

GREATER MANCHESTER NATURAL CAPITAL INVESTMENT PLAN

PROJECT SUMMARY

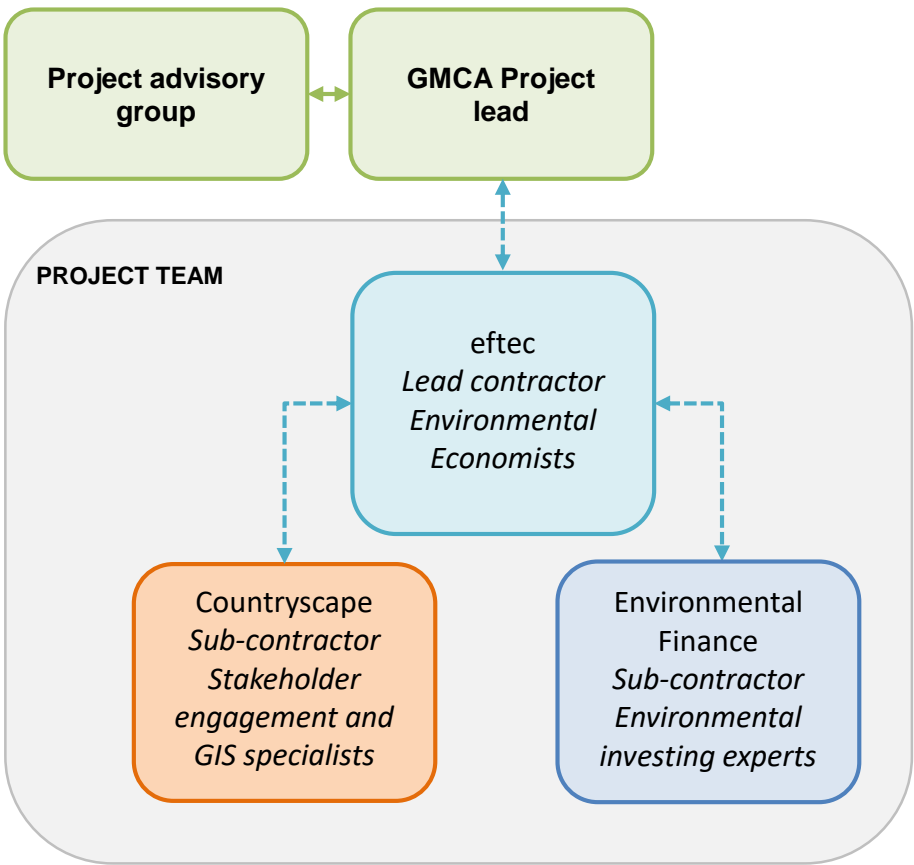
JULY 2018



STRUCTURE

1. Team and objectives
2. Method & approach

PROJECT TEAM & OVERVIEW



Overview

- Greater Manchester Combined Authority (GMCA) and Natural Course have commissioned this study to develop the first Natural Capital Investment Plan (NCIP) for the city region.
- The plan:
 - is a key outcome of the Green Summit
 - will promote investment opportunities that protect and enhance natural capital (NC) to support a healthy population and economy.
- Stakeholders will help to:
 - identify priority areas for investment
 - identify a pipeline of investment opportunities that will enhance NC with a focus on local and national socio-economic priorities.
- Timeline:
 - June 2018 to December 2018, with a formal launch event to be confirmed

AIM & OBJECTIVES

Aim:

To produce a Natural Capital Investment Plan (NCIP) for Greater Manchester which promotes investment and delivery of opportunities to protect and enhance its natural capital.

