



# Getting back to nature

Developers are increasingly integrating nature-based features into their schemes to boost biodiversity and tackle the effects of climate change. **Tim Clark** reports

**F**rom flash flooding and record rainfall in Dubai to swamped infrastructure in Scotland, the fallout from climate change is no longer a future scenario – it is part of the here and now.

As *Property Week* reported in March, climate change is affecting areas as diverse as the Alps in Switzerland to farms in East Anglia (p54, 08.03.24).

Alongside anticipating how climate change will affect property values, the real estate industry is debating how developers can reap financial and sustainable rewards by embracing a nature-first approach.

"Nature-based solutions are, in very simple terms, anything with a plant in it," says Andrew Johns, technical director for nature-based solutions at design, engineering and project management firm Stantec. "But it is essentially about using a natural process for wider social benefits. It's not about pushing nature in and people out; it's about integrating the two."

PIXEL TO THE PEOPLE/SHUTTERSTOCK

He adds: "The solutions we are coming up with are enhanced habitats, giving people access to new space that can be a wildlife habitat as well."

The idea of nature-based features seems like common sense. However, until recently, it was rare to see developers take an active interest in zoning anything more than space for a few trees and grassy areas for wildlife within their schemes. In urban areas, space was considered at such a premium that occupiers had to make do with little more than plant pots on a constrained terrace.

However, with biodiversity net gain (BNG) now mandatory, developers large and small are looking at how they can meet the requirements. While there is an option to buy credits and effectively offshore BNG commitments, an alternative is to incorporate biodiversity into schemes, where possible.

"It is quite a new way of thinking," says Johns. "Because rather than thinking about a single problem, you're thinking about all of it as a whole – as an holistic thing."

**Sustainability strategies are much broader than simply carbon reduction**

Lucy Wood, Stantec

This approach can be a boon for the environment and a company's bottom line. In October 2022, *Property Week* highlighted a research project undertaken by Mount Anvil and Kew Gardens to help residential developers create better habitats for pollinators without the high costs and maintenance (p35, 21.10.22). The developer said the project's testbed scheme, Chelsea Botanica in west London, had outdone the wider market when it came to forward sales.

**Competitive edge**

Developers keen to incorporate nature-based features into their schemes are seeking advice on how best to design projects that can both meet their BNG commitments and leverage their habitat credentials to gain a competitive advantage in the market.

"It is about looking to nature as a way of doing the heavy lifting to make our lives easier," says Lucy Wood, UK climate solutions lead at Stantec. "It may feel like common sense, but it is about focusing on quality of life and incorporating both

green and blue infrastructure."

Wood adds that many larger clients have begun to wake up to the need to adopt a more holistic nature-based approach.

"We are getting more strategic and high-level enquiries from clients who are looking at either their sustainability strategies or ESG [environmental, social and governance] objectives, certainly [that is the case] from investors in the financial sector," she says.

"If you look in-depth at these strategies, they are much broader than simply carbon reduction. There are nature, biodiversity and health [in the core strategy]."

She adds: "I think clients are seeing a competitive advantage where they can demonstrate to local authorities that their site can help them with their biodiversity emergency and their climate emergency."

Indeed, local authorities are increasingly considering the natural environment. Earlier this month, Brighton & Hove City Council published a new strategy that aims to increase the amount of green infrastructure within the city. The report identified the areas that lack green space and this information will be used to inform future planning policies.

Stephanie Crewe, associate landscape architect at Land Use Consultants (LUC), which produced the report on behalf of Brighton & Hove council, says the report aims to strengthen the evidence base for green infrastructure policies.

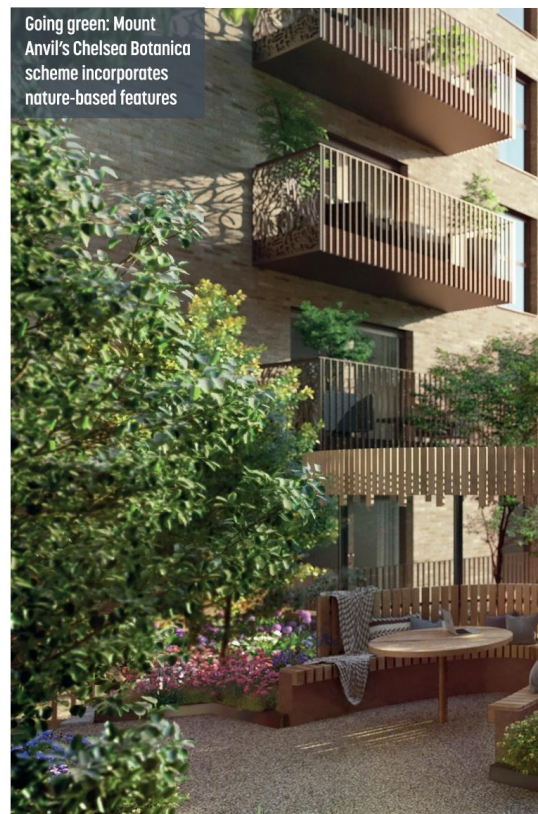
"It was interesting applying that urban greening factor to the city really, because it's a highly constrained urban environment and there isn't an opportunity to incorporate a lot of ground-level greening," says Crewe. "Unless developers incorporate a green roof, it [can] prove difficult for them to achieve the urban greening factor scores that are recommended by Natural England."

