

AM 587-21**NEW FOREST NATIONAL PARK AUTHORITY****AUTHORITY MEETING – 25 March 2021****Application to Natural Environment Investment Readiness Fund**

Report by Paul Walton, Head of Environment & Rural Economy

1 Recommendation

- 1.1 The New Forest National Park Authority works with Palladium and National Parks Partnerships to submit an application to the Natural Environment Investment Readiness Fund.

2 Background

This paper was considered by the Resources Audit and Performance Committee on the 1st March where members requested further details about the proposed bid. An informal group of members including the RAPC chair and deputy chair, met with the National Parks Partnerships Development Director on Wednesday 10th March to scrutinise the proposal further. As a result of that meeting members were happy to proceed with the bid. The formal agreement of the Authority is required before the bid is submitted.

3 Introduction

- 3.1 As members will recall in late 2019 the UK National Park Authorities (NPAs) and National Parks Partnership (NPP) started to develop a programme of 'Net Zero With Nature' through which the NPAs were positioning themselves as leading entities able to deliver natural climate solutions at scale, through partnership working.
- 3.2 NPP prepared a prospectus in spring 2020 showing how significant funding of our natural climate solution projects will help potential funders to meet their own environmental and CSR objectives. The aim is to secure at least £150 million over 10 years to restore and protect forests, wetlands, meadows and peatlands within the National Parks and surrounding areas.
- 3.3 In May 2020 the NFNPA submitted a number of potential projects to the draft prospectus with very provisional figures for potential carbon sequestration through woodland and hedgerow planting and management, wetland restoration and heathland creation.
- 3.4 NPP shared the prospectus and ambitions around the Net Zero with Nature programme and in October 2020 the NFNPA and other NPAs took part in a meeting with NPP and Palladium Group, a global 'positive impact' consultancy and implementer of international development programs employing over 2,500 people. More information about Palladium can be found at <https://www.thepalladiumgroup.com/about>. Palladium offered its services as a pro bono partner to help explore sustainable financing of nature based regeneration work in and around National Parks. This would be in the form of a "Net Zero with Nature facility"

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- 3.5 The relationship with Palladium has developed and an MoU has been signed between Palladium, NPP.

4 Palladium and the New Forest National Park

- 4.1 Discussions have continued with Palladium around the possibility of a developing an investment model for the New Forest National Park. If successful this will put the New Forest at the forefront of developing the funding mechanisms needed to deliver nature based solutions at scale.
- 4.2 Work is required to develop a financially self-sustaining programme of investment in landscape restoration that will deliver enhanced ecosystem services for carbon, biodiversity, water purity and flood risk management. The concept will also need to gain the support of landowners who will be the provider of the ecosystem services and ultimately the recipients of any credit sales.
- 4.3 A further paper will be brought to members at the Authority meeting on 25 March 2021 regarding the potential relationship between the NFNPA and Palladium.

5 Natural Environment Investment Readiness Fund

- 5.1 In February the Environment Agency launched the Natural Environment Investment Readiness Fund (NEIRF) aimed at stimulating private investment in the natural environment by setting up mechanisms to generate revenue.
- 5.2 Grants up to £100,000 are available, to offset the costs associated with developing an investment readiness proposal such as staff costs and specialist consultancy and technical advice.
- 5.3 A successful application for NEIR funding will provide the resources to develop the concept of a Net Zero with Nature investment programme for NPP and the NPAs, leading to a model commercial business plan that can be tested with landowners and potential investors.
- 5.4 The closing date for the NEIRF application is 26th March. If agreed, officers will work with Palladium to apply for £100,000 from the fund, a percentage of which will support the salary cost of NPA staff working on the project. If successful, the project will be developed over a 12-month period.

6 Recommendation

The New Forest National Park Authority works with Palladium and National Parks Partnerships to submit an application to the Natural Environment Investment Readiness Fund.

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