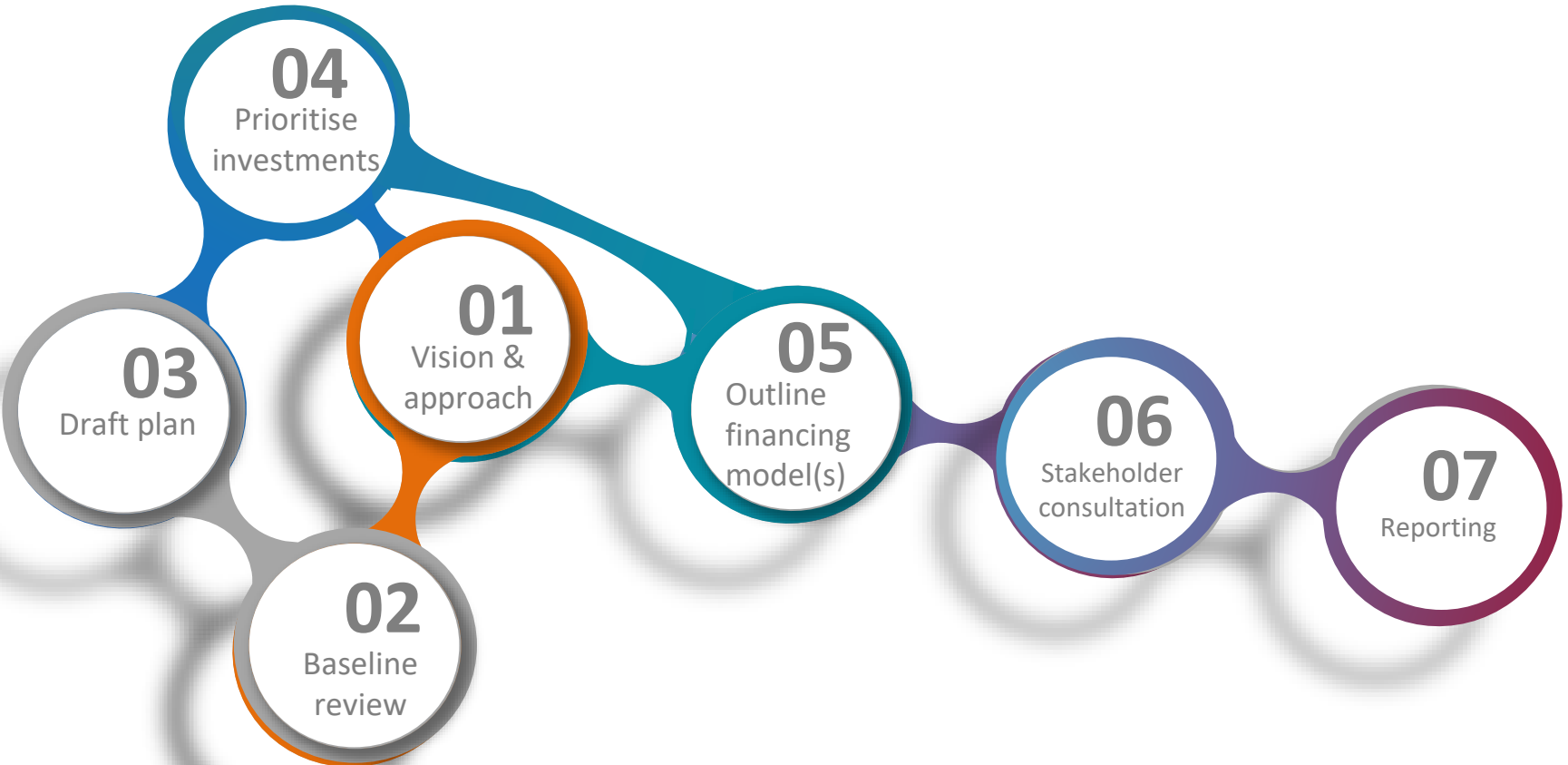
Objectives:

- Identify a clear set of aims and outcomes for prioritising work on developing investment for the protection, maintenance and enhancement of our natural capital assets.
- Identify the extent and condition of the area's prioritised natural capital assets, existing & planned projects and future pressures.
- Build on the existing evidence base to identify the required inputs, benefits, and beneficiaries
- Identify and weigh up the options for action, intervention and investment including a pipeline of significant investable projects
- Outline the mechanisms for creating innovative natural capital financing model(s)
- Engage with key stakeholders who can contribute to the proposed investment opportunities
- Provide a clear set of actions to deliver the required investment for the short, medium and long term

