

DORSET'S 'ENVIRONMENTAL ECONOMY'

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THE TASK

Valuing Dorset's environment

Assessing impact of
Jurassic Coast World Heritage Site and
Dorset *AONB*

Capturing future value of natural assets

THE APPROACH

ACCOUNTS
FRAMEWORK

SECTOR
FRAMEWORK

VALUES
FRAMEWORK

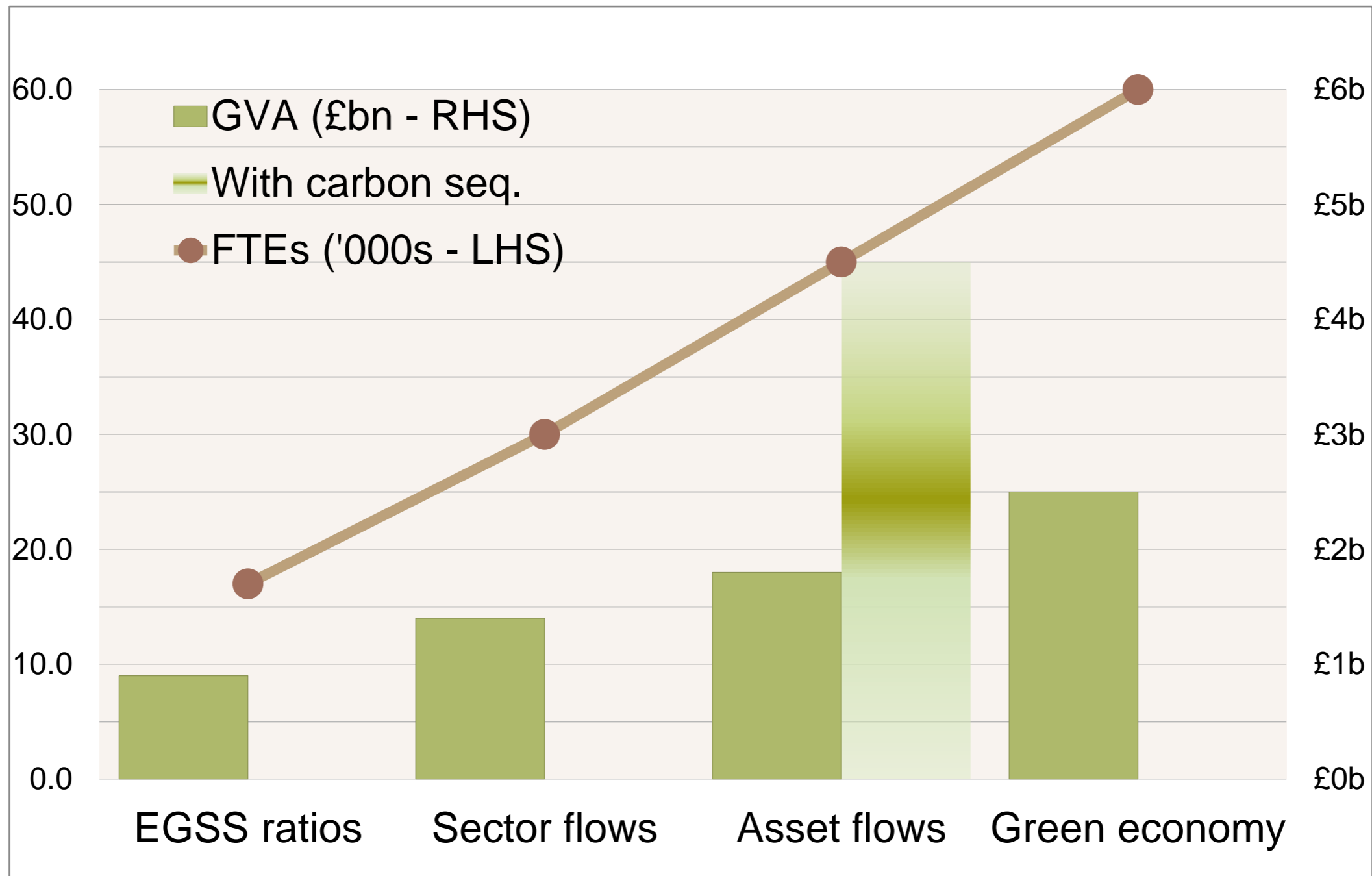
ASSET FLOWS

SECTOR
FLOWS

EGSS
GREEN
ECONOMY



CONTRIBUTION TO DORSET'S GVA AND JOBS



CENTRAL ESTIMATE

The natural environment:

- contributes £1.5 billion GVA per year
- supports 30,000 jobs
- constitutes 8-10% of output & jobs

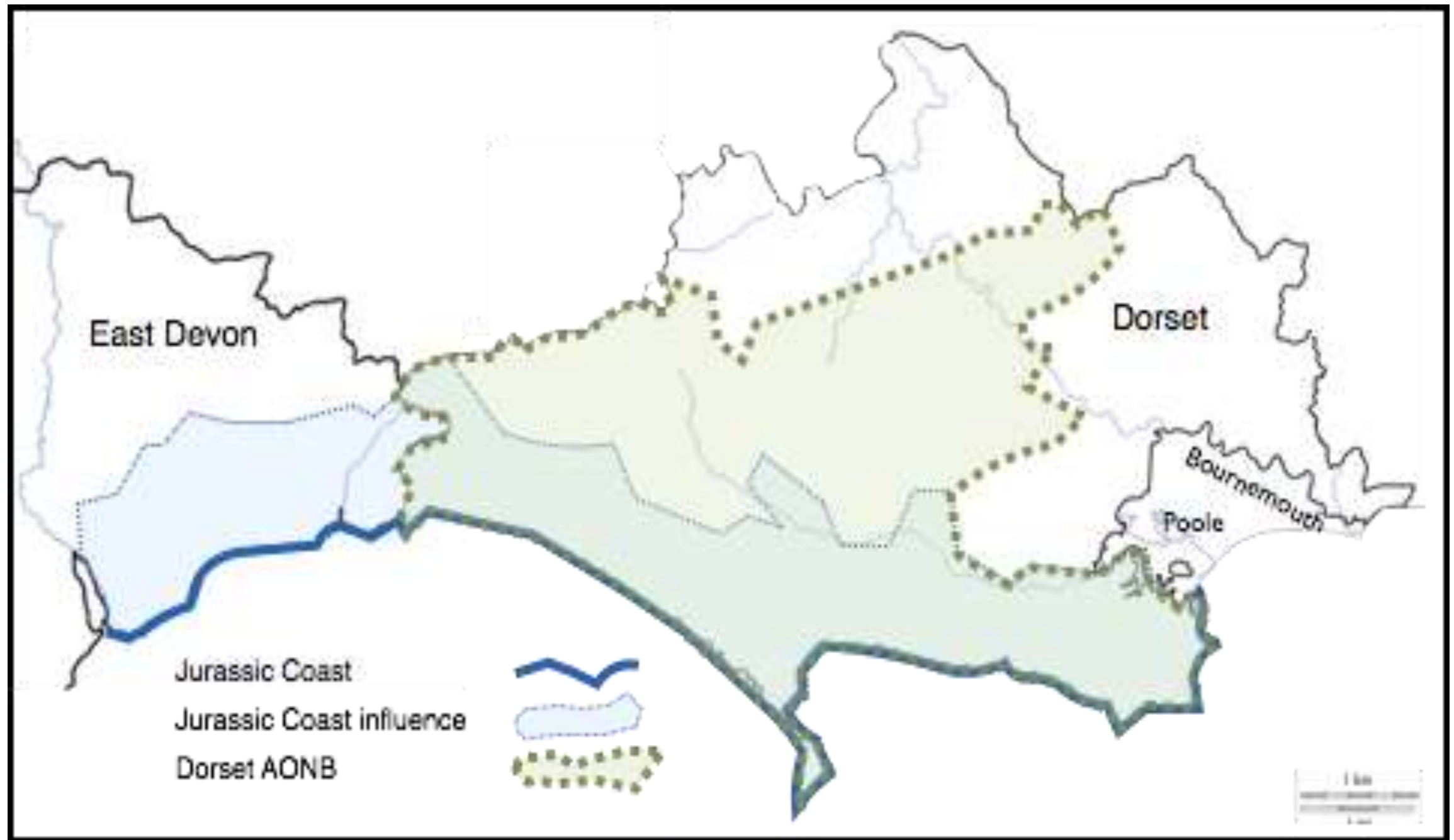
“under all approaches, the net local benefit of Dorset’s Environmental Economy is significant, substantial and profound.”

