



Ref CPD/004/120/079

## 1 Introduction

- 1.1 Her Majesty's Government (HMG) responded to the Thames Estuary 2050 Growth Commission<sup>1</sup> in March 2019<sup>2</sup>, outlining several new commitments to ensure growth and development in the Thames Estuary.
- 1.2 As part of that response, HMG announced its support for a natural capital analysis in the Thames Estuary, to assess the options to maximise the socio-economic and cultural value of the area's natural assets.
- 1.3 This project marks the next stage in HMG's work and aims to build on existing research to better understand the area's natural environment.
- 1.4 The contracting authority for this work is the Ministry of Housing, Communities and Local Government (MHCLG).

## 2 Background

- 2.1 The independent Thames Estuary 2050 Growth Commission published its report in June 2018, outlining its vision for the area up to 2050, covering east London, south Essex and north Kent. The Commission's report included a number of recommendations covering a dynamic mix of housing, infrastructure, the environment and skills. In particular, a recommendation was made to establish a Great Thames Park to celebrate and maximise the value of the area's natural assets.
- 2.2 On 25 March 2019, the former Secretary of State for Communities responded to the Thames Estuary 2050 Growth Commission report, outlining new commitments to ensure growth and development in the Thames Estuary. HMG endorsed the Commission's vision to create 1.3 million new jobs and generate an additional £190 billion Gross Value Added by 2050. As part of its commitment to make the Estuary a great place to live, work and do business, HMG has affirmed support for several place-making initiatives in order to develop the area's environment, skills base and key sectors.
- 2.3 At Autumn Budget 2018<sup>3</sup>, HMG announced that it is supporting a study to develop options and consult the local area on a Great Thames Park. In its full response to the Commission in March 2019, it was outlined that this forthcoming natural capital analysis will assess the options to maximise the socio-economic and cultural value of the area's natural assets, including creating a park for communities to enjoy.
- 2.4 The Estuary is home to important natural assets which must be preserved and enhanced alongside proposed new development. As such, this analysis exemplifies

<sup>1</sup> HM Government (June 2018) Thames Estuary 2050 Growth Commission report: 2050 vision. Available from: <https://www.gov.uk/government/publications/thames-estuary-2050-growth-commission-report>

<sup>2</sup> HM Government (March 2019) Thames Estuary 2050 Growth: government response to Commission. Available from: <https://www.gov.uk/government/publications/thames-estuary-2050-growth-government-response-to-commission>

<sup>3</sup> HM Government (October 2018) Budget 2018. Available from: <https://www.gov.uk/government/publications/budget-2018-documents/budget-2018>



one of the ways in which MHCLG aims to achieve green local growth and drive place-based inclusive growth across the country.

2.5 HMG underlined in its 25 Year Environment Plan<sup>4</sup> the importance in using a natural capital approach to give the environment its due regard as a natural asset to the overall economy. Indeed, HMG's Industrial Strategy<sup>5</sup> also highlights the aim to use this approach as a tool to help make key choices and long-term decisions.

### 3 Objectives

3.1 Undertake an analysis of the Thames Estuary's natural capital to assess and evaluate socio-economic value and have a better understanding of the area's environment.

3.2 Based on the findings of the analysis, work with MHCLG and local partners to produce effective recommendations, on how best to achieve net gains in the area's natural capital. This should include consideration of a Great Thames Park.

3.3 Engage with local stakeholders across east London, south Essex and north Kent, to support the analysis as well as development of recommendations.

3.4 Present the analysis and key recommendations in a report.

### 4 Scope

4.1 A maximum funding amount of £50,000 incl VAT (£41,666 plus VAT), is available for this contract. The objectives of this contract are separated into those that are core services, and those that are additional services. The supplier will be required to deliver on the following **core** objectives:

#### **4.2 Undertake an analysis of the Thames Estuary's natural capital to assess and evaluate socio-economic value and have a better understanding of the area's environment.**

- The analysis should include a baseline position of the various natural assets, in terms of quantity, state, and the flow of ecosystems services. This should include the area's water; natural capital assets that are already in place such as accessible green infrastructure; the plans and activities already in place pertaining to the environment; information about any other activities that could have a beneficial or adverse impact on the environment.
- In building the evidence base, the supplier should measure and analyse: the natural assets and the ecosystem services they provide and who benefits from them; the range of socio-economic benefits provided by the natural assets; the state/condition of natural assets in relation to the benefits derived from them.
- Identify environmental risks that could impact on growth and productivity along with known competitive advantage opportunities.
- The analysis can utilise existing research, including on natural capital assets that have already been identified but an assessment has not been made of their value.

