

Natural Capital Evidence Handbook: to support place-based planning and decision-making

Summary

Natural England Research Report 092





The Natural Capital Evidence Handbook

The [Natural Capital Evidence Handbook](#) is about how to come to shared strategic understanding about the natural environment, in a place, using a natural capital evidence base. It is about working collaboratively and in partnership so that we can do more to enhance nature and human wellbeing. It sets out our best practice approach that will help you include natural capital evidence in your strategic decision-making and identifies Natural England's evidence-based tools that will help along the way.

Working with natural capital helps deliver multiple benefits for people through our actions to improve the natural environment. This is part of the Government's 25 Year Environment Plan and is relevant whether you are trying to plan strategically in your place, contributing to the nature recovery network or planning nature-based solutions that will help alleviate flooding or address the climate emergency.

For over a decade Natural England has been working with natural capital in a practical way. Our approach and products are transparent, easy to use, widely available and collaborative. The Handbook brings everything together in one place to improve your access to this material and share our approach.

This summary is an overview of the approach we present in the Handbook and outlines the main content of each section. It can be used as an introduction or as a reminder if you are working through a process, and will help you navigate the main content. The published appendices, which help you to access key Natural England resources discussed in the Handbook, are listed and linked at the end. How they specifically help with a natural capital approach is discussed in the Handbook and we recommend you read that through before you start.



A photograph of two cyclists riding away from the camera on a gravel path. The cyclist on the left is wearing a yellow jacket and a red helmet, while the cyclist on the right is wearing a blue jacket and a black helmet. Both have large backpacks. The background shows rolling hills under a clear sky. A semi-transparent white box is overlaid on the left side of the image, containing text.

A natural capital approach

The diagram on the following page represents our best practice view of the stages that make up a natural capital approach to place-based planning and decision-making. It is based on our own learning of what is most important to include in a natural capital approach. We have learnt this from trying it with partnerships on the ground.

It is not intended to be a prescriptive or linear process that must be followed in sequence or to the letter. The process can be adapted to each circumstance. We have found that when we have done this in practice the process is much more iterative, adaptive and organic than it looks here.

This summary outlines each stage and highlights the most important components. The Handbook itself describes how we would approach each stage. It also explains how the evidence, tools and resources Natural England has produced can be used to support the process.

A natural capital approach

The diagram below is not intended to be a prescriptive or linear process and, in practice, is likely to be iterative and adaptive.

Click on a heading to view the summary for each stage.





STAGE 1: **DEFINE**

Define Partnership and Vision

One of the goals of a natural capital approach is to enable nature recovery that sustainably provides benefits central to people's well-being. Meaningful collaboration with a wide range of partners and stakeholders throughout the entire process is critical to success. This helps because it enables: a wide range of benefits to be identified; the sharing of knowledge and evidence; the goals of different stakeholders to be represented from the start; the development of consensus and buy-in and the pooling of resources to deliver shared goals.

We have learnt the following are key components of building an effective partnership at the outset:

Develop collaborative partnership

This works best when built on an existing partnership and broadened to involve new partners across a range of sectors.

Agree a high level vision for natural capital

Your partnership needs to come together around an agreed natural capital vision for your place. Your vision is where you want to get to.

Define scale and boundaries

It is important to ensure the boundary of your place is understood and accepted by the partnership and is at a scale appropriate for the outcomes of your approach to be applied.

Determine strategic direction

The plans and actions that need to be put in place to work towards the vision. Agree how you will measure progress towards your vision and put an evaluation, monitoring and reporting framework in place.



STAGE 2: **ESTABLISH**

Establish a Shared Evidence Base

To understand how to manage and enhance your natural capital you need to know its current state. This means finding out what you already have, where it is and what condition it is in, all in terms of how it provides benefits to people. There is likely to be a wealth of evidence, knowledge and understanding held by partners. So working collaboratively to pull together an evidence base, and taking account of existing evidence, is important.

We have learnt the following are key components of a natural capital evidence base:

Evidence for place

Start with understanding and collating evidence about your place, before examining the evidence around individual natural capital assets. Keep your evidence rooted in the place and system as a whole. It is an important part of the baseline in terms of determining the range of benefits.