INTRINSIC VALUE OF ENVIRONMENT - RESIDENTS

- 63% - 'very important or crucial' for decision to live in Dorset
- Residents willing to pay £3.57 per visit or £34 per year
- Residents spend £6.08 on each visit to coast or countryside
- 90% of residents believe it gives a house price premium – of more than 10%



IMPACT ASSESSMENTS OF DESIGNATED AREAS



APPROACH TO VALUATION

- Estimate all economic activity in the defined area
- Estimate activity in the environmental economy
- Illustrate the economic activity associated with natural assets
- Illustrate the value of the designation



DORSET AONB

Dorset AONB influences:

about £65 m of economic output per year; equivalent to about 1,200 jobs

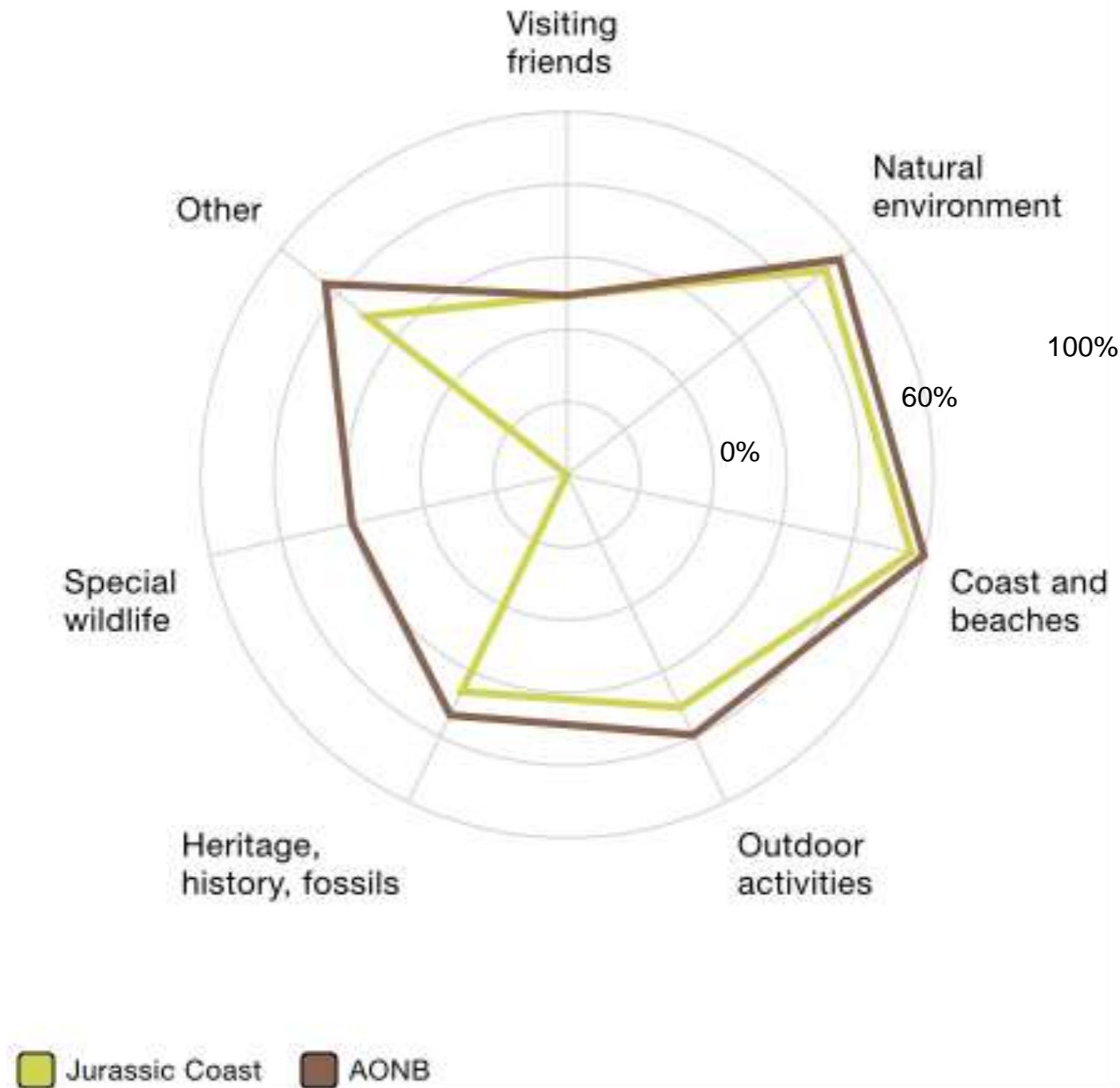
JURASSIC COAST WHS

Jurassic Coast **WHS** influences:

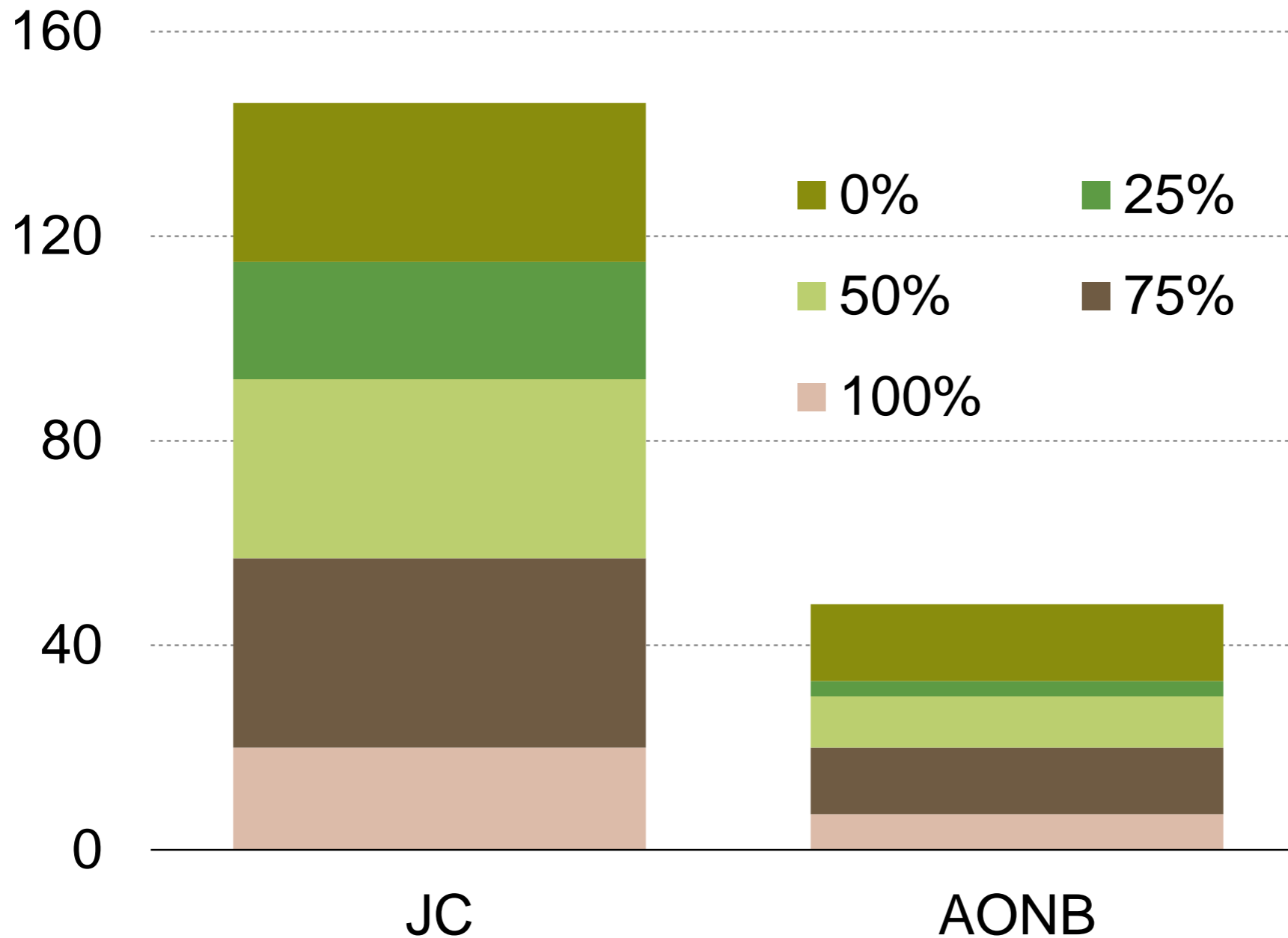
about £111 m of economic output per year; equivalent to about 2,000 jobs



