

14. MOOR GREEN INVESTMENT – COMBS MOSS RESTORATION PROJECT (DC)

1. Purpose of the report

The Head of Moors for the Future partnership was asked to return to Committee should the initial investigation result in a proposal to enter into a funded project. The original investigation has been successful in doing that. It is now being brought back to committee to seek approval to move to the delivery stage.

Key Issues

- A fully costed restoration plan for Combs Moss has been agreed with all stakeholders. The restoration plan includes gully blocking, bunding, peat pipe blocking as well as planting of sphagnum and other moorland plants. Members may wish to note that no financial input is expected from the Authority and a high % of funds are from private finance.
- Funding for the Gully Blocking restoration work has already been secured from the Environment Agency (EA) via NFM (Natural Flood Management) Through Peatland Restoration Project (this already has Committee Approval 17/22).
- Ecosystem Services Monitoring on Combs Moss has been set up and funded by the EA, separately to this project. The monitoring was started in March 2022 and a baseline is being collected. Monitoring will continue for 5 years after restoration with an option for all parties to continue, with agreement, beyond this period.
- Consultation with Natural England undertaken – Combs Moss not SSSI but has an existing HLS agreement that is being extended, which is not impacted by the proposed restoration
- Nestle have committed to an international corporate responsibility target of being net zero in water extraction by 2025. Combs Moss sits above the aquifer which Nestle currently abstract from and they see an opportunity to improve the hydrology (re wetting and vegetation restoration of degraded peat). They are willing to contribute to this work as they see it contributes to their net zero extraction commitment. There is also a flooding concern at their Buxton Plant and the scheme has the potential to alleviate some of this in addition to other local flooding issues.
- Severn Trent Water (STW) have commitments towards the recovery of nature and see this work as helping to meet the company's biodiversity targets. Similar to Nestle STW are willing to contribute funds to this work as they see it contributes to the biodiversity ecosystem service, provided by the restoration.
 - Land Owner is positive towards restoration project and the re-wetting of Combs Moss. Landowner has agreed to the restoration plan and to contribute funds towards the restoration project from the carbon revenue. An MOU for our relationship with the landowner is being drafted so that its ready for signatures once PDNPA approvals are in place.
- The restoration plan for Combs Moss has been discussed with the IUCN Peatland Team and would qualify for Version 2 registration of the Peatland Code. This would introduce a business driver for improving ecological condition as there would be a monetary value to protecting the carbon sequestration which the site was able to achieve. It could provide an income stream and as such a business value to improving condition for the land owner.

- The restoration project would start work on site in Autumn 2023 and be complete by 31st March 2024. Some monitoring and Sphagnum planting will go on beyond this date.
- The contribution from Nestle will be subject to scrutiny by the Due Diligence Panel, prior to entering any agreement.

2. Recommendations(s)

- 1. Approval of acceptance of up to £1m of private finance from Nestle and Severn Trent Water for the delivery of restoration and monitoring works on Combs Moss between 2023-28 with acceptance of agreements and funds for this delegated to the Head of Moors for Future Partnership in consultation with Monitoring Officer and Chief Finance Officer.**
- 2. Registering the site with the Peatland code may produce further requests from the landowner to support the requirements of the code. Approval is sought to enter into agreements and accept funds for this delegated to the Head of Moors for Future Partnership in consultation with Monitoring Officer and Chief Finance Officer.**
- 3. The Authority may, subject to compliance with its procurement standing orders, enter into contracts and agreements in order to spend funds and deliver the required outcomes of the agreements.**

How does this contribute to our policies and legal obligations?

3. The proposed Combs Moss Restoration Project is the anticipated and planned successor to the Moor Green Investment work reaching its conclusion this summer. The purpose of the Moor Green Investment Project was to identify and develop a moorland restoration plan financed by private finance. The MFFP Operational Plan and Interim Business Plan has been to explore and develop a pipeline of ecosystem service funded peatland restoration projects. As such achieving peatland restoration through ecosystem services related funding with the EA, Nestle and STW is a vital opportunity for the future financing of the urgently needed peatland restoration that is still required. It is relevant to the Peak District National Park Management Plan and covers many aspects which will support the delivery aims of the National Park Management Plan 2023 - 28. Especially the two Objective areas of Climate Change, Landscape & Nature Recovery
4. In addition, the EA Natural Flood Management funding will support and contribute significantly to these same outcomes in addition to significantly contributing to the Flood and Coastal Erosion Risk Strategy Roadmap and to Defra's Environment Improvement Plan 2023.
5. It will add continuity to the Moors for the Future Partnership programme and will retain skilled and valuable staff who are key to achieving nature recovery across this degraded landscape.