State of natural capital assets

The links between natural capital assets, their quantity, quality and location and the benefits they provide to people are all essential components of a natural capital baseline.

Who benefits and who doesn't

Not everyone benefits from nature in the same way or has access to the benefits it provides. Beneficiaries may also be further away, not in your place.

Shared outputs

A shared evidence base needs to be transparent, understood and accessible to all partners.



STAGE 3: **FORECAST**

Forecast and Understand Drivers of Change

A shared evidence base provides a baseline to understand the current state of natural capital. But it is also important to look ahead at how climate change and other drivers of change affect natural capital and the ecosystem services it provides. The approach is an integrated one, so that pressures are addressed together, rather than individually. This means that actions for one pressure, like climate change, is integrated with action for others.

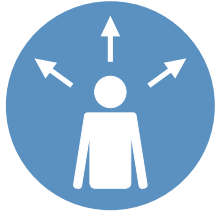
We have learnt the following are key components of ensuring an evidence base can be related to risks, opportunities and long term planning:

Understand current drivers of change

Drivers of change are the natural and human driven processes that cause landscapes and ecosystems to change. They can be direct (eg land management interventions, urban development) and indirect (eg population change, policy change). Climate change is an important driver that can have both direct and indirect effects on natural capital.

Forecast the impact of climate change and other pressures

Focus on what the impacts of the important drivers may be on your natural capital assets and ecosystem services into the future. What changes might these drivers cause to the extent, location and the attributes of quality you have identified in your evidence base? How can these impacts be managed or reduced and what opportunities do they present?



STAGE 4: **DECIDE**

Decide and plan for multiple benefits

This stage draws together and takes forward the earlier work in assembling the evidence base. The aim is to reach a shared understanding of priorities amongst stakeholders, work together to examine the barriers to achieving them, before identifying actions and interventions for multiple benefits.

We have learnt that the following are key components of a successful prioritisation and planning phase:

Establish practical vision with clear priorities and goals

Your practical vision builds on the understanding you have about your place and the current and future state of natural capital. Having a practical vision helps prioritise the ecosystem services that your stakeholders are most concerned about.

Understand current barriers and opportunities

What is stopping you from moving towards your vision? The evidence gathered around past, current and future drivers of change will help here. Consider and understand internal contradictions. Why are the things you are doing already not taking you where you want to go and what do you need to change?

Determine actions for multiple benefits

What are the solutions and interventions that deal with the barriers and contradictions and how can you maximise multiple benefits? Integrated actions are those that deliver for a range of ecosystem services and benefits where overlaps, synergies and conflicts have been identified and openly discussed by stakeholders.

Shared outputs eg opportunity mapping

What is the art of the possible in your place? Where is it possible to carry out your prioritised actions and where would you want to avoid? Opportunity mapping is a tool that helps make sure interventions occur in the right places. You may also want to specifically map constraints; places where there may be conflicts between priorities.

Assess and appraise options

Identify interventions that move you towards your vision as a whole. Your process may generate a long list of actions and interventions, some strategic and some quite specific. Stakeholders can set their own 'rules', guided by the practical vision, to determine which interventions are going to be most effective to develop in terms of broad costs, benefits, and the level of control the partnership has.



STAGE 5: **ACT**

Make it happen

To have an impact and enhance the environment, identified actions need to happen on the ground. Making an action plan will help to embed the changes needed. Actions might be delivered through a wide range of mechanisms, by a number of partners and using various funding sources. This is one reason why taking partners and stakeholders through the whole process together is so critical.

We have learnt that the following are key components of continuing this collaboration into the action phase:

Create an integrated and prioritised action plan

An integrated plan is one that all stakeholders can use and where actions deliver multiple benefits. Integration is about how the actions identified are delivered as well as the outcomes. A collaborative approach to prioritisation will help ensure all partners can buy into the final actions and means of delivery.

Identify delivery mechanisms

Identify which existing mechanisms can deliver which actions, but also challenge existing roles and delivery methods. Which actions need joint delivery across partners? Knowing which partners have the skills and existing resources to work together to deliver joint objectives is a good place to start.

