

7. **AMP 7 2020-24 WORKS (MH)**

1. **Purpose of the report**

This report puts before Committee the proposal to extend vital peatland restoration works in the Dark Peak and South Pennines working directly with Moors for the Future Partnership's Water Company partners through Asset Management Period 7 (AMP7) between 2020 -2024.

This report seeks to build on the previous authority granted by Programmes and Resources Committee (May 2020, Minute Ref 16/20), seeking to raise the authority limit in response to current and future opportunities to extend vital peatland restoration works.

Background Information

2. On 15 May 2020, the Programmes and Resources Committee resolved to support the establishment of partnering agreements and associated contracts between the Authority and Water Company partners for the Moors for the Future Partnership (MFFP) to deliver AMP 7 habitat restoration aspirations and associated research and communications outcomes up to a maximum value of £3 million between 2020-2024 (Minute 16/20). The full report and minutes can be found here:

<https://democracy.peakdistrict.gov.uk/ieListDocuments.aspx?CId=451&MId=2392&Ver=4>

Key Issues

Update since May 2020

3. Since project approval, a framework contract and a collaborative agreement have been entered into with Yorkshire Water Services Ltd and Severn Trent Water.
4. A broad conservation proposal was created for Severn Trent in the Bamford Catchment in the 2020/21 financial year. It is valued at £1,010,000, which achieves 613 ha of biodiversity improvement throughout the AMP 7 period 2020-24. Work has commenced on this and will continue to 2024.
5. In respect of the arrangement with Yorkshire Water, contracts have been agreed for the planning phase for some of their catchment and the remainder are currently under negotiation. Following the completion of the planning phase for all of Yorkshire Water's catchment, the capital works scope and associated delivery costs will be agreed. These conservation proposals are expected to generate between £5-6 million of works for delivery in the AMP 7 period 2020-24, including the associated project management costs.
6. In addition to the AMP 7 work for Yorkshire Water, investigative work is taking place across some of their non-owned catchments to feed into the AMP 8 period (2025-30). The value of these investigation contracts are valued at £163,290.
7. United Utilities do not have moorland restoration work in the AMP 7 period, but are in the process of bringing forward elements of their works for the AMP 8 period to the period 2020-2024 which they have requested MFFP assist in delivery. This work has an anticipated value of £300,000.
8. Overall, contract values of a total of £1,736,619 have been confirmed, and approximately £7.5 million are anticipated (please see the table below). This is greater than the current approved project value of £3 million.

		Confirmed Value to date (July 2021)	Anticipated Total Value 2020-2024	In Excess of Confirmed Value (£3m)
Severn Trent Planning & Delivery		£1,010,000	£1,010,000	
Yorkshire Water Planning		£563,329	£563,329	
Yorkshire Water Delivery			~£5,200,000	~£4,000,000
Yorkshire Water Investigations for AMP 8		£163,290	£163,290	
United Utilities AMP 8			£300,000	£300,000
Total		£1,736,619	~£7,236,619	~£4,300,000

9. The format of project has not changed since approval in May 2020 but we are seeking to maximise opportunities of greater investment in the landscape. This work helps to deliver the corporate strategy and to remain agile and responsive to emerging opportunities with water companies.
10. Approval is being sought from Committee now as the combined total of confirmed works and anticipated works may reach the £3 million authorisation limit in this financial year. An increase in the value of the project authorisation will enable MFFP to be responsive to requests for additional work and allow for maximum possible delivery.

Anticipated AMP 7 Project Value 2020-24

11. Based on the Water Company Catchment Measure Specification requirements the anticipated maximum value of this project between 2020-24 was placed at £3m when this report was first approved by committee. It is now anticipated to be £7.5m. This sum includes capital works costs, and MFFP project management and delivery costs to include all monitoring and communications activities. Prior to confirmation of contracts MFFP will agree specific Capital Project Delivery and Project Management budgets with our partners working on a full cost recovery basis.

Recommendations

12. **That the Authority notes the existing partnering agreements and associated contracts and supports the proposed partnering agreements and associated contracts between PDNPA and Water Company partners for MFFP to deliver AMP 7 habitat restoration aspirations (capital works) and associated research and communications outcomes.**

Specifically:

1. **Authority to engage in new projects up to a maximum value of £7.5 million between 2020-2024 (increased from the existing limit of £3 million), and delegating authority to approve the acceptance of new partnering agreements with the Water Company partners under this authority, to the PDNPA Chief Financial Officer, in consultation with the Head of Moors for the Future Partnership and the Head of Legal Services.**

2. **That the Authority may, subject to compliance with its procurement standing orders, enter into contracts for the delivery of the AMP 7 projects and AMP 8 projects where they have been brought into the AMP 7 period.**

How does this contribute to our policies and legal obligations?

