Nature for Climate Peatland Grant Scheme

Discovery Grant Guidance 2022

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This guidance is subject to confirmation when Natural England issue invitation to apply (ITA) packs.

Contents

The Nature for Climate Peatland Grant Scheme

The Government has committed more than £750 million for a Nature for Climate Fund, which includes programmes of peat restoration and tree planting. As part of this, Natural England is delivering a competitive grant scheme; the Nature for Climate Peatland Grant Scheme (NCPGS). The NCPGS will contribute to bringing landscape scale restorative action to degraded upland and lowland peatlands across England over four years, from 2021 to 2025.

There are two key targets for the NCPGS, which are linked directly to the delivery of the England Peat Action Plan. They are to:

- undertake restorative action on 35,000 ha of degraded peat in England by March 2025, putting the sites on a trajectory to recovery
- reduce emissions from peat by 9 Mt CO_2e cumulatively by 2050

Through the NCPGS, the government intends to invest over £50 million in peat restoration by 2025. There are two separate grants in the NCPGS:

- Restoration Grants
- Discovery Grants

Restoration Grants fund capital works to restore peatland on a landscape scale. They can fund up to 75% of costs, and in exceptional cases up to 85%. The window for applications to the 2022 Restoration Grant is due to open in April and will run for 8 weeks.

You can find out more about the Restoration Grant in the 'NCPGS Restoration Grant Guide for Applicants', a copy of which is provided as an Annex of the Discovery Grant Invitation to Apply (ITA) pack. Final details of the 2023 Restoration Grant will be confirmed prior to the 2023 application window.

About Discovery Grants

Discovery Grants fund work to unlock barriers to peatland restoration and prepare projects to apply for Restoration Grants in future rounds. It is expected that if you receive a Discovery Grant, you will bid into the final Restoration Grant round in 2023. Discovery Grants can cover up to 100% of costs.

Peatland restoration includes works to raise the water table or reinstate peat-forming vegetation. Barriers to restoration may be from any aspect of a project, such as:

- the physical and historic nature of peatland sites
- partnership working
- development and securing of private finance

This may include, but is not limited to, funding to:

- build capacity and capability in new or nascent peat partnerships
- engage new partners or landowners
- explore opportunities for private investment funding
- develop site understanding, including baseline monitoring, hydrological and ecological surveys, or historic environment assessments.

Funding timeline

The second window for Discovery Grant applications is due to open in May and run for 8 weeks. Discovery Grants awarded in late summer 2022 will be offered until March 2023. This is to prepare projects for Restoration Grant applications in 2023.

There is no minimum or maximum limit to the size of projects: we anticipate applications of up to £100,000 and the amount bid for should be proportionate to the expected planning costs for a Restoration Grant project.

Eligibility

Who can apply

Applications are encouraged from partnerships or holdings with high potential for carbon capture. Partnerships will need to decide who will lead their application.

Applications are open to:

- environmental groups
- local authorities
- businesses
- commercial enterprises
- charities
- public bodies
- landowners
- other organisations

It is possible for you to have both a Discovery Grant and Restoration Grant at the same time, however these cannot both be active on the same area of land at the same time.

If you applied unsuccessfully in a previous year, you can apply again this year.

If you applied successfully in a previous year, you can apply for different sites this year.

What land can you include

The NCPGS will fund work on peatlands in both the uplands and lowlands in England.

Discovery Grant awards made in 2022 will focus support on proposals offering high carbon returns. Typically, this will include restoration of peat habitats in the following categories:

- eroding bog (bare peat)
- cropland
- intensive and extensive grasslands
- extracted sites (bare peat)

Discovery Grant projects may be of any size, including small scale projects on individual sites. The eligibility requirements for Restoration Grants, compatibility with agri-environment schemes and additional funding requirements, are fully described in the NCPGS Restoration Grant Guidance (provided as an Annex to this ITA).

Eligible and ineligible costs

Eligible costs include, but are not limited to:

- staff and volunteer time
- partnership development and engagement
- facilitation and consultancy
- monitoring and surveys
- project administration
- feasibility studies
- hydrological modelling
- planning innovative restoration techniques
- historic environment assessment
- legal costs
- private investment development

Some other costs may be eligible if you can demonstrate that they are appropriate and an essential component of your Discovery Grant. It will be up to the applicant to demonstrate that the costs are required to enable capital restoration. These include:

- community engagement
- training
- equipment purchase

Ineligible costs include:

- physical restoration works
- land purchase
- buying out of tenancy agreements

- activities related to the discharge of contractual or legal obligations
- landowner compensation payments for inconvenience and loss of income

How to apply for a Discovery Grant

To apply for a Discovery Grant, you need to use [Defra's eSourcing portal (Bravo).](#) [Find out how to register and apply.](#)

You will need to complete three questionnaires:

- qualification (eligibility)
- technical
- commercial

This guidance will help you complete the technical and commercial questionnaires.

