



West Midlands
Combined Authority

Environment & Energy Board

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Report title	Natural Capital: Update on Solutions
Portfolio Lead	Environment, Energy & HS2 - Councillor Ian Courts
Accountable Chief Executive	Deborah Cadman, West Midlands Combined Authority email: deborah.cadman@wmca.org.uk tel: (0121) 215 7200
Accountable Employee	Ed Cox, Director of Public Service Reform email: ed.cox@wmca.org.uk tel: 07788 224719 Jackie Homan, Head of Environment email: jacqueline.homan@wmca.org.uk tel: 07584 449339

Recommendations for action or decision:

The Environment & Energy Board is recommended to:

- (1) Agree the next steps for the work on natural capital.
- (2) Support the work on developing a clear action plan on solutions to be agreed at the March 2020 Board.
- (3) Support collaboration around project implementation that will be concurrent with development of the action plan.

1. Purpose

- 1.1 At the October 2020 Environment & Energy Board meeting, three presentations were given on natural capital projects. The Board asked the WMCA Environment Team to consider the solutions that could be implemented to address some of the challenges emerging. This paper outlines the next steps to developing a comprehensive plan, which will be presented to the Board in March 2020.

2. Background

- 2.1 The work on WM2041, including indications coming through the modelling for the Five Year Plan, places significant importance on natural capital to both supporting mitigation of climate change as well as adaptation and resilience. At the October Environment and Energy Board meeting, three projects were highlighted in the natural capital space:
 - The Virtual Forest
 - West Midlands National Park
 - New Economics Foundation report on access to green space
- 2.2 The Virtual Forest work has been progressing well, with the new site formally launching on 4 December as part of National Tree Planting Week. A guide to using the site has also been developed and is attached to this update note. This has been circulated to all local authorities, as well as tree planting groups, where we have contacts.
- 2.3 The West Midlands National Park (WMNP) engagement continues, with the first Foundation Board planned for December. The Environment Team is continuing to work with Birmingham City University, and other partners involved with the WMNP, on the delivery plan and project accreditation criteria.
- 2.4 The New Economics Foundation (NEF) report has identified a number of areas on which our action plan will focus. These actions are not mutually exclusive to the work of the Virtual Forest or the WMNP but will set out some of the additional areas of work that we might establish through grant funding. This work is being taken forward in response to the action from the last Environment and Energy Board: 'The Chair welcomed the initiative and requested that a report be submitted to the next meeting of the board with a list of actions to take this initiative forward'.
- 2.5 The proposal for this is a number of steps to move this agenda forward:
 1. Feedback has now been given to the New Economics Foundation on the report, which will more clearly provide recommendations to the WMCA on next steps/interventions. These may include understanding how we integrate natural capital into planning and development; identifying partners (including landowners) for tree planting; or working to understand how we attract residents to parks and open spaces (providing them is just one consideration).
 2. A final report for this piece of work will be issued and will be circulated to the Environment and Energy Board members.

3. Data sharing. We will identify a way that we can start to share data from this report, and more widely, around natural capital. This will include providing access to the maps used by the NEF study.
4. Including other data. As the report has been shared, it has become increasingly clear that we could explore additional layers to the maps, for example health data. This could be particularly important in terms of targeting types of interventions. We will work with partners to explore which data is accessible and could be incorporated and helpful.
5. Stakeholder engagement. In order to develop conversations further around natural capital, we need to work with a wide range of stakeholders. These include local authorities; other public sector bodies (e.g. the Environment Agency); environmental NGOs (including local organisations as well as national organisations with a local presence); and private sector organisations also involved in this work. We will establish a task and finish working group to support the development of the action plan.
6. Funding. Natural capital formed a significant part of the WMCA's Comprehensive Spending Review submission. This was a total ask of £97.2m to cover projects including: community green grants; water quality and security; biodiversity net gain; wildlife corridors; and, natural capital as carbon sinks. We are also working with Defra to explore the possibility for the West Midlands to be a Local Nature Recovery Strategy pathfinder (in addition to the five that have currently been identified) as an important way to unlocking further funding. In addition, we are engaged in conversations with regional and national partners about the routes to providing funding for delivery of projects. Scoping all funding sources will form a key part of the next steps for the action plan.
7. Project identification. We will start to coordinate a pipeline of projects, working with data and potential funding routes, with a focus on supporting delivery through our stakeholders. Where we can, we will start implementation, particularly if funding becomes available. We will also work with infrastructure projects like HS2 and the Commonwealth Games to support delivery.
8. A fully developed action plan will be brought to the March 2021 Environment and Energy Board for sign-off.

3. Financial Implications

- 3.1 None from this report.

4. Legal Implications

- 4.1 None from this report.

5. Equalities Implications

- 5.1 None from this report.

6. Inclusive Growth Implications

- 6.1 WM2041 recognises the importance of social and economic co-benefits of addressing climate change, as well as how to achieve carbon reduction in a way that does not leave anyone behind. Widening access to natural capital for physical and mental health benefits, as well as improving the resilience of our communities with regard to climate change, will be a key part of this programme of activity. We will also be mindful of some of the unintended consequences of this work, for example increasing house prices through localised increase in provision of green space.

7. Geographical Area of Report's Implications

- 7.1 The core work of the natural capital work will cover constituent local authorities of the West Midlands Combined Authority. However, parts of the programme will also encompass other parts of the WMCA/ West Midlands/ Midlands geography.

8. Other Implications

None.

9. Schedule of Background Papers

- 9.1 Appendix 1 – Virtual Forest Guide