13. As outlined in the May 2020 P&R report, the strategic fit of the AMP 7 work is fully integrated within the MFFP 21/22 Operational and the MFFP 2021-22 interim Business Plan and is relevant to the Peak District National Park Management Plan Vision and covers many aspects which will support the delivery aims of the National Park Management Plan 2018-23 - specifically:

Special quality 1: Beautiful views created by contrasting landscapes and dramatic geology

Special quality 2: Internationally important and locally distinctive wildlife and habitats

Special quality 3: Undeveloped places of tranquillity and dark night skies within reach of millions

Special quality 4: Landscapes that tell a story of thousands of years of people, farming and industry

Special quality 6: An inspiring space for escape, adventure, discovery and quiet reflection

Special quality 7: Vital benefits for millions of people that flow beyond the landscape boundary

14. Areas of impact:
 - 1: Preparing for a future climate
 - 2: Ensuring a future for farming and land management
 - 3: Managing landscape conservation on a big scale
 - 4: A National Park for everyone
 - 5: Encouraging enjoyment with understanding
 - 6: Supporting thriving and sustainable communities and economy
15. In addition the AMP 7 work will support and contribute significantly to the National Park's Corporate Strategy 2019-24 by contributing towards key outcomes including: A Sustainable Landscape that is conserved and enhanced (specifically KPI 3 & 4), A National Park loved and supported by diverse audiences, and Thriving and sustainable communities that are part of this special place.
16. The proposed engagement with water company partners in AMP 7 will also contribute significantly to the outcomes of other partner organisations within MFFP.

Programme Management

17. There are typically around 20 projects being delivered at any one time, delivering MFFP's three objectives of Communications and Engagement, Research and Monitoring and Conservation and Land Management. The 2021/22 financial year will be the final delivery year of a number of these projects and the restoration opportunities presented by continuing our collaboration with Water Company partners is a valuable project succession opportunity to secure at this stage, as we develop future (post-Brexit) project funding to continue the work of the partnership.

18. Working with Water Companies as proposed through a direct Partnering Agreement relationship in AMP 7 has been assessed against our ongoing programme commitments, and as at July 2021 there was sufficient capacity within the programme to integrate the additional capital works, monitoring and communications objectives within our existing resource levels. Project Management remains to be resourced from MFFP's existing Prince 2 qualified Project Managers all of which have experience of delivering capital works projects on degraded peatlands. Project Managers will resource the project from MFFP's existing Conservation, Research and Communications Officer resources. The core MFFP Programme Team will provide overall project leadership and support for the delivery of the project.
19. In line with the MFFP 2021/22 Operational Plan, delivering for our Water Company partners in AMP 7 will also bring further contribution to core funding for the MFFP Programme team. This is in line with our forward strategy to generate a higher proportion of core funding from project sources as part of the solution to addressing the MFFP core funding deficit. To achieve this MFFP are therefore exploring additional projects with partners, and responding to calls for potential work and proactively seeking financial resources with current and future partners, including maximising match funding opportunities.

Proposals

20. The proposal is brought to committee for consideration and approval as an extension to an approved project to expand the MFFP forward Programme of Projects. As per the approach to extending projects set out in the 2021/22 Operational Plan (in which the AMP 7 work is highlighted), this project extension proposal is made as an individual report to Committee to seek authority to increase the project value authorised.

Are there any corporate implications members should be concerned about?

Financial:

21. The resources available to develop and agree the agreements for working with water companies in AMP 7 are those of the existing MFFP staff team with welcome advice from senior officers. No additional resources will be required.
22. Prior to gaining delegated authority the project cost models will be baselined and spending and income forecast. This information will be provided to PDNPA officers with delegated authority to accept new projects in tandem with MFFP recommendations.
23. The AMP7 can be expected to provide project funding income to support core MFFP activities over the 2021-24 period. This is in line with the intention set out in the 2021/22 Operational Plan for projects to generate additional funds to support core MFFP programme activities.
24. The Partnership has a history of sound financial management, income control (including draw down of funding and claims) is of great importance and overseen by the Programme Office Manager. Regular updates are held with the Chief Finance Officer with monitoring of cash flow to ensure the 'books' are balanced.

Risk Management:

25. The AMP 7 proposals are an integral part of the 2021/22 Operational Plan and MFFP 2021/22 Interim Business Plan, as such the Project Management risks once in delivery will be adequately managed as part of MFFP's programme risk management activities.

26. Risks, Issues and Dependencies of the programme of projects are monitored weekly and reviewed quarterly alongside the Programme Progress Log.
27. Our health & safety log is reviewed weekly.
28. Appendix 1 provides an updated risk log to reflect the proposed increased value in the Project and outlines the AMP 7 project risks being managed through the developmental stages of this project, and the high level delivery risks that are anticipated at this stage.
29. Project Managers update their project logs weekly and report via the weekly programme status update meetings with in-depth updates held monthly.
30. We produce a Programme Progress Log four times a year which identifies approvals and financial values of projects - with issues identified through a Red/Amber/Green assessment - and includes brief summaries of progress highlights. Income and Expenditure of projects and programme team are also monitored by the Partnership's Strategic Management Group at its quarterly meetings.

Sustainability:

31. From a business sustainability perspective, this proposal fits within the context of the Moors for the Future Partnership interim Business Plan 2021/22. Undertaking additional projects for our partners, building on work which is already being done, is a key part of our business model and has allowed immense improvements to the landscape and conservation of the Dark Peak and beyond. Creating synergies between projects is a key component of the sustainability of the Moors for the Future programme.

Equality:

32. There are no equality issues arising from this report.

33. Background papers (not previously published)

None

34. Appendices

Appendix 1: MFFP AMP 7 Risk Log – Updated

Report Author, Job Title and Publication Date

Mollie Hunt, Project Manager, Moors for the Future Partnership, 25th August 2021