Natural Capital and River Basin Management Planning: Protecting and Improving Scotland's Water Environment

Section 1: Project Overview

Introduction

The Centre of Expertise for Waters (CREW) intends to commission a **capacity building project** aligned with CREW's Hydrological Extremes, Coasts and Risk Management theme that aims to assess the current state of knowledge of how investments in protecting and improving natural capital influence the state of the water environment and explore the wider benefits these investments provide within the framework of Scotland's River Basin Management Plan.

Background & knowledge gap

River Basin Management Planning (RBMP) in Scotland currently has an emphasis on regulatory action by SEPA to protect and improve the water environment. Over the first three planning cycles (2009-2027), this approach has successfully protected the water environment from deterioration despite increasing pressures from climate change, land-use, and development. Significant progress has also been made towards improvement targets through the review of licences, work on diffuse pollution and restoration projects delivered through the Water Environment Fund.

However, to continue to prevent harm, sustain and accelerate progress and deliver improvements in the face of increasing water demand, climate change, and land-use pressures, underlying systemic challenges in both rural and urban land-use and management must be addressed. Current land-use decisions and practices, including agriculture and urban development, often fail to account for the environmental costs of degrading natural assets such as soils, peatlands, woodlands, floodplains, wetlands, and river corridors. Similarly, there is no clear mechanism to recognise or incentivise the benefits to the water environment of investing in these natural assets.

An improved understanding of the links between land-use, state of natural capital, impacts on the water environment and the benefits provided by the water environment to people, wider society and businesses is essential. This aligns with Scottish Government policy goals related to nature restoration, climate adaptation, public health, net zero and sustainable agriculture, thereby supporting more sustainable decision-making that enhances both environmental resilience and societal well-being.

Aim and objectives

The aim of this project is to conduct an evidence synthesis to assess the current state of knowledge of how investments in protecting and improving natural capital influence the state of the water environment. The synthesis will also explore the wider benefits these investments provide for nature, climate adaptation, public health, net zero targets and agriculture.

The evidence synthesis should aim to address the following key questions:

1. What benefits (or ecosystem services) does the water environment in Scotland provide to nature, climate adaptation, public health, net zero and agriculture?
2. What natural assets have the most significant influence on the condition of the water environment, as measured through the RBMP?

3. How do changes in the condition of these natural assets, either individually or in combination, impact on the condition of the water environment and how do these impacts, both positive and negative, affect the benefits provided to nature, climate adaptation, public health, net zero and agriculture?
4. What are the costs and potential benefits of investing in the protection and improvement of these natural assets, and to what extent do current natural capital investment opportunities take account of the benefits to the water environment?
5. **a)** What data and tools are currently available on the extent, condition, and opportunities for improvement of relevant natural assets? **b)** What is the status of those tools and data in terms of access, cost of use, licencing constraints etc.?

The evidence synthesis focus should primarily be on key questions 3-5.

Intended impacts

There are multiple pathways for a project to achieve impact, and multiple factors that can impact the project's ability to achieve what it intends to do; both along the project lifecycle (A.IMPACT) and beyond project completion (B.IMPACT) (Figure 1).

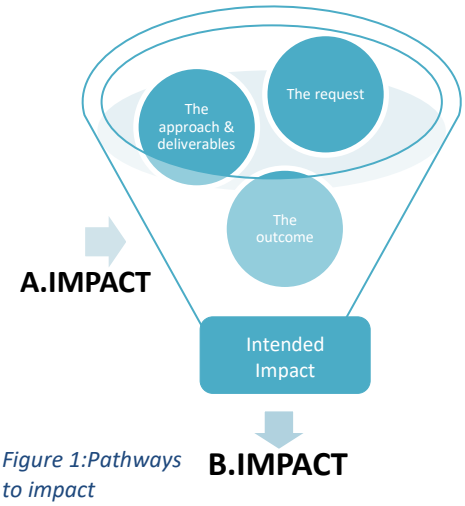

Figure 1:Pathways to impact

- **The request**: the problem/ gap that has been identified that drives the project.
- **The approach & deliverables:** the 'methods' that explain how the request is being answered and the 'outputs' that are tangible products delivered by the project.
- **The outcome:** this is directly correlated to the findings; this is short to mid-term change because of the research.
- **Intended impact:** Explicitly what this project intends to achieve to address, which is connected to the request.
- **Along impact**: the conditions and causal factors that can influence the project during its life cycle.
- **Beyond impact:** more significant wider change that occurs at a longer timescale following the project's completion.

