

MALVERN HILLS AONB JOINT ADVISORY COMMITTEE

5 APRIL 2019

AN ASSESSMENT OF THE ECONOMIC HEALTH BENEFITS OF PART OF THE MALVERN HILLS AREA OF OUTSTANDING NATURAL BEAUTY (AONB)

Recommendation

The Committee is recommended to:

- a) Note the study undertaken;**
- b) Comment on draft results;**
- c) Make suggestions as to how results/the final report could be best utilised with a view to engaging others in health-related work in the AONB; and**
- d) Await publication of a final report before quoting from the study.**

Background

1. Natural Capital can be defined as the stock or elements of nature that directly or indirectly produce value for people.¹ Ecosystem services are the benefits people obtain from ecosystems such as food, timber, aesthetic and recreational opportunities including related health benefits, climate, water quality and flood regulation. The effective management of Natural Capital is key to the Government's ambitions to improve the environment, with Natural Capital being mentioned more than 100 times in its new 25-year Environment Plan.
2. On Friday 17 November 2017 members of the JAC received a presentation from Oliver Holzinger (from the Consultancy for Environmental Economics and Policy - CEEP) on a Natural Capital Scoping Study for the AONB. The scoping study report can be found at: <https://bit.ly/2NNSZkh>. This report was a first step in developing a better understanding of the Natural Capital of the AONB, with a view to helping to engage others and to informing decision making within and between those organisations which influence the character and use of the AONB.
3. The human and economic costs associated with poor health and lifestyles are now only too clear. For example, Public Health England puts the annual costs of physical inactivity to the NHS Clinical Commissioning Groups at between £455 and £944 million annually (based on just 5 diseases and including no indirect costs). In 2009/10 the economic and social costs of mental health problems in England were estimated to be in the region of £105 billion (Centre for Mental Health, 2010).
4. It is increasingly recognised that high quality, accessible, green space plays an important role in fostering health and wellbeing by providing a setting for physical activity. A growing body of evidence also points to a causal relationship between greenspace and mental health. For example, a study conducted by Cohen-Cline et al

¹ Costanza 2008

(2015) shows that greater access to greenspace is associated with a lower incidence of depression.

5. The Malvern Hills themselves have long been associated with promoting health and wellbeing and it is certain that the area continues to play an important role in doing so today. However, until now no attempt has been made to quantify the significance of this role. As part of its ongoing work related to Natural Capital the AONB Partnership has recently commissioned an assessment of the economic health benefits of the Malvern Hills and Commons within the AONB.

6. NB This report has not been finalised at the time of writing so the following is based on draft work only. Committee members are asked not to use or quote from this JAC paper and to wait until a final report is available.

Summary

Aims and Objectives

7. The overall aim of the project was to assess the economic benefits derived from (part of) the Malvern Hills AONB in respect of people's health and wellbeing.
8. Specific objectives were as follows:
 - i. To calculate and monetise the physical health benefits derived from the land owned and managed by the Malvern Hills Trust in the AONB (the Malvern Hills and Commons);
 - ii. To calculate and monetise the mental health benefits derived from the same land;
 - iii. To clearly outline the methodologies and principles employed in calculating economic assessments used and to acknowledge any perceived or real weaknesses or shortcomings in the methodological approach, data etc.

Study Area

9. The study area was the Malvern Hills and Commons within the Malvern Hills AONB. This covers approximately 3000 acres of land owned and managed or under the jurisdiction of the Malvern Hills Trust.

Methodology

10. The study was carried out by an Environmental Economist (Oliver Holzinger from CEEP) and was based on the principles of Natural Capital Accounting which is a process for calculating the total flow of services in a given ecosystem or region. In light of the absence of accurate visitor count data for the Malvern Hills and Commons a benefit transfer approach was employed, whereby available information from studies already completed in another location and/or context was transferred to the study area. However, locally derived and up to date data collected from a 2018 visitor survey of the Malvern Hills and Commons was also utilised. The methodology employed and all associated assumptions and caveats can be found in the report itself. It should be stated here that the approach employed is experimental in nature.

Draft Results

11. A summary of the financial value of the physical and mental health benefits provided by the Malvern Hills and Commons is found in the table below.

12. Monetary Accounts	
Annual Natural Capital Value	<i>Central estimate</i>
Physical health benefit	£4,195,168
Mental health benefits	£1,623,790
Total	£5,818,958
Capitalised Natural Capital Value	<i>Central estimate</i>
Physical health benefit	£219,822,910
Mental health benefits	£85,085,109
Total	£304,908,018
Present values, 2018 prices; capital value discounted at 1.5% over 100 years.	

NB These figures should not be quoted at this time.

What happens next?

13. Central government has made it clear that it wants to create a more active society. It has also made it clear that it expects designated landscapes, including AONBs, to play a part in realising this ambition. The AONB Unit sees this economic assessment work as a means to an end rather than an end in itself.

14. The Malvern Hills AONB Unit is represented on the Malvern Hills District Health and Wellbeing Partnership. The author of the report will be presenting the findings of this work to this Partnership in May 2019. It is hoped that the study will provide something of a springboard for a greater engagement with this group and with health care professionals more generally. In particular, the results should be helpful in articulating the role of (this area of) the AONB in contributing to health and wellbeing. It is hoped that those in charge of health care budgets may give greater consideration to the role that the AONB can play in preventative healthcare intervention, though the Unit is under no illusion about how difficult it might be to bring this about.

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