minimum 10% BNG requirement and excluding any funding support for non-mandatory BNG construction activities would significantly limit National Grid’s ability to deliver on its nature positive commitments when expanding its infra-coastal facilities at Middleton (Lune Estuary) and Penwortham (Ribble Estuary), both in Lancashire.

Section 40 of the Natural Environment & Rural Communities Act 2006, as strengthened under the Environment Act 2021, places a duty on public bodies to further the ‘general biodiversity objective’, *i.e.* “*to conserve and enhance biodiversity in England through the exercise of their functions in relation to England*”. The said duty is a legal obligation on both National Grid and OfGem: it seems to us perverse for a regulator to seek to thwart an operator in fulfilling their common duty.

We are especially troubled by your proposal that no funding *at all* should be allocated by National Grid for BNG on *permitted* development projects. Such a constraint would seem to penalise the company’s ambitions for the public good of nature’s recovery because of its legal status and, in consequence, further frustrate the UK Government’s own statutory commitments to nature’s recovery; and the abilities of Ofgem and National Grid to do their statutory biodiversity duty. Given that much linear transmission infrastructure is permitted development, so not requiring planning consent *per se*, it would also frustrate the investible propositions for Green Northern Connections being developed by Nature North: see <https://www.naturenorth.org.uk/business-case/green-northern-connections>. Over the current decade (2020-2030), the UK faces an estimated nature-funding-gap of £44–97 billion**[[1]](#footnote-2)** - a sum that simply cannot be met through public financing alone.

Such a constraint on National Grid also increases the likelihood of local opposition to proposed substation expansions at Middleton and Penwortham already referred to, and reduces its room for manoeuvre in seeking to provide and sustain strategic, efficient and effective local recovery of nature and related environmental and amenity enhancements for residents, staff, visitors, and customers in both locales.

Healthy ecosystems are not luxury items; these provide stability for National Grid and other energy sector businesses by mitigating risks and providing safer operating conditions for energy infrastructure, *e.g.* by reducing risks of degradation by inland and coastal flooding (particularly apposite in Lancashire), and through heat stress (likely to become increasingly apposite here).

Lastly, but particularly relevant in Lancashire and in Merseyside, where we have some of the largest intertidal ranges in the UK, is the lack of, and often impracticality of establishing offsite Biodiversity Net Gain habitat banks *intertidally* to deliver net gain for the impact of development on intertidal habitat between Mean Low Water and High-Water Springs, where a minimum of 10% terrestrial BNG applies, and the yet-to-emerge formal guidance on the delivery of marine BNG, which is proposed to apply only *below* Mean Low Water.

On the internationally designated shifting sands and shallow seas of the Irish Sea’s Morecambe Bay and Liverpool Bay / *Bae Lerpwl* this administrative hard interface is also something of an ecological nonsense, and particularly so in respect of energy infrastructure that would straddle both, and extend above High-Water Springs into dune systems on its way to connect with the National Grid – notably from increasing offshore wind turbine arrays and proposed tidal energy developments in the northeast Irish Sea. Flexibility of approach will be essential.

Thanking you for your attention.

Yours sincerely

A close up of a sign

AI-generated content may be incorrect.

David Dunlop

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(Blackburn with Darwen, Chorley, Preston, South Ribble, West Lancashire); &

*Living Seas* Champion

**There are less than six years to go to slow, halt, and reverse the decline of England's biodiversity by 31st December 2030.**

<https://www.gov.uk/government/publications/criteria-for-30by30-on-land-in-england/30by30-on-land-in-england-confirmed-criteria-and-next-steps>

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1. https://www.greenfinanceinstitute.com/wp-content/uploads/2025/03/Press-Release.pdf [↑](#footnote-ref-2)