TASK 1: VISION AND APPROACH – VISION STATEMENT

- **A Greater Manchester where investments in natural capital enhance the long-term social, environmental, and economic health and wellbeing of its people and businesses.**

TASK 1: APPROACH



Deliverable: *Draft Natural Capital Investment Plan Vision and Approach*

TASK 2: BASELINE REVIEW

High level review to provide evidence and understanding of:

- **What** the key NC assets are that require investment
- **Where** they are (their spatial distribution)
- The **condition** of NC and benefits they produce
- **Overview of current projects and funding** – (what, why and future prospects)

The baseline review will inform the prioritisation of investment by:

- **Highlighting gaps** in provision - what and where
- Outline of priorities for investment – economic, social, environmental



TASK 3: DRAFT NATURAL CAPITAL INVESTMENT PLAN

- **Based on current state of NC, current spend, & relevant projects**
- **Identify where investment in NC will be most effective**
 - Priority sites/areas, habitats, ecosystem services
 - Beneficiaries – social and investors
 - Will consider distribution of benefits: spatial, demographic
- **Shortlist of potential investment opportunities**
 - Relevant sectors
 - Inputs required
 - Existing initiatives within GMCA



TASK 4: PRIORITISE INVESTMENTS

- **Combining social values (NC & enviro econ evidence) with financial value**
- **A set of prioritisation criteria**
 - Alignment with identified opportunity areas/habitats etc.
 - Benefits – social, environmental, economic
 - Distribution over time, space, and beneficiaries
 - Potential mechanism for facilitation and any barriers
 - Likelihood of achievement
 - Investment size/scale, costs
 - Revenue generation/capital appreciation – cash flows to repay investment



TASK 5: OUTLINE FINANCING MODELS

Methodology

1 Develop financial models and delivery options

- Review of relevant literature
- Synthetisation of projects to prioritise most promising investment opportunities within GMCA
- Financing model options appraisal against specified criteria to ensure achieves GMCA financial and social objectives
- Recommendations for next steps to pilot model

2 Identify potential sources of capital

- Carry out indicative market testing
- Draw on previous experience of investor requirements
- Assess opportunity for blended finance approaches and private sector collaboration

3 Assess capacity to develop and implement models

- Review of current capacity within GMCA
- Assess whether specialist skills are present through interviews
- Collaborative approach to build internal skills within GMCA through the process

Innovative evidence base

- Leading environmental impact adviser actively structuring natural capital investment for the UK's largest environmental organisations
- Developed a robust methodology advising WWF for a similar project scoping sustainable financing options to pilot for UK Marine Protected Areas
- Bring practical experience rather than a theoretical approach to develop innovative financing models
- Strong active investor network through market testing work carried out for Defra natural capital impact fund
- Experience in bringing together charitable trusts, lottery bodies and private investors to create blended fund solutions for large scale social and environmental impact funds for parks and renewable energy
- Act as principal delivery advisor for social and environmental impact funds, providing practical experience of governance structures, and capacity and skills required to develop and implement models



Deliverable: suitable finance models to pilot for project investment opportunities identified

TASK 6: STAKEHOLDER CONSULTATION

- **Short, focussed communication and engagement plan**
- **Identify key audience groups**
 - Including beneficiaries/owners identified through Natural Capital Accounting/other sources
- **Identify communication channels**
- **Ongoing engagement with project advisory group**
- **Stakeholder workshop and workshop report**



Deliverable: *Focussed interviews, stakeholder engagement event(s) and dissemination event*

TASK 7: REPORTING

- **GM NCIP report**
 - Non-technical summary
 - Prospectus
- **Presentation slide pack**

Thank you!

