

HM Government

## Natural Capital Committee

# Terms of Reference

March 2016

## 1. Background

The Government is establishing the Natural Capital Committee (NCC) for the duration of this Parliament (through to September 2020), to provide it with independent advice on protecting and improving natural capital. The Government's ambition is to improve the environment within a generation so that England has the best environment and is one of the most beautiful places in the world to live, to work and to bring up a family.

We are developing a 25 year environment plan to deliver this vision, to empower people, businesses and the third sector to protect and improve the environment, taking into account the use of data, tools, new technologies and techniques. Government has a large number of environmental data sets which others could utilise to achieve positive environmental outcomes.

The initial phase of the NCC concluded on 30<sup>th</sup> September 2015 and the Committee successfully met its Terms of Reference in full. It provided advice to Government on three main issues:

1. The unsustainable use of natural assets;
2. How action to protect and improve natural capital should be prioritised; and
3. Research priorities.

## 2. The role of the Committee

Over this Parliament, the Government requires advice from the NCC on the development and implementation of the 25 year plan, which the NCC itself recommended. The Committee, therefore, will move into a new phase of work to help inform the plan's development.

The new NCC will be vital in driving forward the next stage of natural capital work in England. This will include playing a key role in advising the Government on environmental assets at risk and ways of identifying priorities for improvement where the benefits are greatest, building on its work of the last three years. To do this the Committee will need to make use of appropriate knowledge, tools and techniques to ensure natural capital can be properly and consistently assessed, valued and accounted for in decision-making and economic planning. There should be a strong focus on embedding the use of open data,

tools and techniques to facilitate positive action on the environment across the country, and consideration of national (England wide) and local delivery.

The Committee will advise on the importance of natural capital to sustainable economic growth, health and wellbeing and identify potential actions that could be taken to boost these.

The Committee will continue working with the Government and the Office for National Statistics to develop national natural capital accounts and work with businesses to develop and apply corporate natural capital accounts, recognising that much of our natural capital is privately owned. It will consider the international dimensions of natural capital in formulating its advice where appropriate. The Committee will also advise the National Infrastructure Commission to ensure that 'green and blue infrastructure' is appropriately considered within wider infrastructure discussions.

The NCC will continue to report to the Economic Affairs (EA) Committee of the Cabinet.

Specifically, the Committee will:

Advise Government and its delivery bodies on the development and implementation of an integrated 25 year environment plan to protect and improve our natural capital; making use of appropriate knowledge and tools to identify priority assets for protection and improvement.

In doing so, it should have particular regard to:

- Advising Government on how national environmental priorities could be delivered in partnership with the private, public and third sectors – including local community endeavours.
- Providing practical advice to Government on how people and businesses can re-connect with nature.
- The development of suitable metrics to be used to track progress against the plan's objectives and benchmarking the English environment with the rest of the world;
- Advising Government on progress against the plan.

The Committee may:

- Produce and publish occasional reports to the Economic Affairs Committee;
- Provide responsive, ad-hoc advice if requested by the Secretary of State for the Environment on behalf of the Economic Affairs Committee;
- Provide advice to Ministers in confidence.

The Committee may not:

- Perform a watchdog or advocacy role with respect to Government policy;
- Be policy prescriptive in its advice or publicly comment on specific projects – unless requested by the Secretary of State for the Environment (or by the EA Committee via the Secretary of State); nor,
- Make decisions on classifications or statistical standards.

### **3. Committee set-up and structure**

The Committee will be set up as an ad-hoc independent advisory body to Government, comprising a Chair and members with expertise in the fields of economics, natural and social sciences, accounting, statistics, data, technical and both local and national delivery. Members of the Committee will be widely recognised as leading experts in their respective fields and have been appointed and perform on the basis of their professional background as opposed to representing any stakeholder interests. Members are expected to act in accord with the principles of public life.

The Committee will be supported in its work by a secretariat based in Defra. It may also set up expert working groups or rely on existing groups to take forward its work.