

6. ENVIRONMENTAL LAND MANAGEMENT LANDSCAPE RECOVERY PILOT 2023 APPLICATIONS (SLF)

1. Purpose of the report

To seek, if offered, approval for the Authority to accept and deliver one or two Environmental Land Management Landscape Recovery Pilot Development Phase projects it has recently applied for, as each will involve expenditure of more than £200,000.

Key Issues

- The NPMP vision includes the Peak District National Park (PDNP) being exemplary in its response to nature recovery and that its special qualities and resilience as a living landscape should be significantly enhanced.
- The 25 Year Environment Plan 2018 set out the framework and vision for what we will do to improve the environment within a generation. The Environmental Improvement Plan (EIP) 2023 revises the original plan and sets out the plan to deliver the ten goals with the “apex” goal of thriving plants and wildlife. Specific Protected Landscape targets continue to be in development.
- The Environmental Land Management (ELM) update dated 21 June 2023 sets out how the government will pay for land-based environment and climate goods and services. Please see [Environmental Land Management \(ELM\) update: 21 June 2023](#)
- The Government has produced a [Green Finance strategy](#), and has an aim to raise at least £500 million in private finance for nature’s recovery every year by 2027 and more than £1 billion a year by 2030. Defra is keen to stimulate a range of new and innovative approaches for attracting private finance and for the blending of public and private money to deliver nature recovery and address climate change.
- There continues to be a plethora of announcements about nature recovery, adaptation to and mitigation of climate change, net zero targets, private and green finance, Environmental Land Management schemes (ELMs) including new options for the Sustainable Farming Incentive (SFI) and a second round of the Landscape Recovery Pilot project applications. So, it is complicated for many of our upland farmers to explore future opportunities and support.
- The Authority is well placed to explore the Landscape Recovery Pilot approach both on its own land and in partnership with others. This opportunity, if one or both applications are successful will build on the Authority’s approach of working with farmers and land managers through for example the National Park Authority’s Farm Advice Service, the completed ELMs Test and Trial, the White Peak Practical Trials, the Farming in Protected Landscapes Programme, the evolving Peak District Nature Recovery Plan and the new ELMs Test and Trial on the role of National Park Authorities as local convener and local delivery.
- Successful projects are due to start early in 2024/25 so there will be very little time to agree and finalise the details with Defra and have the opportunity to seek Member approval for any final project(s) details. So, the recommendations include asking Members to delegate the final details and arrangements of any successful applications.

2. Recommendations

1. That if one or both of the Environmental Land Management Landscape Recovery Pilot Development Phase grants (Up to £700,000 for “Morridge Hill Country” and up to £746,000 for the “White Peak Landscape Recovery”) are offered then acceptance of the funding, arrangements for expenditure including Authority posts and any partner arrangements over a two year period is to be delegated to the Chief Executive in consultation with the Chair or Vice Chair of Programmes and Resources, Head of Resources and Finance Manager, with the terms of any grant or contractual documents being approved by the Legal Team.
2. That the terms of any grant and contractual documents are approved by the Legal Team.
3. That the Authority may, subject to compliance with its procurement standing orders, enter into contracts in order to deliver the actions agreed with Defra.

How does this contribute to our policies and legal obligations?

3. The proposed activities described in this report contribute to a number of our policies and legal obligations:
 - The 30 by 30 target through which the Government has agreed to conserve (protect) 30% of land by 2030.
 - National Parks England (NPE) Delivery Plans for both Wildlife and for Environmental Land Management in National Parks.
 - Peak District National Park Management Plan (NPMP), all seven of the [special qualities](#); substantial contribution to Aim One [Climate Change](#) and Aim Two [Landscape and Nature Recovery](#) including the three objectives with their targets and headline delivery for each aim; with potential to provide additional benefits in terms of physical access under Objective 9 of Aim 3 [Welcoming Place](#) and to contribute to Aim Four [Thriving Communities](#).
 - The Authority Plan in particular Objective E To have best practice arrangements in place for the Authority’s assets of the [Enabling delivery](#) aim; and Aims One, Two, Three and Four NPMP aims as above.
 - The Landscape Strategy 2023 was approved by Members at the Authority meeting in December 2022. It describes what is special about the Peak District landscapes, sets out the issues affecting the landscape and provides management guidelines to address the issues, conserve and enhance the landscape (minute reference 99/22).
 - The Peak District Nature Recovery Plan which has been developed with constituent Local Authorities, key partners and stakeholders. It is planned to present the draft plan to members for them to consider at the Authority meeting early in 2024.

