



UNIVERSITY OF
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Department of Land Economy

Local governance of natural capital

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Vira

Delivering the Blueprint for a Green Economy, 30 years on

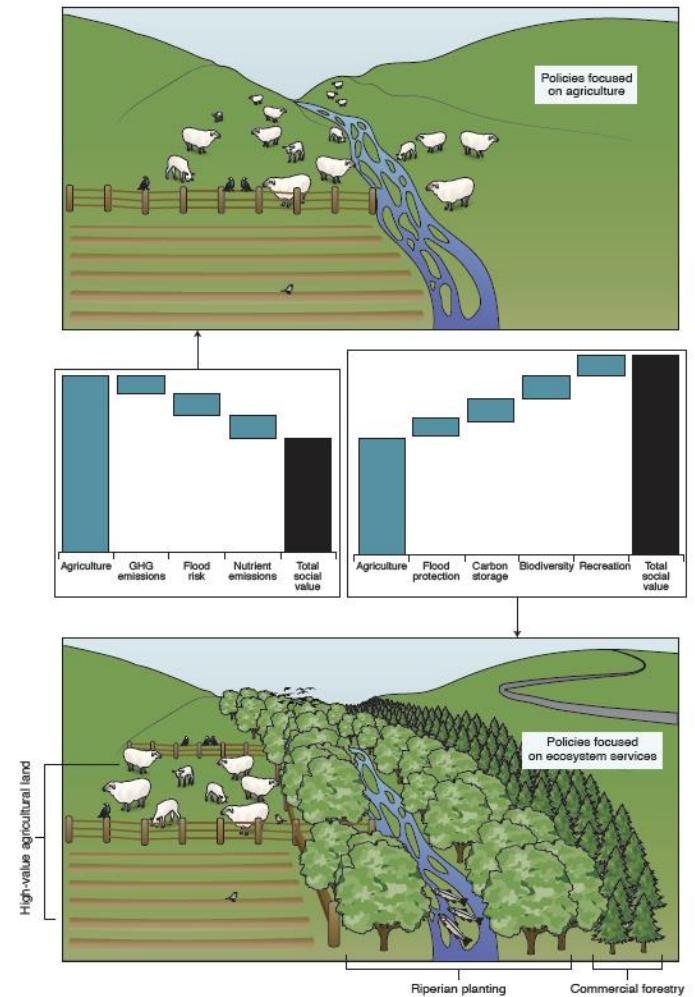
OECD Cooperative Research Conference
19 October 2019

Local governance of natural capital

- The governance requirements for ecosystems
- The role for local institutions
- Local arrangements
 - Catchment system operator (CSO)
 - Local environmental governance organisation (LEGO)
- Required characteristics
- Imposition from above v. evolution from below
- Local partnerships in England
- The way forward

Focus on ecosystem services

- Interactions amongst ES
 - Coordinated management
- Spatial variation in values
 - Local decision making
- Uncertainty and ignorance
 - Adaptive approach
- Objective
 - Promote long term social value of ES



Organisations for local governance

- 25 Year Environment Plan: local areas to be ‘managed more as a system, with a ‘system operator’ responsible for the strategic management of the natural capital in accordance with respective local plans’ (p. 140)
- Dieter Helm (2015): Catchment System Operator (CSO)
 - Parallels System Operator for energy sector - example: National Grid
- Local Environmental Governance Organisation (LEGO)
 - The social residual claimant (Dwyer and Hodge, 2016) – local ‘owner’ of an ecosystem, as a board of trustees

Characteristics of a CSO

- Considers full range of ES in its area
- Sufficient spatial coverage to internalise key systems linkages
- Able to effect changes in land and resource management through
 - Authority to regulate land use within its jurisdiction
 - Ability to act on its own behalf (e.g. through funding)
 - Relationships with key local stakeholders
- Democratic legitimacy and accountability: strong participatory element
- Collaboration with institutions/groups setting local agendas (Local Plans, Local Industrial Strategies)
- Subject to external regulation and audit

The roles of a system operator (SO)

- UK-wide system of environmental governance with individual local SOs acting within their spatially defined areas
- Produce Natural Capital Plan and set priorities
- Procure ES to sustainably maximise local (and national) economic, societal and environmental benefit (eg agri-environment, water management)
- Represents (and partners) range of stakeholders and collective interest of the community

