



**JBA consulting**

**Defra supported PES pilot project  
Canal & River Trust**

**Practical Experiences with PES**  
Town Hall, Manchester  
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## Overview

- Objectives of the project
- Background & context
- Method
- Case Studies
- Overall findings
- Lessons & legacy

## Objectives of the project

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- Investigate the potential for development of PES mechanisms relating to Ecosystem Services provided by the Trust's inland waterways
  - Improve understanding of the current value & scope of the ES (habitat, water quality, water resources & recreation) provided
  - Examine how a PES scheme could deliver improvements to ES in future
  - Identify & evaluate current & future beneficiaries & demand for these ES
  - Evaluate existing & new potential payment mechanisms
  - Evaluate communication methods to raise awareness amongst beneficiaries
  - Examine the feasibility of establishing a PES scheme across the wider canal & river network
  - Test whether charitable status for public services assists in the establishment & sustainability of the PES approach.

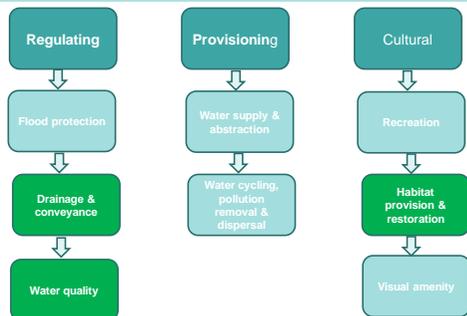
## Background & context

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- Project commenced October 2012; final report currently being finalised
- Project partners - Canal & River Trust (100% in kind support), JBA Consulting, Penny Anderson Associates (plus MSc student)
- Project Board - Canal & River Trust, Defra, Environment Agency, Natural England, Leeds City Region LEP, Aire Rivers Trust
- Canal & River Trust established as charitable trust in 2012 – taken over responsibilities of previous British Waterways.
- Building on Jacob's research – Valuing the benefits of inland waterways
  - ES provided: recreation, land drainage, flood protection, water supply, waste disposal, energy generation, carbon storage, heritage preservation & nature conservation. Valued at £500m
- This pilot study concerned with investigating potential PES mechanisms to support Trust activities in maintaining & enhancing ES

## Relevant Ecosystem Services

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## Method

### Method – 3 stages

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- 1) Desk based review of ES/PES literature including other research, best practice examples, guidance & information from 1st Round Pilot Studies (September - December 2012)
- 2) Pilot study along the Leeds-Liverpool Canal/Aire & Calder Navigation consisting of the following (January - June 2013)
  - Development of approach & identification of case studies
  - Individual case study investigation
  - Identification of potential PES mechanisms & stakeholder consultation
- 3) Development of recommendations for future development of PES on inland waterways (July - September 2013)

### Case Study Pilot Area – Leeds-Liverpool Canal/Aire & Calder Navigation

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## Case Studies

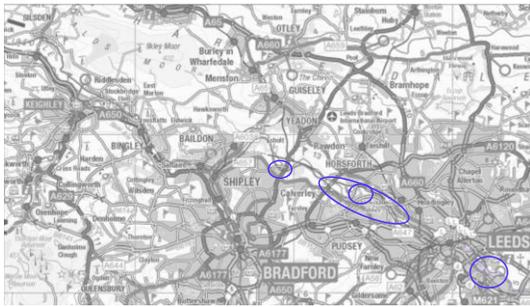
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### Identification of Case Study Locations

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- Initially intended to study full length of canal from Leeds City Centre to rural Silsden, but would require excessive resources, agreed 4 locations would highlight key issues & be replicable elsewhere
- Final locations selected:
  - **Apperley Bridge**: multiple ES in one location, varied environmental issues, investigated beneficiary attitudes and willingness to pay
  - **Leeds-Liverpool Canal SSSI**: habitat related ES & potential for improvement, investigated potential impact of 3rd party land management practices.
  - **Pollard Lane**: visual amenity example, investigated influence of canal on property premiums beyond the immediate waterfront
  - **Knostrop Cut**: recreational & visual amenity example, investigated potential for obtaining funding through planning instruments. (Aire & Calder)

Case Study locations



Case study approach



- The case studies focused on addressing the following key questions:
  - What ES does the Leeds-Liverpool Canal provide, supported by the activities of the Trust?
  - How much do these activities cost the Trust?
  - Who is currently paying for them?
  - Who is benefiting from the ES & the Trust's role in supporting them?
  - Are these beneficiaries willing to pay for the ES provided by the canal?
  - What mechanisms could be used to obtain payment?
  - How are the proposed PES mechanisms best communicated to stakeholders?

Apperley Bridge



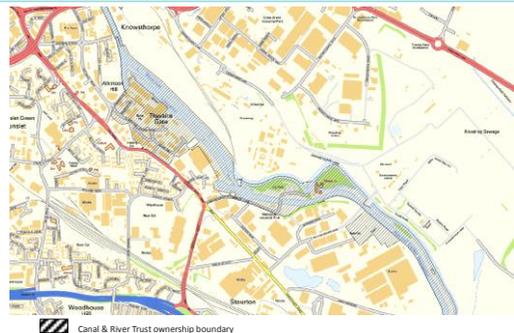
Leeds-Liverpool Canal SSSI



Pollard Lane



Knostrop Cut





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## Overall conclusions

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- Most suitable PES mechanisms for inland waterways:
    - S.106 & CIL, agri-environment schemes, catchment management funding
  - Impact of change to charitable trust
    - Broad objects make it difficult to assess additionality, but increased opportunities to secure funding
  - Mechanisms identified may be more 'PES-like' than true PES
    - Defra Best Practice Guide suggests few existing schemes fulfil all PES principles & still provide potential additional income for the Trust
  - Recognition that ES generated in bundles & can potentially conflict e.g. recreation v water quality
  - Communicating EA & PES – difficult to engage local stakeholders
  - Willingness to pay – generally low if no additional incentive
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## Lessons & legacy

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## Lessons & legacy



- Raised awareness within the Trust of potential sources of additional income
  - Trust keen to capitalise upon conventional mechanisms (e.g. planning instruments) before investigating more innovative approaches
  - Recommendations for Trust
    - Engage with LPAs to maximise potential funding via planning instruments
    - Develop baseline to obtain a clear assessment of current ES provision
    - Additional research to investigate potential funding opportunities via agri-environment, catchment management & potential unexpected effects
  - Observations for Defra
    - Continued work aligning environmental stewardship with PES welcomed
    - Provide balance in promotion of tried & tested v innovative approaches
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## Contact details

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