Background Information

4. Significant reform of the agricultural policy and spending in England is taking place as we move from the EU's Common Agricultural Policy (CAP) to the new ELM schemes. The transition involves developing, piloting and rolling out the new ELM schemes so that they reward farmers and land managers for providing environmental goods and services alongside food production. Other national schemes are also being rolled out to provide one-off grants to support farm productivity, innovation, research and development in a way that also helps achieve these goals. The Farming in Protected Landscapes Programme delivered by the Authority is also part of the agricultural transition arrangements and has recently been extended to 31 March 2025.
5. ELMs will consist of three schemes which will pay for environmental and climate goods and services:
 - Sustainable Farming Incentive (SFI) which will pay farmers to adopt and maintain sustainable farming practices that can protect and enhance the natural environment alongside food production, and also support farm productivity (including by improving animal health and welfare, optimizing the use of inputs and making better use of natural resources)
 - Countryside Stewardship (CS) will pay for more targeted actions relating to specific locations, features and habitats. There will be an extra incentive through CS Plus for land managers to join up across local areas to deliver bigger and better results.
 - Landscape Recovery (LR) will pay for bespoke, longer-term, larger scale projects to enhance the natural environment. It will fund a smaller number of landscape scale projects awarded through a competitive process focusing on the outcomes which are best delivered through these types of projects.
6. An initial round one pilot of LR was launched in 2022 resulting in 22 projects (covering 40,000 hectares of land) being awarded an initial development phase with funding for up to two years. The majority of projects involve groups of land managers and farmers, including tenants, working together to deliver a range of environmental benefits across farmland and rural landscapes. For those applicants offered an agreement a short enrolment period followed during which details and arrangements were amended and finalized, followed by the development phase itself.

During the development phase a bespoke implementation agreement will be co-designed with the project partners and Defra. This will be designed to support the long-term delivery of the project over 20 years or longer. To allow for innovation exact outcomes or actions to be funded will not be prescriptive, instead, each project's proposals will be considered on its individual merits. A bespoke public funding agreement which aligns with private funding will be created focusing on priority outcomes and helping to provide sustainable funding streams for the project.

Defra has taken the learnings from this first round and opened a second-round application window in May 2023 with a focus on net zero, protected sites and habitat creation. This can include landscape scale projects creating and enhancing woodland, peatland, nature reserves and protected sites such as ancient woodlands and wetlands. The projects also need to explore accessing private funding and how to blend private with public funds so that they are complimentary to each other and there is no double funding.

Defra is hoping to take on up to 25 projects, depending on the quality of applications. This round two application window has provided the Authority the opportunity to explore with partner organisations, farmers, land managers and land owners how to deliver nature recovery, help to address climate change and develop a resilient farm business model.

The Chair of Programmes and Resources Committee was consulted and supported two proposed applications:

- Morridge Hill Country – Landscape Enhancement in the South West Peak project is based on Authority, Ministry of Defence and Staffordshire Wildlife Trust land, includes close working with their tenants and builds on the legacy of the South West Peak Landscape Partnership nature projects
- White Peak Landscape Recovery - is principally working with private farmers, land managers and key partners. It includes working with a large range of partners and builds on a range of initiatives in the White Peak including the White Peak Practical Field Trials and the Peak District Dales Protected Site Strategy Pilot.

The proposal to apply for two ELM Landscape Recovery Pilot Round Two projects was shared with RMM and the proposal was supported (RMM Minute No 36/23).