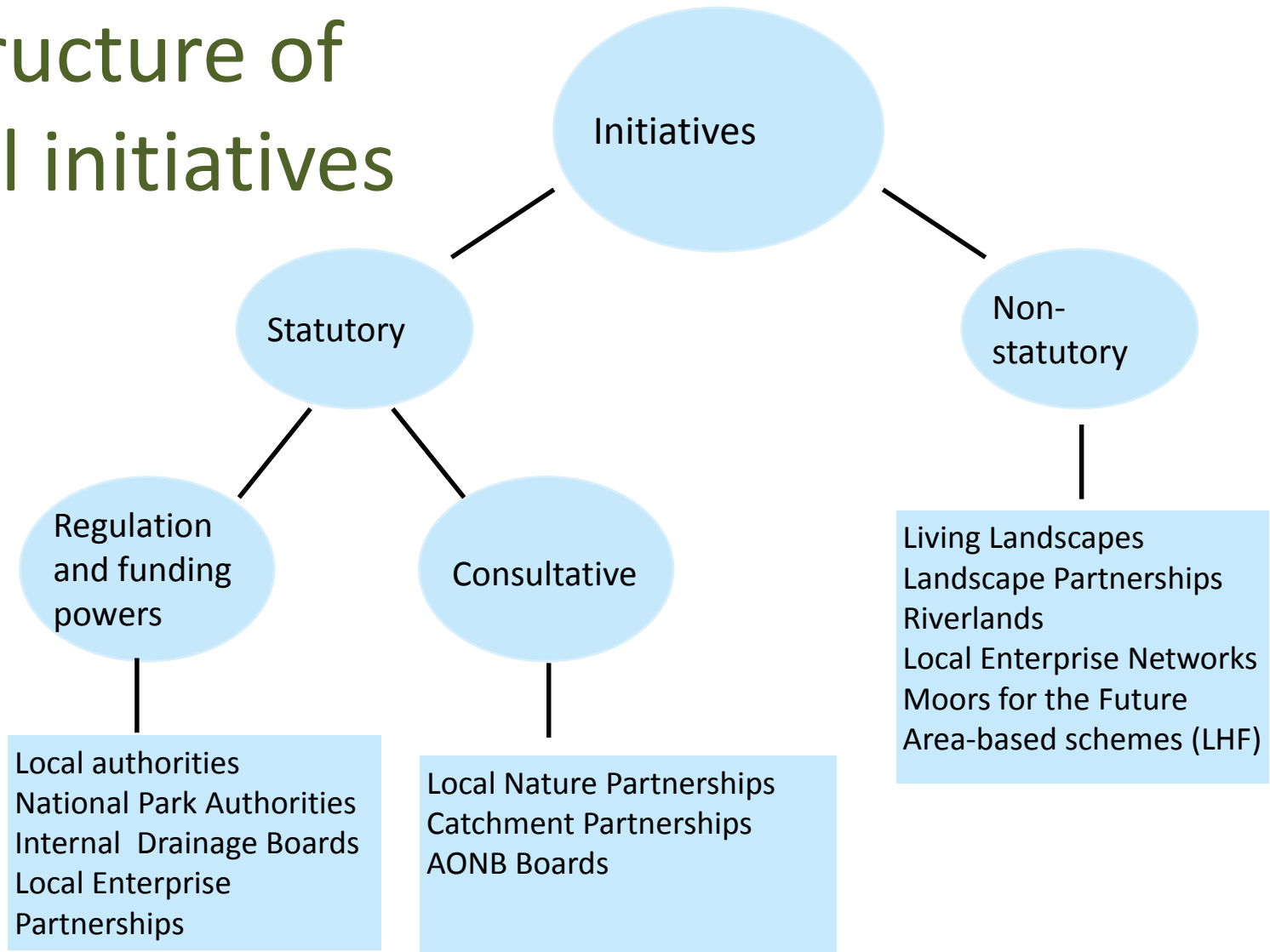
Developing a new system of local governance

