

Investigating Innovative Business Cases for Nature-Based Solutions

Building on the findings of the [Greater Manchester Natural Capital Investment Plan](#), the IGNITION project is focused on the research and development of possible 'Future Funding Streams' for nature-based solutions (NBS).

Over the past year the IGNITION team has worked to scope and explore potential business models for three different types of urban nature-based solutions.

The types of possible opportunities for Future Funding Streams have been informed by initial consultation with partners and information provided in the Natural Capital Investment Plan. The scoping process identifying a wide range of possible areas for investigation, from flooding reinsurance to urban agriculture.

Within the scope of IGNITION's focus on urban NBSs, three areas were selected for in-depth research and development:

1. SuDS - Co-investment in sustainable drainage systems (SuDS) for improved urban drainage and water quality
2. Parks - Parks Foundations, Trusts and small parks enterprises
3. Green roofs - Biosolar green roofs

Over the life of IGNITION, the remit of the work has been to explore and develop these areas to see whether high-level business models could be progressed.

Co-investment in SuDS

This Future Funding Stream focuses on the case for strategic co-investment in SuDS by different operational investors who could benefit from the management of urban drainage and improved water quality, alongside pre-planned grey infrastructure improvements of highways or town centres across Greater Manchester.



Investment drivers currently under consideration

- Reduce waste-water pumping/treatment costs.
- Reduced properties at risk from surface water flooding
- Deferred investment in new CSO and reduce spill counts and frequency
- Water quality improvements



- Increased road safety
- Improved quality of place for local businesses leading to increased footfall, spend and patronage

Parks Foundations, Trusts and small enterprises

There are over 450 public parks and greenspaces across Greater Manchester that could be optimised for climate resilience through the addition of nature-based solutions. This Future Funding Stream explores options to finance NBS installation on new and existing parks. Considerations for financing NBS on new and existing parks include:

- The set-up of dedicated charitable arms-length organisation, or Parks Foundation, to sit alongside local authorities to fundraise or ringfence capital for NBS installation
- The set-up of a Parks Trust to hold endowments for newly created greenspaces, to invest and help manage and maintain finances over the long-term
- The development of small enterprises in parks and new commercial opportunities such as sponsorship, pay-to-play, trading and merchandise and even renewable energy, with profit shares invested in NBS. A recent survey run by IGNITION found that 90.5% of Greater Manchester residents who responded to the survey were willing to purchase goods or services during visits to parks

Biosolar green roofs

The retrofit of green roofs across GM could help to manage storm water and surface water flood risk. For building owners and bill payers, they can also deliver potential financial benefits from:

- insulating and cooling buildings
- extending roof longevity
- increase property and rental value
- discounting costs for surface water banding charges



This Future Funding Stream is working to assess the potential pay back from green roof installation for different buildings and building occupier types.

Summary

A range of enabling actions are being undertaken across these three Future Funding Streams to develop possible business models including:

- **Gathering quantitative performance data** and evidence on benefits and co-benefits (comply with investor impact metrics)
- Collaboratively and systematically spell out the influence of a project on **different financial and non-financial costs and benefits**
- **Visualising the opportunity** – Retrofit opportunity areas
- **Positive policy and legislative framework** e.g. green space factor
- **Developing collaboration/partnership** - Strong collaboration between public and private stakeholders
- **Identifying and formalise overlap with other programmes**, projects and existing assets (e.g. Clean Air Plan, Highways improvements)
- **Building awareness of and appetite** for NBS cashflows
- **Spelling out the co-benefits** that relate to a specific investment and can be 'added' to the project or an investment

