

Broads Authority

17 March 2023

Agenda item number 11

Broads Peat- extension

Report by Environment Policy Adviser

Purpose

Updating Members on the progress of the Broads Peat project which is funded through the Peatland Discovery Grant.

Broads Plan context

A3 Agree carbon reduction targets for the Broads National Park and promote action to reduce emissions

B2 Promote best practice water capture and usage across the Broadland Rivers Catchment and reduce point and diffuse pollution into the floodplain and water courses

B3 Seek biodiversity net gain and nature-based solutions and enhance areas of fen, reed bed, grazing marsh, and wet woodland, to protect peatlands as carbon sinks

B5 Improve partnership coordination and communication of Broads biodiversity monitoring and research effort

D1 Protect and enhance local built and cultural features, archaeology, geodiversity and potential hidden heritage, including 'at risk' assets

F3 Provide and expand schools-based and outreach environmental education opportunities for young people, using the Broads as a learning resource

Recommended decisions

- i. Note the updates and;
- ii. Subject to the extension being funded by Natural England, approve waivers of Standing Orders relating to contracts, to commission additional activities (section 5.5).
- iii. Approve the officer's commencement of extension activities before the Control Change Notice is received, following Natural England's notification via email.

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1. Introduction

- 1.1. The Broads Peat Project was awarded £785,668 in December 2021 from Defra, as part of the Nature for Climate Peatland Grants Scheme – Discovery Grant which is administered by Natural England. The project budget has been revised to £855,831 in December 2022. The project will be running until March 2023 to explore the opportunities for peatland restoration in the Broads.
- 1.2. The project outputs are:
- Baseline surveys, including peat presence, depth and water needs, for specific sites.
 - Detailed restoration plans for selected sites including the necessary permissions.
 - Commercial models with the expected environmental outcomes the delivery and maintenance costs, and the sources of public and private funding.
 - Practical next steps for delivery.
- 1.3. A report about the Broads Peat Discovery project was presented to members at the January 2023 meeting, with an update on progress, and a request to approve waivers of Standing Orders relating to contracts, which was agreed and implemented. It was noted in that report that it would be possible to apply for an extension to the Discovery project.
- 1.4. Following discussion with Natural England, the Broads Authority have applied for an extension to the Broads Peat Discovery Project on 28 February 2023. If approved by Natural England, the extension period runs from 1 April to 31 August 2023.
- 1.5. At the date of writing the report, we don't know the outcome of the extension request. It is likely that the outcome won't be known on the date of the Broads Authority committee on 17 March, when a verbal update will be given. However due to the timing constraints for the extension work, should it be approved, an early decision from members is needed. If the extension is not approved by Natural England, the decision on the waivers would not be implemented. If the decision on the extension is known before the Broads Authority meeting and it is not approved, this item would be withdrawn from the agenda.

2. Objective of the extension

- 2.1. The objective of the extension is to address the issues highlighted by the project in terms of gaining permissions, complying with the emerging Peatland Code and developing restoration plans; to continue to build understanding of, and removing, barriers to peat restoration. It would also provide continuity of resources between the end of the Discovery project and the start of the potential Restoration project(s), due to start in September 2023.
- 2.2. The activities in the Discovery extension would include:
 - Development of consents and permissions
 - Additional consultations with regulators
 - Further landowner/tenant engagement for the development of restoration plans
 - Bid writing for the restoration grant

3. Process of extension approval

- 3.1. We understand that the Natural England Board will make the decision in Mid-March, with a formal Change Control Notice (CCN) in Mid-April.
- 3.2. There is an expectation from Natural England for projects submitting an extension will submit a Restoration Grant bid. Should a Restoration bid not be submitted, Natural England would review the early termination of a successful Discovery Grant extension. It is still uncertain at this stage if Restoration bids would be submitted.
- 3.3. In the event that the extension is awarded to the Broads Peat Project but no sites can progress to restoration and no NCPGS Restoration Grant is submitted, Natural England have however confirmed that they would not claw back any funding received as part of the extension.
- 3.4. The programme is extremely time-constrained, to be able to submit partnership restoration bids, by the end May/early June. Waiting for the CCN would delay the start of the extension activities. We recommend to commence the extension activities as soon as we receive Natural England's notification via email in Mid-March (if successful).

4. Extension activities

- 4.1. This section explains the budget lines included in the request for the extension.
- 4.2. Stantec were appointed through the SCAPE Framework (following the January 2022 Broads Authority decision). They are leading on multi-agency liaison to develop applications for licences. However, this is unexpectedly complex regarding licences and permissions, for flood risk and water transfer for example, In the extension, Stantec would develop the following activities:

- Permissions for each site, including planning permission and water abstraction licences, between April and August 2023.
 - Planning permissions for up to 5 sites (Beccles Farm, Heckingham Marshes, Buckenham Marshes, Leists Farm, Buttle Marsh/How Hill).
 - Flood Risk Assessment for up to 5 sites and consultations with upstream neighbouring landowners at Heckingham Marshes.
 - Team Coordinator (permissions and engineering design).
- 4.3. Exo-Environmental Consortium have collected the majority of the project's environmental survey data. To develop the site Restoration Plans, they would do the following activities, estimated at £25,900:
- Water level monitoring between April and August, on up to 5 sites, including installation of pressure sensors, monitoring, barometric logger and water quality monitoring, and additional dipwells (3 per site and fencing including installation).
 - Drafting the Restoration bid.
- 4.4. SWT Trading (overseeing a consortium of water vole experts), have developed baseline populations of water vole at each project site, using a new approach to assess water vole presence/absence and to estimate population size. Further specific surveys are required, and the development of the method statement for the licence application, estimated at £20,000. SWT Trading will also undertake protected species surveys (mainly reptiles) and completing HRAs estimated at £20,000.
- 4.5. Cranfield University assessed peat wastage (drying out and greenhouse gas emissions) from a novel assess of water table, using rust rods to monitor peat wastage. This report is currently being peer reviewed and, for the first time, provides a high-resolution spatial assessment of estimated greenhouse gas emissions from peat in the Broads, that takes account of land cover, water table depth and weather. Cranfield would do further work to test the water table measurements using rust rods.
- 4.6. Palladium, as a partner providing 'at cost' services for development of Natural Capital investment, would register the sites for the UKPCv2, in anticipation of being able to validate them.
- 4.7. A contractor will be procured to provide advice on stacking/bundling possibilities to assess the opportunities for private funding for the required 25% match funding in the Restoration phase.
- 4.8. Project management and governance costs need to be added to the activities detailed in the previous sections. The overall total for the extension is £270,500. This would be fully funded by Natural England, subject to the extension being approved.

5. Extension activities - Procurement

- 5.1. The majority of the work will be undertaken under the SCAPE framework contract, with Stantec, which does not require further procurement. Stantec have provided the fee estimates provided for the extension. A waiver is not required for the additional work for Cranfield University. The further activity cost of Palladium, as a partner providing 'at cost' services, is not subject to procurement.
- 5.2. For the remainder activities in the extension: the consortium led by Exo-Environmental which is already working on the peat project is willing to accept the additional works, and they have provided the fee estimates. The same applies to the consortium led by SWT Trading which is already working on the peat project.
- 5.3. The individuals involved in both consortiums have specialist knowledge of the sites, methods, existing data and understand access, conditions, and other potential constraints about the sites. By taking advantage of this existing knowledge, it is in the interests of the peat project to continue with the same team and provide best value for money. We have compared the costs of previous work to the fee estimates provided for the extension, and the amount is as expected.
- 5.4. The Broads Authority Standing Orders for contracts state that the Chief Executive cannot approve waivers for extensions to existing contracts if the variation is more than 10% of the original contract sum.
- 5.5. It is the case for Exo Environmental that the additional work represents more than 10% of the initial contract value, which was £178,362, (with an additional £16,033 approved under delegated powers on 7 November 2022 and £52,000 approved by the Board on 20 January 2023). Hence, the waiver for £25,900 for Exo Environmental requires Board approval. Similarly, the SWT Trading work represents more than 10% of the initial contract value, which was £51,171. Hence, the waiver for the total of £40,000 for SWT Trading also requires Board approval.

6. Paludiculture Exploration Fund

- 6.1. Of relevance, and for information, one of the legacies of the Peat project is about the Paludiculture Exploration Fund (PEF). The Broads Authority submitted a "FibreBroads" bid to the PEF on 1 March 2023 for £390,499.69. It would be 100% funded by Natural England.
- 6.2. If the bid is successful, the FibreBroads project would run from May 2023 until March 2025, and members would be updated. Natural England is due to announce the successful projects on 9 May 2023.
- 6.3. FibreBroads, a partnership within the Broads Catchment and Norfolk Fens, aims to develop different elements of paludiculture, including crop cultivation, water management issues and paludiculture product development. This will create knowledge

and networks, connecting growers with construction businesses, to encourage viable market chains supporting carbon neutrality and nature recovery.

- 6.4. Partners include the Environment Agency (EA), Water Management Alliance (WMA) and Broads IDB, critical players in the Broads, who will assist with technical expertise and permitting. Norfolk County Council (NCC) will support the development of a spatial mapping tool. Norfolk Farming and Wildlife Advisory Group (NFWAG) will engage with farmers and discuss land management options, including paludiculture and water management. Fenland Soil will help NFWAG with landowner contacts in Norfolk Fens. Hudson Architects (HA) and Norwich University of Arts (NUA) will work with the Authority to test paludi fibre products as a construction material and raise awareness about the opportunities. Palladium will continue to advise on private finance.

7. Risk Management

- 7.1. The Project Risk Register is reported and updated at the internal Project Board (every two weeks) and endorsed by the Peat Partnership Project Steering Group (every quarter). There are two key risks outstanding, as follows.
- 7.2. The delay by the International Union for Conservation of Nature (IUCN) to update the Peatland Code is a problem, as it has not been published yet. The updated version will include emissions factors, condition categories and eligibility criteria for fen habitats. The carbon credit calculations are based on early indication emission factors and they will need to be updated following the publication of the revised Peatland Code.
- 7.3. The Environment Agency has resource constraints for working on flood risk and water resource permissions. This is likely to result in delays to the permissions.
- 7.4. If the permitting processes and carbon accreditations are not finalised before the end date of the Broads Peat extension, these activities would be need to be continued into the Restoration phase.

8. Financial implications

- 8.1. The additional Broads Peat costs of £270,500 would be fully covered by the grant from Natural England, should the extension be approved.

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Background papers: [Broads Authority 28 January 2022 Agenda item number 8](#)

[Broads Plan](#) strategic objectives: A3, B2, B3, B5, D1, F3