Establish funding and resource package

Consider both public and private funding, existing mechanisms and new sources and investors. The use of existing mechanisms can be important for embedding delivery, by ensuring ownership and longevity. Securing new and additional investment is also a desirable goal of a natural capital approach. To attract new funds and investors we need to make a case that relates to the goals of those whose investment you are trying to attract and be clear what benefits you can deliver. This is one reason why it is important to involve potential investors and land managers in the whole planning process from the outset; so that their goals are embedded in a co-created and shared plan.

Embed actions in partner delivery, local plans and strategies

This brings us full circle from the buy-in generated by collaboration and co-creation. Collaboration and co-creation can help ensure commitment from partners and stakeholders. Pulling in the same direction strategically and practically can achieve more effective intervention on the ground. A co-created and shared plan will make organisational approval from partners and a commitment to deliver their contribution to the plan, much more likely.



STAGE 6: **CHECK**

Check and Improve: Evaluation and Monitoring

We have learnt that building in evaluation and monitoring at the outset, when establishing the partnership, vision and goals, is really important. This is because it enables the collection of the right data throughout. Thinking about it at the outset also helps to clarify objectives so that they are measurable. Monitoring and evaluation can be proportionate and pragmatic. Clarity on the purpose of the evaluation will help determine the overall approach and level of resource needed.

We have learned that the following are key components of a monitoring and evaluation approach established at the outset:

Monitor and report progress

Monitoring is about understanding trends and changes over time and is often used as part of project management to assess progress towards targets. It helps us know if we are on track to deliver. Regular reporting means that feedback can be used to adapt your overall approach and is a great way of engaging partners and building ownership. Building in a monitoring framework at the outset with proportionate and appropriate indicators makes this possible.

Evaluate effectiveness of plan

Evaluations will usually use monitoring data, alongside other forms of evidence, to understand what is working and how. Process evaluation is about understanding how well something is being delivered and needs to happen at the time. Impact evaluation is about understanding what difference your plan has made so comes later. A Theory of Change will enable you to link your monitoring framework to the desired impacts.

Adapt and refine from lessons learned

Evaluation tells us whether something is working or not, and why that is. Monitoring data on its own can't do this. Evaluation gives us really important information on how delivery can be improved, as an adaptive management approach, so that we have a better chance of succeeding.

Embed best practice

Communicating the findings of evaluation is an effective way of engaging partners and building ownership. It helps demonstrate to others what has been achieved.

Appendices

A set of Evidence Information Notes have been created and published as appendices to the Handbook. Along with the Handbook they facilitate access to the evidence and resources Natural England has produced to make the application of natural capital easier. Each appendix is a gateway to the individual publications; they briefly summarise the evidence, resource or project, it's method, what it can be used for and key lessons learned.

[The Natural Capital Evidence Handbook](#) explains how each of the following pieces of work fits into a natural capital approach. The stages where they are particularly relevant are indicated with numbered symbols (1 2 3 4 5 6).

[Appendix 1](#) Natural Capital and Ecosystem Approach Checklist EINO51 1 2 3 4 5 6

[Appendix 2](#) Bassenthwaite Upland Ecosystem Service Pilot EINO52 1 2 3 4 5 6

[Appendix 3](#) Evaluation of the Upland Ecosystem Service Pilots EINO53 1 4 6

[Appendix 4](#) Natural Capital Indicators EINO54 2 4 6

[Appendix 5](#) Natural Capital Atlases: Mapping Indicators EINO55 2 4

[Appendix 6](#) Accounting for National Nature Reserves EINO56 2

[Appendix 7](#) Natural Capital Account for the Tees Valley EINO57 2

[Appendix 8](#) People and Nature Survey EINO58 2

[Appendix 9](#) North Devon Landscape Pioneer EINO59 1 2 3 4 5 6

[Appendix 10](#) Managing Ecosystem Services Evidence Review (MESER) EINO60 4

[Appendix 11](#) Microeconomic Evidence for the Benefits of Investment in the Environment 2 (MEBIE2) EINO61 5



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