Along Impact *(A.Impact)*: These stakeholders are anticipated to support this project:

SEPA, NatureScot, Scottish Government, Scottish Water

Beyond Impact *(B.Impact)*:

The project outputs are principally intended for use by SEPA and the Scottish Government in the development of the next RBMP in Scotland. However, outputs will be of interest to a range of public and private sector organisations with interests in the water environment, nature, climate adaptation, public health, net zero and agriculture.

- Public body stakeholder interest may include Scottish Government, Scottish Water, Local Authorities, national parks, NatureScot, Scottish Forestry, Forestry and Land Scotland, Public Health Scotland, and Regional Land Use Partnerships. These stakeholders are represented on the Scottish Public Sector Natural Capital Network.

- Fishery interests may include Fisheries Management Scotland and their members, e.g. Fishery boards and trusts.
- Private sector interest may include farming, forestry, distilling, renewable energy sector, transport, and investment and finance sector.

Deliverables

- A report of no more than 30 pages, excluding references and appendices. The document should:
  - Fulfil the project aim and Objectives 1-4.
  - Use attractive visuals to communicate key messages[1]
  - Provide recommendations on how the report findings could be presented in the RBMP to influence land-use decisions and investments
- A excel database to encompass findings for Objective 5.
- A policy brief of no more than 5 pages to inform policy, decision making and investment
- A plain English project summary (up to 1 page)
- Website summary (200 words)

Events/meetings

- *(3-4)* Project Steering Group meetings online (throughout the project lifecycle[2])

Section 2: Further information for applicants

Project management

Day-to-day communication will be between the research/review team (the contractor) and a CREW Project Manager and is likely to involve short catchups as agreed.

Project steering group

A small group including representatives of Scottish Government and its delivery partners plus a CREW representative, will meet with the preferred bidder for a pre-contract meeting and provide feedback on the bidder's proposed approach.

Communications and impact

CREW's impact officer will engage with the research team and project steering group on any agreed upon comms and impact activities throughout the project and for post project evaluation.

Funding

The maximum amount of funding available **exclusive of VAT** (where applicable) is £83,000.

This budget includes associated costs for the hire of a graphic artist/designer.

[1] A graphic artist/designer should be consulted at an early stage of the project to support and advise on the production of attractive visuals to include within the report.

[2] Please note, CREW requests a brief written update c. two weeks prior to project steering group meetings.

Anticipated timescale

- A precontract meeting will be held in **wb. 2nd June 2025.**
- The project will commence on **9th June 2025** depending on contract processing and signage.
- A first draft of the report (including visuals), and the excel database should be provided no later than the **24th October 2025.**[3]
- A first draft of the policy brief and plain English project summary should be provided no later than the **21st November 2025.** [3]
- A final draft of all deliverables should be provided no later than the **14th January 2026.**[3]
- All final project deliverables should be submitted no later than the **13th February 2026.** All outputs will then be signed off by the CREW Director.

Submitting a proposal

Please send a completed application form using the most recent version (the link to this form is available on the CREW Call for Proposal webpage (Call for Proposals | CREW | Scotland's Centre of Expertise for Waters) addressing the project requirements.
A copy of expectations and the award criteria are provided below for reference.

Proposals need to be submitted to Procurement@crew.ac.uk for evaluation **by noon on Tuesday 6th May 2025.** We aim to notify the successful bidder by **wb.19th May 2025.**

Please contact Procurement@crew.ac.uk if you would like any clarification on any of the above by **Friday 25th April 2025.**

You should highlight any potential conflicts of interest in your proposal. For queries about what may constitute a potential conflict of interest please contact the CREW Manager (Nikki.Dodd@hutton.ac.uk).

