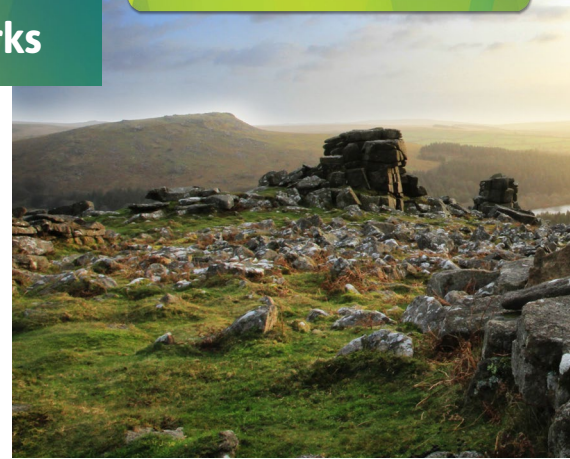


# Local Natural Capital Accounting: does it deliver useful management information?

## A case study of Dartmoor and Exmoor National Parks

This briefing note sets out a series of recommendations to address some of the key barriers hindering the practical application of Natural Capital Accounting at a subnational scale. It draws on the conclusions from a Natural Capital Accounting project developed with two UK National Parks (Dartmoor and Exmoor National Parks) and is linked to the findings in the full report - [Local Natural Capital Accounting: does it deliver useful management information? A case study of Dartmoor and Exmoor National Parks, June 2020](#). This work was undertaken as part of the NERC-funded [SWEEP](#) programme (South West Partnership for Environmental and Economic Prosperity)<sup>1</sup>.



### Who should read this?

- National, regional and local government policy makers – to inform better guidance, policy and support around delivering Natural Capital approaches and Natural Capital Accounts specifically.
- Other National Parks, public bodies such as Natural England and the Environment Agency, charities, trusts and any other organisation with an environmental remit - to benefit from this experience before undertaking their own Natural Capital Accounting process.

### What is this about, and why is it important?

The UK's National Parks have been encouraged to develop Natural Capital Accounts as part of the [Glover's Landscapes review: National Parks and AONBs](#) and by the government's own Natural Capital Committee. This is in support of the UK government's 25 Year Environment Plan ambition that 'the UK intends to use a natural capital approach' to enable local decision makers to be 'equipped with the tools they need to assess the benefits that come from their land and water assets so they can use them most effectively'.

Despite the existence of international guidance (the [System of Environmental-Economic Accounting, SEEA](#)) and national recommendations (the ONS/ Defra [Principles of Natural Capital Accounting](#)), specific guidance is not available for developing Natural Capital Accounts at a subnational scale; something acknowledged in the [Enabling a Natural Capital Approach \(ENCA\): Guidance report](#) and in the 2019 [Sixth Natural Capital Committee report](#).

In this context, a question of key concern is whether large-scale approaches are appropriate at a smaller scale, where issues such as local variation in the delivery of ecosystem services and gaps in data require multiple assumptions to build accounts.

In response, the SWEEP project critically assessed the challenges in the development of Natural Capital Accounts at subnational scale, outlining the merits and limitations of existing approaches and drawing lessons learnt to inform ongoing discussions. To explore these issues, the project developed a set of Natural Capital Accounts for Dartmoor National Park Authority and Exmoor National Park Authority in the South West of England.

*"This was a really useful piece of work bringing together academic expertise and specialist staff at the National Parks. We entered into this process to develop a robust natural capital account for the National Park, we hope the learning from this Project can be shared to improve the tools available and ensure a consistent approach."*

**Ally Kohler, Director of Conservation and Communities, Dartmoor National Park**

*"The SWEEP project delivered a rigorous and robust assessment of natural capital accounting in the National Park. With an expectation that the natural capital approach will form the basis of our future planning and decision-making, I feel it's very important we feedback the learning to Government in order to improve the processes and tools."*

**Clare Reid, Head of Strategy and Performance, Exmoor National Park**

## Recommendations for action

The following recommendations, produced as part of the project, offer an opportunity for the development and improved effectiveness of Natural Capital Accounting as a management tool, both generally, but specifically for environmental organisations such as National Parks, operating at a subnational scale.

- 1. Building greater understanding of Natural Capital Accounting** - especially among environmental organisations, about what a Natural Capital Account is (a snapshot of the situation in time) and what it is not (a general project appraisal tool). Making this distinction (as highlighted in the ENCA guidance) is important to ensure that the right tool is used to answer the right question.

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- 2. Developing specific step-by-step, tailored Natural Capital Accounting guidance** - as urged by the Natural Capital Committee in their 2019 report, to ensure that consistent, robust and comparable approaches are used in the development of Natural Capital Accounts at subnational scales.

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- 3. Creating new Natural Capital Accounting tools** - public money needs to be invested in the design and development of publicly available tools, tailored for non-specialists, to support the development of Natural Capital Accounts where interdisciplinary knowledge, technical and analytical skills are not available in-house.

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- 4. More routine collection of locally-specific, easily accessible, data** - to ensure greater consistency and reliability in the quantification of changes in natural capital asset extent and condition, ecosystem services' flows, and their changing value over time. A good example for achieving this are the SWEEP habitat mapping [tools](#).

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- 5. Greater access to knowledge on the ecological condition of natural assets, upon which the provision of ecosystem services depends** - to enable a better understanding of the links between the two, and a more accurate quantification of the flow of ecosystem services.

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- 6. Greater consideration of the rate of extraction and/or use (and state) of natural assets over time** - to enable a more accurate representation of the flow of ecosystem services at any given point and inform sustainable management decisions.

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- 7. Improving the quantification and valuation of some ecosystem services** - through further research and development in the field of natural sciences and economic valuation methods, to ensure that public goods, such as biodiversity, flood protection, cultural heritage and landscape values, can be suitably represented in Natural Capital Accounts. Despite tools such as [NEVO](#), very little such information is publicly available through datasets, which represents a major data gap.

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- 8. Greater inclusion of spatial aspects of natural assets in Natural Capital Accounting guidance** - for example the location of natural capital, as this directly impacts the flow of ecosystem goods and services and its value to people. This will improve the accuracy and usefulness of the Natural Capital Accounting method and help to inform spatial planning decisions.

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- 9. More accurate representation of costs for the maintenance and management of natural capital stocks** - in Natural Capital Accounts, to ensure costs can be compared with benefits on a consistent basis. This aligns with recommendations in the ENCA report.

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- 10. Clearer communication of uncertainties** - such as data gaps and limitations in available methodologies, when reporting Natural Capital Accounting results, to ensure an accurate interpretation and increased transparency. This could be achieved, for example, through the use of a simple traffic light system indicating levels of certainty.

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