Delivering Nature’s Services
Moving towards a payment for ecosystem services scheme in the English uplands

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Natural England
The English Uplands
The Benefits from the English Uplands

- Farming, forestry and energy
- Recreation and tourism
- Water – quantity, quality and flow
- Biodiversity - underpinning our services
- Carbon storage and sequestration
Why do the uplands need to be managed?

- There is no coherent land use policy for the uplands and we have a complex mixture of financial supports and protective measures
- Changing economic and social circumstances
- Climate change will affect the upland habitats
- Many uplands are still considered unfavourable in conservation terms.
Delivering Nature’s Services

- To take a more holistic approach to considering what we want the uplands to provide
- To demonstrate that investment in the natural environment can result in multiple benefits (carbon, water, biodiversity, recreational and health benefits...)
- To work in partnership to deliver a range of ecosystem services in a cost effective way and link these services to the beneficiaries
Place based approach

There are three pilot areas:

- Bassenthwaite Lake catchment, Cumbria
- South Pennines National Character Area, Yorkshire
- Dartmoor and Exmoor, South West

Each is being run regionally with stakeholder groups with technical aspects being coordinated nationally
What’s new?

These pilots are unique because:

- Big Society approach -real places, real people, real delivery – real challenges!

- we are taking an ecosystem approach from the bottom up

- We are using valuation to inform our decisions

- we designed the delivery of ecosystem services into the projects from the outset;

- they are delivering multiple benefits: environmental, economic, social and cultural;

- we are changing land and water management to do this;

- we are making the links between those that provide the services (the land managers) to those that benefit from them.
Project steps

1. Develop partnerships and define pilot area
2. Identify services currently provided and those who benefit
3. Develop options/scenarios for future service provision
4. Value the scenario(s) relative to the status quo (£)
5. Develop a consensus view on future service provision
6. Work with partners to pool resources to contribute to the delivery
7. Defining the land management and delivery plan to achieve this vision
Partnership – engaging locally

**Bassenthwaite**

- 30 organisations, statutory, non-statutory and private
- Range of workshops – from regional economic benefits to the aspirations of farmers
- Integration with existing work – CSF, catchment flood management plan, WFD, SCaMP2, Nurture Lakeland, Carbon Landscapes project, ROWIP and so on
Identifying current services
Who benefits and where are they?
What are the options?
Valuation – to inform decision making

- Recognising value
- Demonstrating value
- Capturing value
- Environmental Decision making
Valuation in the South Pennines pilot

- Developed 2 scenarios: 1) An ‘improved’ scenario; and 2) A decline scenario.
- Working with the water companies, Yorkshire Water & United Utilities – pick up possible improvements in water quality.
- Valuation estimates focused on carbon, water quality (avoided treatment cost) and biodiversity using value transfer techniques (eftec guidance).
- Using 2 different approaches (values) - benefit cost ratios range from around 1.2 – 5.1.
Consensus around delivery...
Delivery plan

ACTION 7: Improve Biodiversity of Valley Habitats

ACTION 6: Manage Nutrients on Improved Grassland

ACTION 5: Improve Access

ACTION 4: Restore Scheduled Monuments at Risk

ACTION 3: Sustainable River Management

ACTION 2: Achieve Sustainable Grazing

ACTION 1: Increase Woodland Cover

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1. Increase Woodland Cover
2. Achieve Sustainable Grazing
3. Sustainable River Management
4. Restore Scheduled Monuments at Risk
5. Improve Access
6. Manage Nutrients on Improved Grassland
7. Improve Biodiversity of Valley Habitats
Targeting public and private spend in line with the ecosystem service delivery plan - moving towards PES

- Environmental stewardship payments
- Woodland grant schemes
- Water company capital works
- Private investment such as visitor payback schemes for example Nuture Lakeland £1.7 million
- Flood alleviation spend
What are the outputs and lessons learnt?

**Outputs**
- Natural Capital – delivery plan which will be implemented collectively
- Social Capital – through partnership and capacity building
- Economic Capital – through public private partnerships to incentivise the provision of services

**Lessons**
- Partnership and capacity building takes time but is well worth it
- Need simple decision support tools
- Valuation is valuable but relies on good ecological knowledge. Not all the piece of the jigsaw are there.
- It can take time to see changes in services and there are still many uncertainties.
In conclusion – PES principles

- Delivering Nature’s Services has fulfilled the five principles for PES and has addressed many of the barriers and opportunities.
- The integrated delivery plan identified opportunities for voluntary agreements
- The payments are being made by the beneficiaries or representatives of them and they are being made directly to the provider
- We are asking for additional benefits
- And our payments are conditional on outcomes (although these are assumed to occur when proxy land uses are implemented).
In conclusion – barriers and opportunities

- We have worked with partners and stakeholders from the outset to design an agreed integrated delivery plan for a range of ecosystem services – spatial planning for ecosystem services.

- We have undertaken baseline ecosystem assessments and undertaken valuation. Through this process we have addressed a range of technical challenges such as identifying specific changes in ecosystem services and calculated cost benefit ratios.

- We are undertaking management changes in these places funded by a range of incentives both public and private – addressing institutional challenges for PES.
What does success look like?

- Overall, a healthier natural environment which provides a wider range of services and benefits to people.
- These services will be better delivered and offer better value for money through the integration of land management and rewards and incentives to those providing the services.
...or more of this for now and the future.
Acknowledgements

Julian Harlow, Stewart Clarke, Jane Lusardi, Eamon Crowe, Mark Phillips and John Hopkins