Last year, Natural England published the Green Infrastructure Framework, which advises local authorities on how to create "nature-rich towns and cities". The aim is to increase the amount of green cover in urban residential areas by 40%. The body estimates that parks and green spaces in England deliver an estimated £6.6bn per year in health, climate and environmental benefits.

Doug McNab, associate director, planning at LUC, says many developers have found that better-designed schemes provide economic uplift when it comes to value or rents.

"The big players, even though they don't share their figures, have the ability internally to crunch the numbers and they realise they'll get better rents for office space or resi space

Going green: Mount Anvil's Chelsea Botanica scheme incorporates nature-based features



that overlooks green space," he says.

"They understand they won't make any more money by building more units on that space, as the rents will fall when they lose that amenity. So, some are now quite careful when it comes to designing green infrastructure."

McNab adds that smaller developers can often have difficulties incorporating the latest green guidance due to economies of scale and their lack of financial muscle.

**Around the world**

Globally, nature-based design features are gaining traction. A guide published by the World Bank in May 2023 highlighted the similar climate approaches taken by different countries, from Sri Lanka to Mozambique.

The guide identified the built environment as one of three key socioeconomic systems, alongside mining and energy and food production, that could benefit from a new approach, stating that "a shift towards nature-positive models could add up to \$10.1trn in annual business value and create 395 million jobs by 2030".

The report cited the example of wetlands in the city of Guangzhou in China and the impact that developing urban wetlands into traditional housing would have on the physical, mental



## There is more value in having a connected natural habitat

Andrew Johns, Stantec

The carbon and biodiversity issues facing the UK, and the world, are intrinsically linked, with many major corporations looking first at climate change before delving deeper into how they can help restore nature.

The government is also taking measures to protect the environment. As part of the Environmental Improvement Plan 2023, the government announced a Green Finance Strategy that will leverage private finance to boost biodiversity and restore wildlife habitats. It plans to raise at least £500m a year by 2027 and more than £1bn by 2030.

Alongside this, the UK's Nature Recovery Network is a national network of wildlife-rich sites to increase and restore nature and forms part of legislation put in place by the Environment Act 2021.

The commitments in the new law aim to protect and effectively manage 30% of England's land and sea for nature by 2030, halt species decline by the same time and increase species abundance by a minimum of 10% above 2022 levels by 2042.

The nature recovery sites aim to offer better access to nature as well as improving carbon capture and flood management, while also providing clean water and air alongside areas for pollination and recreation.

"There is more value in having a connected natural habitat than just finding an individual field in Herefordshire and changing that to something else," says Stantec's Johns. "You end up creating a network of nature, where you can put nature-based solutions or other interventions."

Earlier this year, the Department for Environment, Food & Rural Affairs commissioned the Green Finance Institute to publish a Farming Toolkit. It aims to help farmers access and participate in "nature markets" such as carbon credits and BNG and could provide another pathway for developers looking to adopt nature-based solutions.

There is no doubt that climate change is upon us, and the planning and development debate has now moved on to ensuring climate resilience. As the debate progresses, nature-based features may become a core part of future developer toolkits. ■

and social wellbeing of the surrounding population.

Closer to home, the Welsh government recently implemented planning policies to strengthen its green commitments. Planning Policy Wales edition 12 aims to ensure the planning system contributes towards sustainable development and improves the social, economic, environmental and cultural wellbeing of the country, as required by the Planning (Wales) Act 2015 and the Wellbeing of Future Generations (Wales) Act 2015.

Developers must also consider the future impact of the changing climate. Stantec's Wood raises the spectre that unless developers pay close attention to the climate and sustainability resilience of their schemes, they could be in for a shock in the years ahead. In 2023, the US experienced more than two dozen extreme weather events, with

economic losses of more than \$1bn.

"There is a lot going on in the US revolving around insurance, and if assets are not insurable then the cashflow grinds to a halt," says Wood, citing Florida as a prime example.

"The insurance industry in Florida [shows] where we are with climate change – we have coastal erosion, sea level rises and extreme weather events. Insurance premiums have all gone up. The insurance industry underpins absolutely everything we do, and [safeguarding against risky assets] is just sensible business risk management."

### Weathering the storm

The climate risks of the Florida Keys may seem a world away from the UK, but similar issues are coming to the fore and affecting the built environment across the country – at both ends of the extreme. Cambridgeshire is well known for suffering from water scarcity, while in east London, high-intensity rainfall in recent years has led to flash floods.

This month it was revealed that a homeowner in Hemsby, Norfolk, has taken the government to the High Court after losing his home to coastal erosion. Kevin Jordan claims that the loss of his home has breached his human rights.

## Developers get better rents for space that overlooks green space

Doug McNab, Land Use Consultants