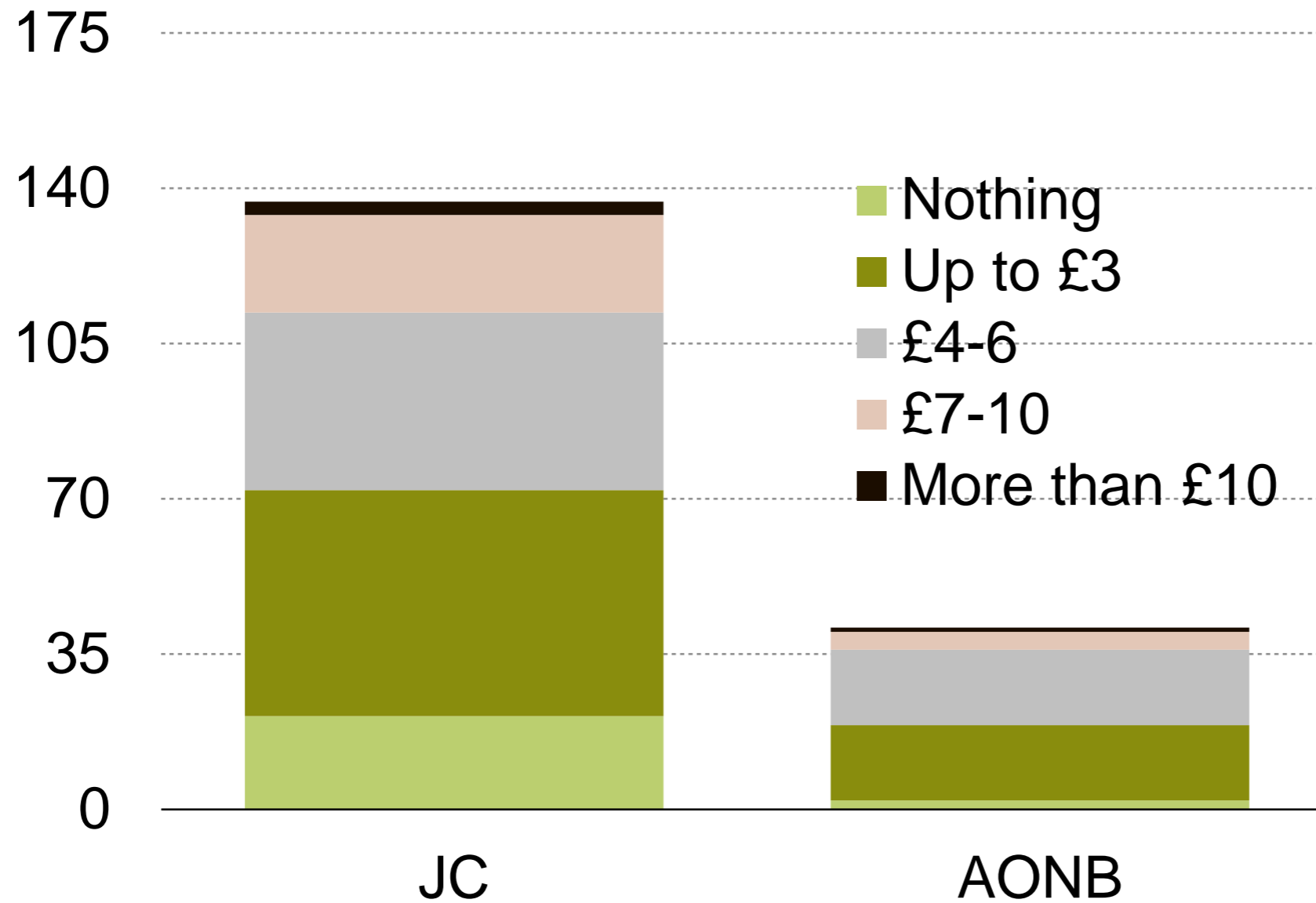
DORSET'S ENVIRONMENT DRIVES VISITS



Most visitors aware of designations. Designations influence decision to visit



Willingness to pay - £4.33 per visit (similar to studies elsewhere)



VALUING NATURAL ASSETS: ISSUES

- Monetary value
- Capturing value
- Markets and prices - commodification?
- Ownership & distribution
- Payment mechanisms



MECHANISMS

- Paying for access
- Paying for ecosystem services
- Paying for the benefits of nature
- Public sector support
- Support from the public
- Creating markets for 'green' goods and services



OVERALL



DORSET'S ENVIRONMENTAL ECONOMY

- Significant for output and jobs
- Underpins other sectors
- Needs support - like other sectors
- Wider value – residents and businesses
- Asset value increasing over time



DORSET'S ENVIRONMENTAL ECONOMY

- Is dispersed - harder to 'fund'
- Need to factor in the value of nature
- Major risk factors with inaction
- New thinking needed
- EGSS growing relatively fast



IMPACT

Report publication has:

- Challenged accepted wisdom
- Changed the terms of the debate
- Opened new dialogues between environmental and economic partners



FOLLOW-UP

Dorset LNP's 'Natural Capital Investment Strategy':

Development/projects should:

- Quantify impacts on natural capital
- Deliver net gains
- Integrate social, economic & environmental



FOLLOW-UP

- ‘Environmental Economy’ report – provided the evidence base
- Dorset LNP ‘Natural Capital Investment Strategy’ – represents the ‘ask’ of economic partners
- Ongoing dialogue with Dorset LEP to explore ways of accounting for natural capital in its investment and assurance frameworks