Both applications were submitted to Defra by the application window closing date of 21 September 2023. Whilst, both projects seek to deliver Government and LR pilot priorities, they are also substantially different and Defra has advised that it is not an issue for the Authority to submit two applications as each will be considered on its own merits.

Proposals

7. A summary of both applications is provided at Appendices 1 and 2. If one or both LR pilot applications for development phases are successful and offered funding by Defra then it is hoped that Members will support the project(s). Final details would need to be developed by the Authority and Defra with the support of participating farmers, land managers and partners following any successful application and during the enrolment period which is likely to be a three-month period. It is anticipated that the projects, if successful, will start early in 2024/25 so there will be very little time to agree and finalise the details with Defra and have the opportunity to seek Member approval for any final project(s) details. So, the proposal includes asking Members to delegate the final details and arrangements to the Chief Executive in consultation with the Chair or Vice Chair of Programmes and Resources, Head of Resources and Finance Manager.
8. Following any successful enrolment period then a contract would need to be agreed with Defra for a project start date early in 2024/25.
9. In the event that neither bid is successful then the learnings from the application process will be reviewed and taken forward. This may or may not result in a further application to the anticipated third round of ELM LR Pilot Development Phase application window. However, the process of developing the applications has already fostered closer working with farmers, land managers and partners and exploring how to deliver nature recovery at a landscape scale together.

Are there any corporate implications members should be concerned about?

Financial

10. If successful the LR Pilot projects development phase costs incurred by the Authority and its partners would be funded (Project Officers, surveys and consultancy costs). However there is still some uncertainty as to whether the Authority's overheads would be covered. At the time of drafting this report this potential issue is still explored. Please note that this is not an issue for other delivery partners.
11. Whilst the majority of the project costs will be covered there will be a cost to the Authority in terms of on-going management and leadership time and potentially for the overhead costs for any project staff employed directly by the Authority. If Authority overheads cannot be recovered to a reasonable degree then more posts could be hosted by a partner organisation or the activities delivered by consultants. The minimum number of posts to be hosted by the Authority per project is expected to be four full time equivalents, so approximately £40,000 overheads cost per project (5 – 6% of total project costs) if overheads are not an eligible cost.

Risk Management:

- 12 The main risks of the Authority being unable to deliver the LR pilot projects are:
 - If participating farmer support and interest is not retained during the two-year period. A day rate of £200/day for farmer participation is included in the proposed applications to help mitigate this risk.
 - The Authority's recruitment and retention of officers will be key to project delivery. Whilst it is hoped that the recent organisational change and proposals to address the pay levels through the pay strategy will mitigate the risk to a degree, there is already substantial demand for these types of officers and consultants particularly with the advent of Local Nature Recovery Strategy posts and up to 25 LR projects.
 - That it is understood that other LR pilot applications are likely to be submitted for land in the PDNP including by the National Trust for their High Peak Estate. This together with the increasing interest in LR from across England highlights the likely level of competition. However, if one or both of the applications are not successful in round two the process itself will have developed Authority, partner, farmer and land manager thinking and can potentially be used for round three.

13. Sustainability:

Our work on landscape recovery directly improves the sustainability of the National Park as a place.

14. Equality, Diversity and Inclusion:

There are no direct implications for equalities in the activities contained within this report. Indirectly, responding to landscape recovery could have a positive impact on the nine protected characteristics by providing a more resilient environment.

15. Climate Change

Many of the activities being explored and delivered for landscape recovery also contribute to the Authority's role in climate change. The work with farmers, land managers and landowners support the conservation and enhancement of moorland, woodland, wood pasture and trees, species rich grassland, water corridors and regenerative farming including herbal leys.

16. Background papers (not previously published)

None.

17. Appendices

Appendix 1 - Summary of the Morridge Hill Country – Landscape Enhancement in the South West Peak Project application.

Appendix 2 - Summary of the White Peak Landscape Recovery application.

Report Author, Job Title and Publication Date

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