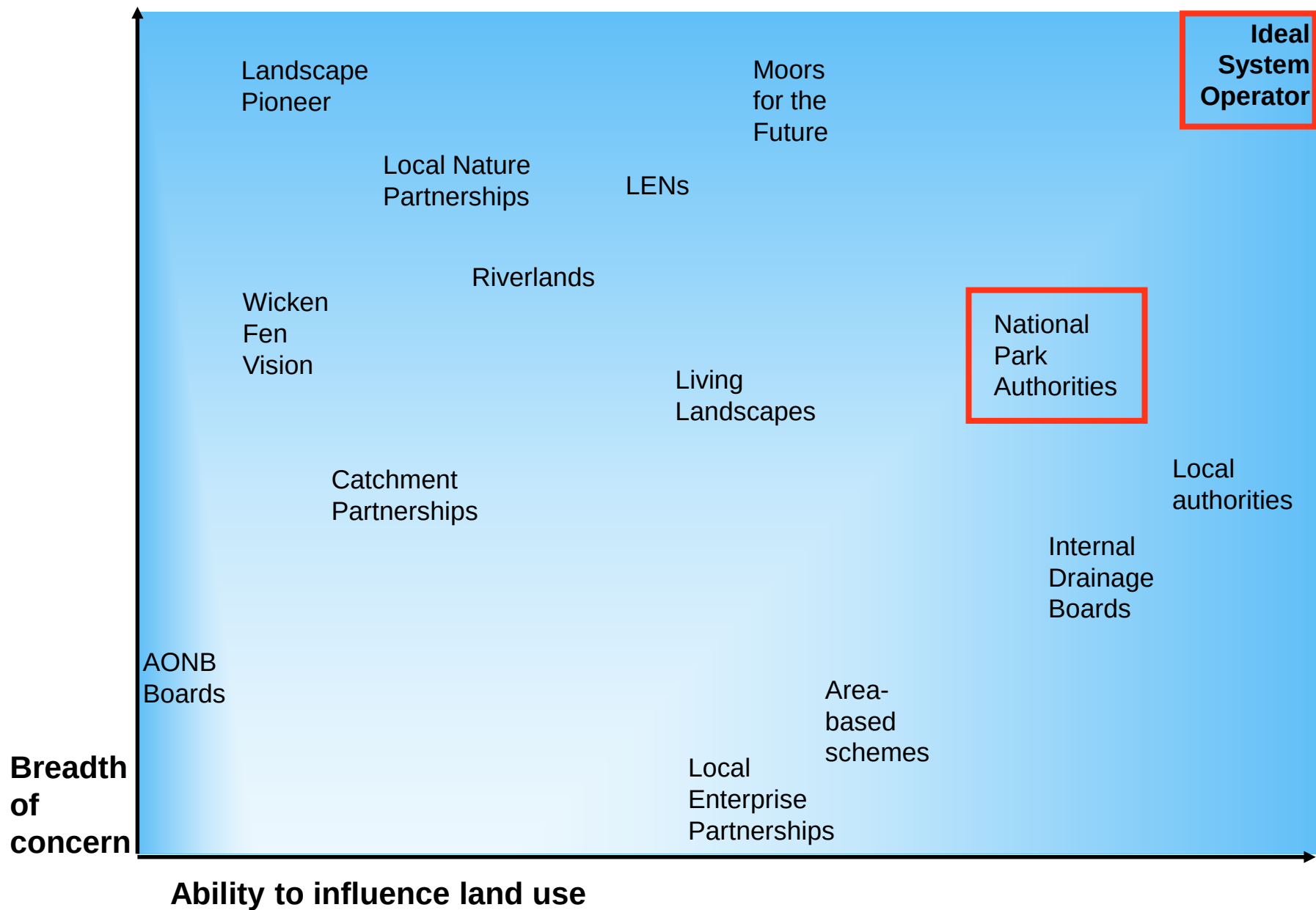
- National imposition of comprehensive set of new organisations
- Evolution from existing local government or partnerships

Local initiatives in practice

- Bottom-up approach → focus on initiatives with consistent **local** structure and responsibilities/activities (excludes national agencies)
- Initiatives on the ‘procurement side’ (demand) — not delivery bodies (supply)
- Promote co-ordinated management of ES within a defined local area
- Ecosystem services grouped into 4 categories
 - Public access
 - Biodiversity
 - Water-related: abstraction, flood defence, water quality ...
 - Carbon sequestration

Structure of local initiatives





Overview of initiatives

- Wide range of uncoordinated initiatives across different sectors
- Mostly consultative with uncertain influence
- Organisations with authority to act (local government, LEPs) lack remit for ES or capacity
- Organisations with relevant remit lack authority or resources (or wide ES coverage) (LNPs, catchment partnerships)
- Some local experimental initiatives (Moors for Future)
- Closest example: National Parks?

Matching organisations to local contexts

- Multiple types of SO depending on threats to and opportunities for natural capital?
- Cambridgeshire: key issues associated with new development → priority for planning authorities
- East Anglia: key issues associated with agri-business → priority for private sector
- Uplands: key issues associated with water → priority for catchment management
- Future research: explore potential regional types of SOs

The way forward

- The opportunity of Brexit
- Environmental land management system
 - Devolving (some) funding to local areas
 - Opening to all stakeholders
 - Funding for land or covenant purchase, support for research and mediation as well as environmental contracts
- Promote development of local organisations, eg building longer term landscape partnerships, merging and empowering organisations across ESs.

Conclusions

- A unique opportunity for a new direction
- Clear objective to support total social value of ecosystems in long term
- Funding decisions at scales that reflect incidence of benefits (and costs)
- Payments incentivise landholders to look for potential portfolios of services to supply
- Substantial institutional development required