



# Greater Manchester Developing local natural capital strategies



# Summary

Greater Manchester Combined Authority's role and priorities:

1. Setting direction, strategy and policies.
2. Setting investment priorities.
3. Supporting business case development.
4. Commissioning investment in projects.

# **1. Setting direction, strategy and policies**

# Greater Manchester

**2.8m people**  
**+240,000** since 2000



**1.3m working in GM**  
**+100,000** over next 10 years

**110,000** businesses



**Over 100,000 Higher Education Students**  
**at 5 HE Institutions**

## Gross Value Added



# Greater Manchester



# Greater Manchester Strategy

Let's make



1

Children starting school ready to learn



2

Young people equipped for life



3

Good jobs for people to progress and develop



4

A thriving economy in Greater Manchester



5

World-class connectivity

## Greater Manchester

one of the best



6

Safe, decent and affordable housing



7

A green city for all



8

Safe and strong communities



9

Healthy lives and quality care

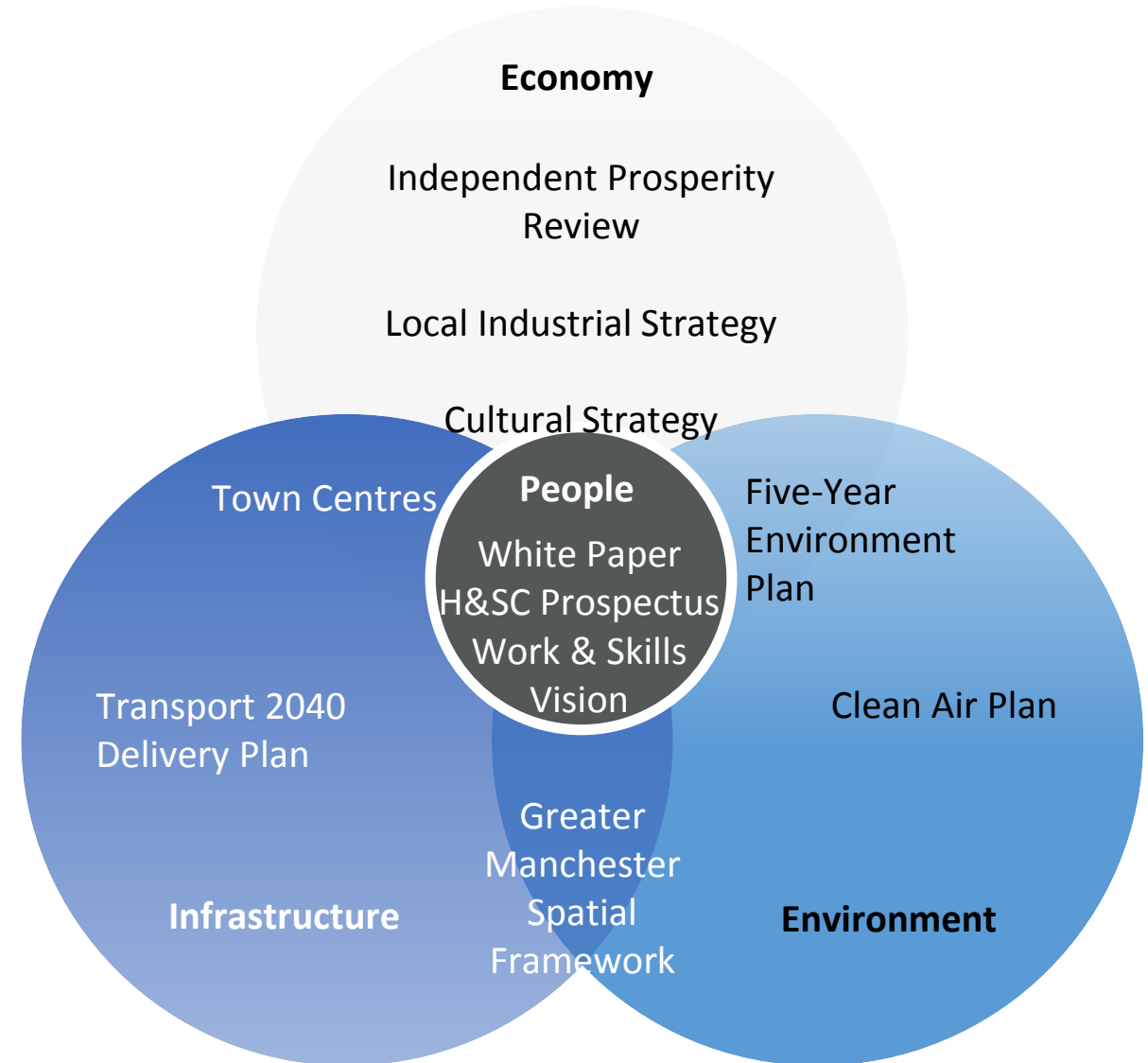


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An age-friendly Greater Manchester

## places in the world

# Future of Greater Manchester



# Greater Manchester 5 Year Environment Plan

5 environmental threats and challenges to Greater Manchester

Climate change – mitigation

Carbon neutral city region by 2038

Air Quality

Meet WHO guidelines and support UK govt in meeting and maintaining thresholds

Production and consumption of resources

Put us on a path to a circular economy and reach 65% recycling rate by 2035

Natural Environment

Protect, maintain and enhance, and take steps to achieve environmental net gain

Climate change – resilience and adaptation

Be prepared and adapt to future changes

3 opportunities in tackling them

People

Improve health and quality of life, increase productivity and reduce inequality

Places

Create vibrant and sustainable places and good quality homes

Economy

First mover advantage – increase prosperity and productivity



# 5 Year Environment Plan – Natural Environment Priorities

Priority 1:  
Managing our land sustainably

Priority 2:  
Managing our water and its  
environment sustainably

Priority 3:  
Achieving a net gain in biodiversity  
for new development

**Priority 4:  
Increasing investment into our  
natural environment**

Priority 5:  
Increasing our engagement with  
our natural environment

Key partners  
making  
commitments



# Developing the Evidence Base



£1bn - total annual benefit



£372m



£264m



£56m



£74m



£3m



£44m



£38m



£5m



£3m

£9bn – total value of **avoided healthcare costs** (over 60 yrs)