[3] The project milestones should allow 2 weeks for the Project Steering Group (PSG) to review drafts after this due date.

Expectations

No.	Criteria	Descriptor
1	Duration	The proposed duration will align closely to the details provided in the anticipated timescales section of the specification.
2	Staff time and effort	The proposed allocation of staff time and effort is appropriate and includes all deliverables. The proposal provides a commitment that named staff members will be available to work on the contract if the bid is successful. For any unnamed staff, appropriate risk identification and mitigation measures are provided.
3	Project costs	The estimated breakdown of project costs is realistic and inclusive of all deliverables.

Award criteria

No.	Criteria	Descriptor
1	Understanding the project ask and policy background	The proposal should include an introduction which demonstrates a clear understanding of the project requirements. This should include an understanding of the policy background and the supporting role of this project; the need for this research; the project aim; and how the proposal will address this aim.
2	Proposed methodology	The proposal should demonstrate a high quality and workable methodology, including: how the evidence will be identified, reviewed and assessed; consulting relevant stakeholders and/or experts where appropriate to address the key questions and produce the deliverables in the timescales required. It should explain the suitability, robustness, and limitations of the proposed methodology.
3	Milestones	The project milestones are logical, practical and include all deliverables.
4	Project Management	The staff, resources and expertise are appropriate for conducting the proposed project. The proposal should name the project lead and outline their project management experience.
5	General and specific topic expertise and experience	The proposal should provide details of individual staff members who will work on this project and demonstrate how they will meet the project requirements, specifically: - general research experience and expertise; - specific experience and expertise on the topics of **Natural Capital. Water Environment, including ecology, water quality, water quantity. Agriculture. Forestry. Renewable Energy. Surface Water Management and drainage.**
6	General communication and deliverables	The proposal should describe the approach to producing the deliverables, which will be published on the CREW website. It should detail who will take lead responsibility for report-writing and overall report quality. It should provide examples of previously **published reports and policy briefs** in which they have been involved.
7	Quality assurance	The proposal should provide details of quality assurance procedures to demonstrate how the contract will be continuously delivered to a high standard. It should specifically address issues of quality control at different stages of the project, including evidence gathering, analysis and report writing. It should include a timetable for delivery of tasks, project milestones and allocation of staff and staff time against each task, covering the duration of the contract.
8	Risk	The proposal should provide a risk assessment matrix detailing any risks identified in relation to the delivery of this contract, and proposed mitigation measures to minimise their probability and impact, focused particularly on risk to completion on time.

Annex A. Relevant reports, studies, and policies

- River Basin Management Plan for Scotland: https://informatics.sepa.org.uk/RBMP3/
- SNAP3: Climate change: Scottish National Adaptation Plan 2024-2029 - gov.scot
- Scottish Biodiversity Strategy: Scottish Biodiversity Strategy to 2045 - gov.scot
- Wild Salmon Strategy: Scottish wild salmon strategy - gov.scot
- Scottish Government Agricultural Reform Programme: Sustainable and regenerative farming - next steps: statement - gov.scot, The future of agricultural support
- Scottish Forestry Strategy: Scottish Forestry - Forestry Strategy
- Flood resilience strategy: National Flood Resilience Strategy - gov.scot
- Riverwoods Evidence Review: Riverwoods Evidence Review | Riverwoods
- Scotland's Natural Capital Market Framework - Executive Summary - Natural Capital Market Framework - gov.scot
- CREW report on the cost of soil erosion - Assessing the socio-economic impacts of soil degradation on Scotland's water environment | CREW | Scotland's Centre of Expertise for Waters
- NatureScot Development of a natural capital tool for Scotland
- Scotland's Natural Capital Asset Index
- Scottish Government research report - value of natural capital to Scottish economy - Natural capital - importance to the Scottish economy: research - gov.scot
- Enabling A Natural Capital Approach (ENCA) Guidance
- Biodiversity Investment Plan
- Scotland's National Strategy for Economic Transformation (NSET)
- The value of bathing waters and the influence of bathing water quality: Final Research Report
- CRW2024_07 Economic, societal and public health benefits of improving water quality at designated bathing waters to a good or excellent standard in Scotland: Literature review