Background Information

6. In 2019 MFFP were awarded a grant of £119,168 to become one of the pilot Natural Capital Investment Readiness Fund projects, funded by Esmee Fairbairn Foundation, Defra and the Environment Agency. The only pilot grant awarded to a Local Authority, the project aimed to develop a peatland restoration project delivering ecosystem services funded by private finance.
7. The objective of the Moor Green Investment Project was to assess potential for developing a market for ecosystem services, leveraging in private sector investment (maybe

alongside grant funding) for environmental restoration, and developing commercial propositions which are attractive to landowners, and developing suitable delivery and governance structures

8. Securing Peatland Code accreditation for stacking of ecosystem services.
9. MFFP were granted approval by committee to take the project to the point of being ready for delivery (30th July 2019).

Proposals

1. The project will deliver a moorland restoration plan for Combs Moss with the capital works starting in Autumn 2023 and being largely completed by 31st March 2024. Additional Sphagnum planting in HLS heather cuts will happen in the following four years. Science monitoring that is already in place, will continue for 5 years after the first years restoration is complete. Funding for the project will be provided by the EA, STW and Nestle.

Are there any corporate implications members should be concerned about?

Financial:

2. The proposed financial model discussed with stakeholders has 50% of year 1 restoration funding paid at the start of works delivery (Sept 2023) on Combs Moss and the remaining funding provided on completion of year 1 of delivery (March 2024). The sphagnum planting proposed for Severn Trent Water in years 2,3,4 and 5 would be funded in a similar manner. This is a regular and familiar funding model utilised by MFFP for moorland restoration. This proposal however carries less risk than most of our grant routes as 50% will be advance funding.

Costs	£'000	Funding mechanism	£'000
Core restoration plan – CAPEX	611.6	Nestle – water stewardship	261.4
Future annual sphagnum planting in HLS cuts (yrs 2-5)	104.0	STW – biodiversity ODI	385.9
MFFP management fee (20%)	143.2	EA - NFM	240.0
Risk Management Contingency	50.6	Carbon share agreement	52.5
Science Monitoring (5 years post restoration)	85.0	Nestle - monitoring	54.6
TOTAL	994.4		994.4

Risk Management:

3. Within the Project Team and Programme Team are an array of skills and experience to match large commercial providers. Prince 2 project management and in house project tool kit provision with Project Managers experienced now in large scale complex delivery. Added to this IOSH and CDM qualified staff and contract and grant management skills. Backed up through the high degree of diligence which the Authorities Standing Orders provide. All this gives a deal of risk reduction and confidence.

Sustainability:

4. From a business sustainability perspective, this proposal fits within the context of the Moors for the Future Partnership interim Business Plans 23/24. 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 synergy and succession between projects is a key component of the sustainability of the Moors for the Future programme.

Capacity requirements to maintain business sustainability impacts on the Partnership in two forms. These can loosely be described as pre and post-contractual commitment. This report is careful to confirm that the capacity is fully considered and planned for in order to execute the contractual commitment, which will arise for the delivery planned for 2023-24. The first priority of the staff team is to ensure that this is always the case. All projects are planned and then monitored to ensure full cost recovery can be achieved. The staff establishment is increased and decreased to achieve this and resource is built in at project inception for this purpose, as is the case laid out in this report for this particular project.

Equality, Diversity and Inclusion:

5. There are no equality issues arising from this report

6. Climate Change

1. How does this decision contribute to the Authority's role in climate change set out in the UK Government Vision and Circular for National Parks? The project will be contributing to leading the way in sustainable land management and on the pathway to being exemplars of sustainability. The restoration plan and the ongoing management plan will contribute to protecting the National Park. The project will involve public engagement and working with communities.
2. How does this decision contribute to the Authority meeting its carbon net zero target? This project will be MFFP first peatland restoration project to be put forward for IUCN Peatland Code certification. Further project's on PDNPA owned land are proposed to follow.
3. How does this decision contribute to the National Park meeting carbon net zero by 2050? Under Version 1.2 of the IUCN Peatland Code carbon calculator, the proposed restoration plan will save 15,480 tonnes of carbon dioxide (a current loss to the site which will be avoided once these measures are in place) being released from the site over the period of certification.
4. Are there any other Climate Change related issues that are relevant to this decision that should be brought to the attention of Members? The restoration project will contribute

to flood resilience in the river Wye catchment. The project will increase water sources for wildlife on Combs Moss during dry periods. An increased water table and damp areas on Combs Moss will contribute to the moors resilience against wildfire.

7. Background papers (not previously published)

No background papers that have not been previously published.

8. Appendices

None

Report Author, Job Title and Publication Date

Diarmuid Crehan, MFF Project Manager, 09 May 2023