Preventing **370** hospital admissions, avoiding **1,200** life year's lost



Approx. **44,000** buildings receive noise mitigation



**135,000** people meet their physical activity guidelines, giving over **4,600** QALYs



## **2. Setting investment priorities**

# Natural Capital Investment Plan

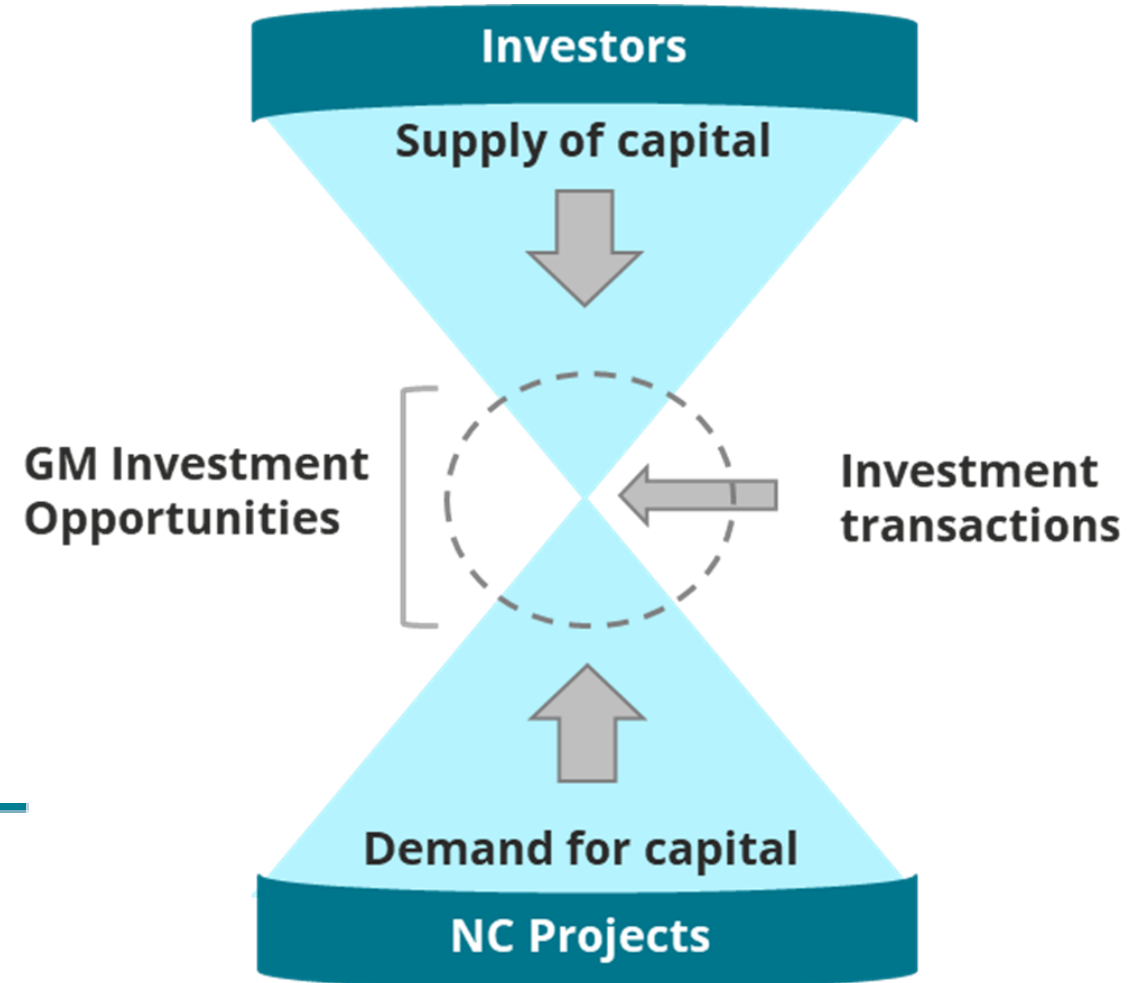
The investment plan aims to support the agreed vision of:

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



# The Context

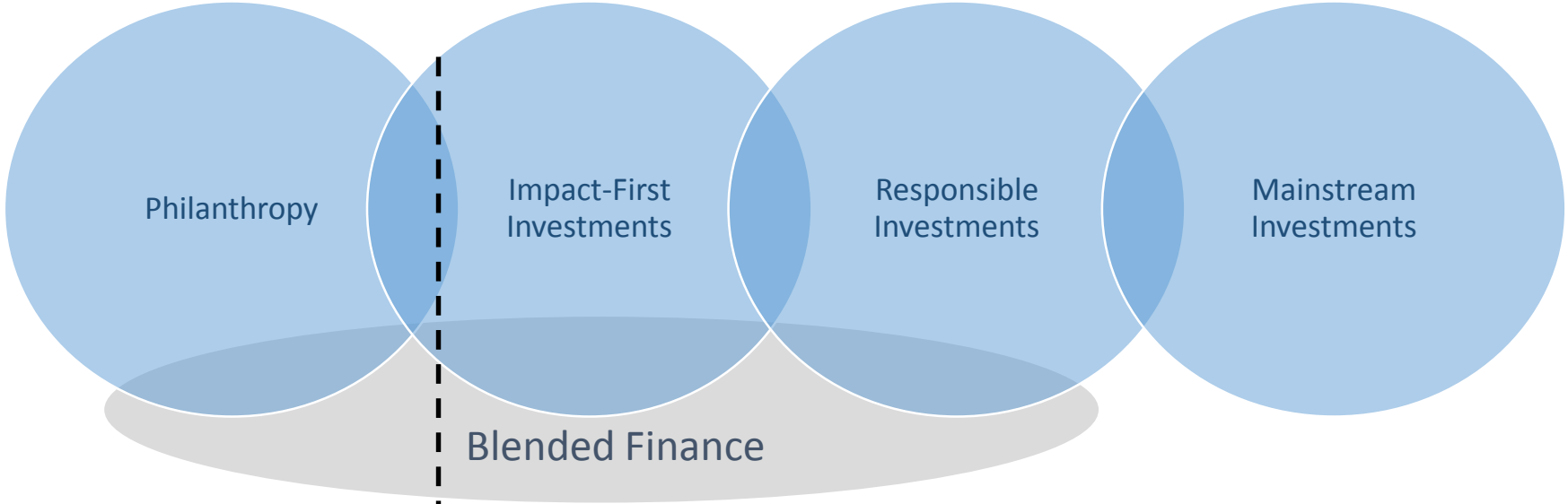
- Current natural capital funding draws on limited (mainly public sector) business models and financing strategies.
- GMCA commissioned a Natural Capital Investment Plan to identify opportunities to mobilise existing and new sources of funding into GM's natural capital.