<sup>4</sup> HM Government (January 2018) 25 Year Environment Plan. Available from:

<https://www.gov.uk/government/publications/25-year-environment-plan>

<sup>5</sup> HM Government (November 2017) Industrial Strategy: building a Britain fit for the future. Available from:

<https://www.gov.uk/government/publications/industrial-strategy-building-a-britain-fit-for-the-future>



**Sources to utilise include:**

<https://farrells.com/wp-content/uploads/2017/08/Thames-Gateway-Parklands-Vision-1.pdf>

<https://www.gov.uk/government/publications/thames-estuary-2050-growth-commission-report>

<https://www.london.gov.uk/what-we-do/environment/parks-green-spaces-and-biodiversity/green-infrastructure/natural-capital-account-london?source=vanityurl>

**4.3 Based on the findings of the analysis, work with MHCLG and local partners to produce effective recommendations, including of a Great Thames Park, on how best to achieve net gains in the area's natural capital. The successful supplier should consider:**

- Ways in which to protect and enhance biodiversity, habitats, and the supply, quality and management of water.
- The supplier should also consider how to maximise the cultural value of natural capital in the area to benefit the local communities.
- The evidence, the required inputs, including costs and options for financing, the expected benefits, and the beneficiaries.
- The feasibility of a Great Thames Park, as one of the options to consider through which to achieve net gains in natural capital.

The following objective is an **additional** service. Potential suppliers are requested to state in their bids if carrying out this additional service is feasible within the maximum funding amount of £50,000 incl VAT.

**4.4 Engage with local stakeholders across east London, south Essex and north Kent, to support the analysis as well as development of recommendations:**

- Obtain supporting information on the area's natural capital and activities or projects pertaining to them, for instance, through interviews.
- Explore the costs, benefits and feasibility of recommendations, for instance, through discussion in a workshop format.

**5 Deliverables/Outputs and Performance Measures**

**5.1 The expected deliverables for this contract are:**

- An assessment and understanding of the area's natural assets and respective socio-economic and cultural value.
- A clear, concise and robust, evidence-based selection of options to maximise the socio-economic and cultural value of the area's natural assets which reflects the input of stakeholders consulted with.
- A clear record of the information provided by local stakeholders.

**5.2 The outputs of this contract should be electronic and in a report format. Subject to payment of agreed fees for this work, HMG will have a royalty free licence to use the**



### Attachment 3 – Statement of Requirement

outputs and the data it contains for all reasonable purposes connected with the furtherance of the Thames Estuary programme and similar initiatives.

5.3 The outputs of this contract, including two draft reports, will be reviewed against key indicators:

- Timeliness: Producing two draft reports and the final report by the deadlines provided in Key Dates (see section 6).
- Budget: Producing the outputs within the allocated funding amount.
- Quality: Producing high-quality outputs, with minimal feedback required from the secretariat.

5.4 As part of HMG's response to the Thames Estuary Commission in March 2019, a commitment was made to establish a new Thames Estuary Growth Board. This is expected to be established by early 2020. This natural capital analysis and the recommendations to protect and enhance the Estuary's natural environment, will be considered by the Thames Estuary Growth Board for implementation.

## 6 Key Contract Dates

Contract milestones:

Work stage	Timescale
Successful supplier appointed	End October 2019
Inception meeting	Early November 2019 (exact date to be agreed)
Project Plan and Stakeholder Engagement Plan agreed	Within one week of inception meeting
First draft of report to be submitted	December 2019 (exact date to be agreed)
Second draft of report to be submitted	January 2020 (exact date to be agreed)
Final report to be submitted	January 2020 (exact date to be agreed)

## 7 Contract Management Arrangements

7.1 The Cities and Local Growth Unit within MHCLG, will provide the secretariat function for this contract in lieu of a growth board, which is still under development as per point 5.4.

7.2 The Contract Manager will be a member of the secretariat for this contract.

7.3 The location of the services will be carried out at the offices of the supplier. Any travel costs incurred by the supplier will need to be included within the maximum funding amount of £50,000 incl VAT.

7.4 Weekly meetings will be held either at the offices of the successful supplier, on conference calls or at the MHCLG's offices in London.



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7.5 The secretariat will be assisted by a cross-government working group comprising of colleagues from the Department for Environment, Food and Rural Affairs and its public bodies, including, Natural England and the Environment Agency, to review two draft iterations of the report and provide feedback to the supplier, prior to publication.

7.6 The secretariat should receive two draft iterations of the report prior to the final publication, timings of which are detailed within Key Dates (see section 6).

## 8 Glossary

8.1 As per the Natural Capital Committee's<sup>6</sup> definition, **natural capital** is defined in this specification as:

- The elements of nature that directly or indirectly produce value to people, including ecosystems, species, freshwater, land, minerals, the air and oceans, as well as natural processes and functions.
- Assets provided by nature which have the capacity to generate goods and services.

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<sup>6</sup> HM Government Natural Capital Committee, How to do it: a natural capital workbook. Available from: <https://www.gov.uk/government/groups/natural-capital-committee>