

REVIEW: Bathampton Meadows land transfer



For the Bath & North East Somerset Council

Summary Statement

eftec, 26 November 2020

1. Introduction

This is a summary of the review by eftec of the methods used in the Bathampton Meadows Business Plan (2020-2022) documents (v6 and v7) and accompanying workbook as part of a 'disposal of land at less than best consideration', developed by the National Trust for Bath & North East Somerset Council. This independent review focusses on the economic valuation methods used, robustness of the figures given the data available, and how the results are presented.

2. Key Points

In general, the methods are appropriate for the purpose of the work, and their application is sound and proportionate. They deal with a complex topic but are concise and well-referenced and logical to follow.

Understanding of scope:

- Defining the expected public benefits from the site under continuation of current management, future NT management, and potential sale of the land has uncertainties. This is because management by NT would be subject to stakeholder consultation, and the actions of developers cannot be precisely known.
- Business Plan outlines potential changes under NT management:
 - Free to access park and walking and cycling route
 - Deliver wellbeing outcomes through increased access to greenspace and recreation, leisure and active travel
 - Support volunteering and community involvement

Benefits coverage:

- The assessment has identified relevant social, environmental and economic benefits for an urban-edge greenspace of this type.
- Targets for biodiversity are clearly set, in line with the Trust's vision for the Meadows.

Methods applied:

Estimating annual values:

- The valuation makes use of data sources and unit values cited in Defra's Enabling a Natural Capital

Approach (ENCA). The general approach to benefit estimates is appropriate. However, physical measurements of the benefits could be better reported.

- Key uncertainties relate to the assumptions used to estimate recreation and physical health benefits. The expected increase in visitor numbers are based on the ORVal model – this may underestimate benefits due to the site’s proximity to the historic city of Bath, and may overestimate benefits if a greater proportion of visits are displaced from neighbouring sites. For the physical health values associated with recreation, the assumptions used are conservative.

Estimating asset value:

- The excel calculations follow HM Treasury Greenbook guidance: 60-year timeframe, discount rates for benefits. It is arguable that the data used to quantify the health benefits should have standard discount rates (rather than the alternative health discount rates) applied, but this is not material to the final figures.

Potential Improvements:

A more detailed assessment could involve:

- Laying out the land use of the area and habitats in more detail – but as noted above this is currently uncertain. This follows a Natural Capital Accounting approach, determining which assets are present, and subsequently which benefits are provided by the assets.
- Although work refers to using ENCA, ENCA is not a source for the methods and values applied. References within ENCA should be cited as ENCA is an evidence base.
- Confidence levels could be identified in the analysis, in particular what level of confidence the results have to support decision-making.
- Over the forward-looking timeframe, there could be more breakdown of the timing of benefits. E.g. woodlands can take 20-30 years or more to establish.
- Different recreation benefit scenarios could be investigated in the ORVal model. How best to approach this does depend on the initial assessment scope (i.e. current vs future).
- Presentation of results should provide key physical data (e.g. tonnes CO₂e sequestered) alongside £ values: this puts values in context and builds understanding of environmental impacts amongst decision-makers.
- A summaries should be made of issues that are potentially material, but which available methods are not able to value (those subject to qualitative assessment), and of issues that have been valued but found to have negligible value.
- Report focuses on the annual value of benefits (roughly £200k), however this should not be used to compare to the market value of the land. The asset value (i.e. present value over 60 years) should be compared to Bathampton Meadows market value.

3. Conclusion

- Can the analysis and results be used for their intended purpose?

Yes, the uncertainties identified do not alter the overall conclusion that the public benefits of the land under NT management will be significantly greater than its potential property market value.

- Do the results give a good assessment of the overall impacts of NT management of Bathampton Meadow?

Yes. See above.

- Are the tools and methods used the most appropriate for identifying the social and economic valuations for the transfer of Bathampton Meadows?

Yes. The analysis of benefits is appropriate. More certainty and data on the expected management of the land would be helpful, but is not possible at present.

- Are the figures identified robust given the information and data currently available?

Yes, in relation to the decision making they inform.

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