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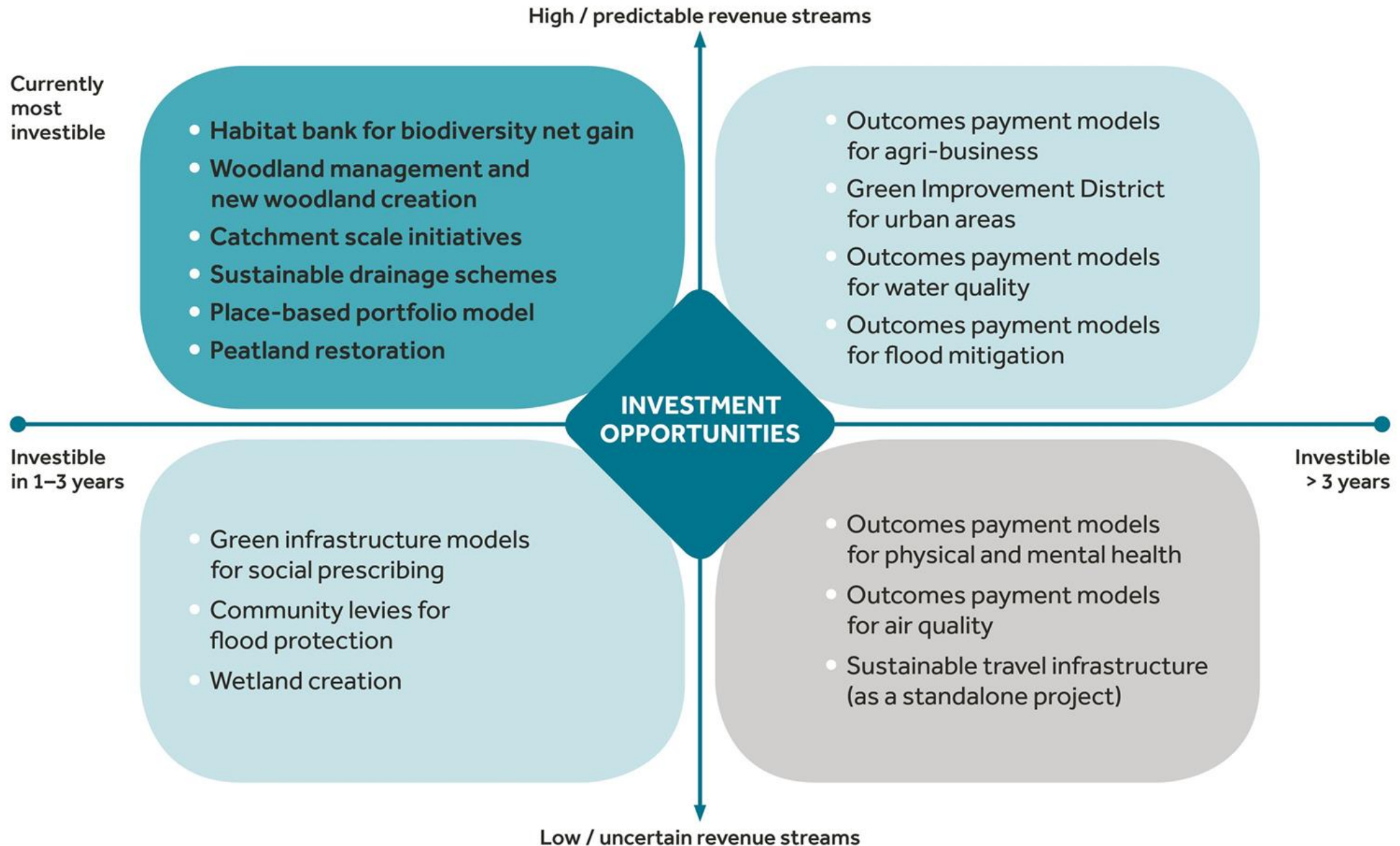
Greater Manchester  
Natural Capital Investment Plan

# Sources of capital in the natural capital investment market



<b>Business Model</b>	No business model / non-revenue generating activities	Unproven business model / unpredictable cash flow	Robust business model / revenue generating activities	
<b>Form of investment</b>	Grants	Equity	Concessionary debt	Commercial debt and equity
<b>Investors</b>	Trusts & Foundations, NGOs, Lottery Funds	Impact Investors, aligned corporates	Commercial Investors	

# Pipeline of Project Types



# Business Models

Selected on the basis of: maturity of business case, capacity to generate revenue and investment, level of local support and alignment with natural capital objectives:

**Place-Based Portfolio Models**, could be created by leasing green and blue infrastructure to a Trust which could then exploit new revenue opportunities.

**Habitat and Carbon Banking** sell credits from additional actions that increase biodiversity or stored carbon to organisations to compensate for their unavoidable impacts.

**Sustainable Drainage Systems (SuDS)** have an established revenue mechanism, through a reduced water company drainage connection charge for developments.





# **3. Supporting the development of business cases**

# Providing technical support and assistance

- GMCA is developing proposals for an Investment Readiness Fund.
- Taking projects from concept to being investment ready.
- Business models may exist – but business case for investment in particular project or programme needs to be made.

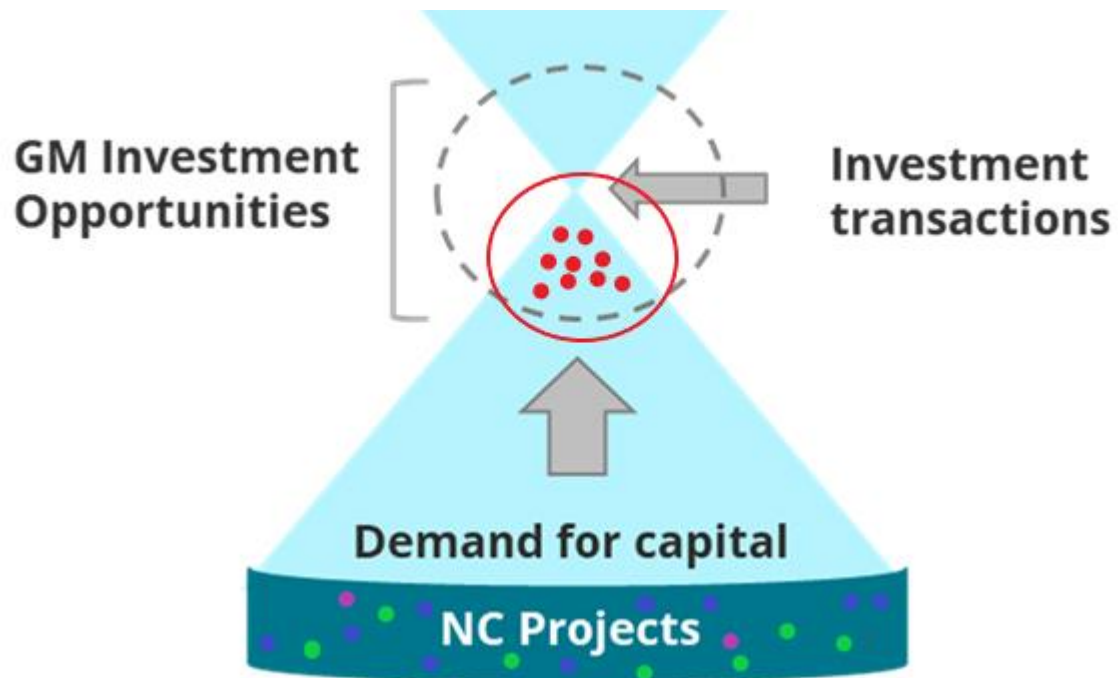


## Key milestones for developing an Investment Readiness Fund

- Understanding potential project (demand) and investor (supply) requirements.
- Design of fund.
- Decision on whether to implement fund and how.
- Investment and provision of technical assistance to potential projects.

# IGNITION – Developing a business case for SuDS

By summer 2020 – developing a business case for investment in a package of publicly owned sites suitable for SuDS.



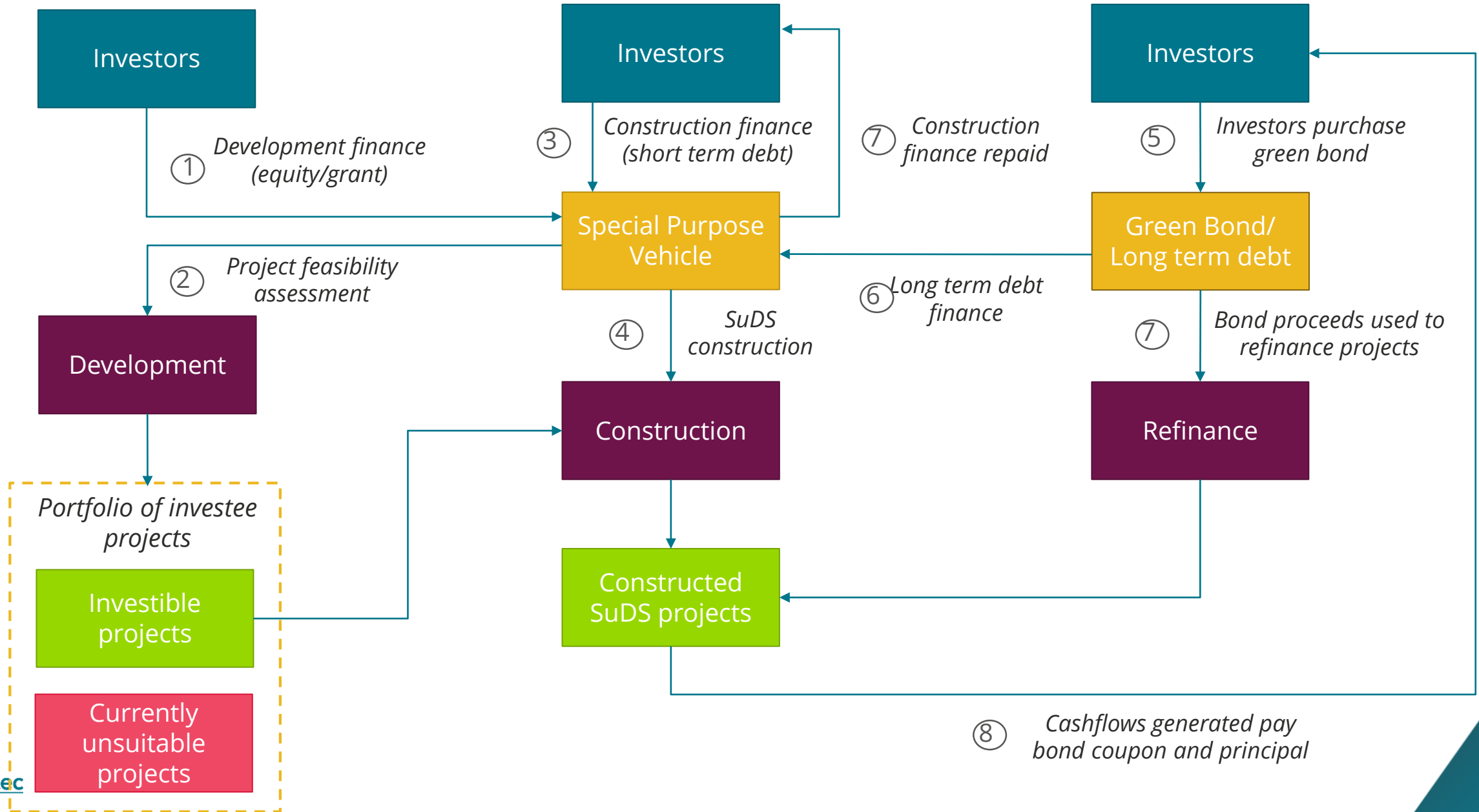
European Union  
European Regional  
Development Fund



## Development phase

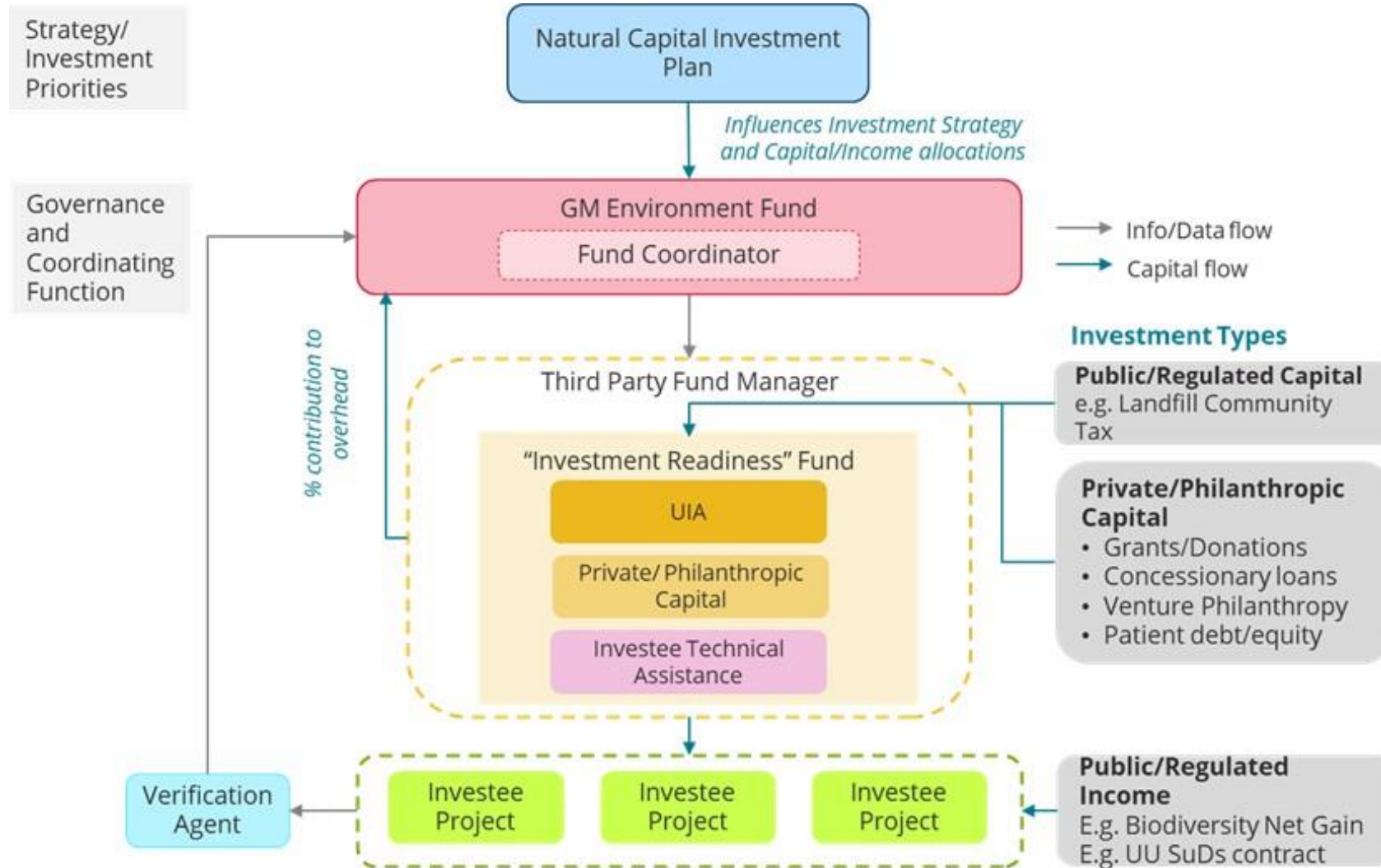
## Construction phase

## Operational phase



## **4. Commissioning investment**

# Potential Investment Delivery Structure



# Thank you

For more information:

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- <https://naturegreatermanchester.co.uk/project/greater-manchester-natural-capital-investment-plan/>
- <http://ontheplatform.org.uk/>
- <https://www.greatermanchester-ca.gov.uk/what-we-do/environment/>
- <https://naturalcourse.co.uk/>



**European Union**  
European Regional  
Development Fund