An invitation to apply (ITA) pack will be available through Bravo; this will tell you:

- how to complete the questionnaires
- the evaluation criteria we will use to assess and score applications

You can submit any queries on the application process through Bravo.

You should familiarise yourself with the eligibility and application requirements for the Restoration Grant to ensure that your Discovery Grant proposal includes all the relevant aspects that may need to be addressed in the Restoration Grant application. The details of future Restoration Grant funding may be subject to change; however, the principles of the scheme will remain the same.

There is no preferred type of application and Natural England cannot advise you on application strategies. For example, whether organisations should submit individual or joint applications for multiple sites, or which organisation would be best placed to lead a partnership.

The Technical Questionnaire accounts for 80% and includes questions on:

- why the project is needed
- what will be achieved and how
- how the project findings will be used in the future

The Commercial Questionnaire accounts for 20% and includes questions on:

- breakdown of costs
- breakdown of outputs

Technical questionnaire

You can find guidance below on the technical questions in the 2022 Discovery Grant application.

E01: Why is this project needed?

In this question, you will need to describe your future ambition for peatland restoration and why the Discovery Grant is needed to achieve this. This should include an understanding of why peatland restoration is appropriate and what local constraints need to be overcome to enable peatland restoration in this location. You should describe where you are in your peatland restoration journey, for example an established peat partnership investigating private finance options, or a new partnership with no previous experience of peatland restoration.

You must include:

- project title
- the project's vision for peatland restoration and why it is appropriate for the location
- where the project is on its journey to achieve this, such as how established and experienced a partnership is
- the barriers currently preventing you from applying for a Restoration Grant
- how the Discovery Grant will help address these barriers - full details on 'how' will be required in question 2
- why the Discovery Grant is appropriate for overcoming the barriers you have identified
- the location of the Discovery Grant project.
- the sites and area (in hectares) of peatland that your project aims to cover - where possible you should include its current condition and peat depth
- the reasons for peatland degradation at the locations your project will cover

You can find descriptions of peat condition categories in the NCPGS Restoration Grant Guidance. You will need to provide maps of the areas you intend to work in and complete the table with details of the area, condition, and depth of peat your project will help plan to restore, if you do not currently have this information you should describe in question E02 how you will obtain it.

Spatial data

You must provide site maps to support your E01 response. You should use a georeferenced application to plot your project areas. We prefer that you use ArcView but will accept other formats. We understand that not all projects have access to mapping systems, but there are open-source applications available.

The maps should show as known:

- site boundaries
- features to restore
- historic environment features
- monitoring locations

You should use one of the following combinations of file types:

- PDF and shapefile (.shp) of each site with an overview map
- PDF, JPG or other and GPX or other of each site at a suitable scale with an overview map
- PDF, JPG or other and GPX or other of each site at a suitable scale
- PDF, JPG or other of each site at a suitable scale

E02: What will you achieve and how?

You will need to describe what you plan to do in your Discovery Grant project, and include a work plan detailing:

- the aims and objectives of the Discovery Grant project
- the activities you will carry out to overcome barriers to restoration, with a timetable and key activity milestones
- how the project resources you plan to use will deliver the project in the time available
- any training planned to increase the capability and capacity of developing a restoration project

Discovery Grants are intended for projects at any stage of peatland restoration and therefore previous experience of restoration is not a requirement. However, if you do not have previous experience, you should describe how you plan to build capability to enable a Restoration Grant application to be made in 2023.

In your response, you should identify the partners and landowners you plan to work with, identifying whether they are currently involved or aware of the project or still to be contacted. If you plan to use specific methods to facilitate engagement with partners, landowners or the local community, you should describe these.

Site surveys are important when planning restoration, informing which restoration methods are most appropriate for site specific conditions. They may include hydrological or ecological surveys or an historic environment assessment. Baseline monitoring before restoration activities start is also important to show the success of restoration. You should describe any surveying to be carried out, including survey methods, locations, and the experience level of surveyors. You can find more information on the monitoring required for the Restoration Grant in Annex 3 of the Restoration Grant Guidance. If you have not yet appointed surveyors or contractors, you should provide evidence of how they will be selected to show they have the relevant skills and experience.

You will also need to provide a risk assessment for your project proposal, the dependencies of the project and how these will be managed and mitigated throughout the course of the Discovery Grant.

Protected Sites

Projects can use Discovery Grant funding to undertake work required to gain permissions or consents for a restoration project. Such permissions include environmental regulations, Site of Special Scientific Interest (SSSI) authorisations and protected species survey work.

Some specific activities within Discovery Grant projects may themselves require protected sites permissions, for example novel survey methods. If your project includes activities requiring SSSI authorisation, your application must describe the measures to be taken to avoid/minimise any impacts to protected sites. The standard Notice of Proposal and Consent, Assent or Advice procedure will apply for these activities. The Bravo application does not constitute a Notice of Proposal, and the grant offer will not act as SSSI Consent, Assent, or Advice.

You will only need to submit a Notice of Proposal for Consent or Assent, or consult Natural England for Advice, after you have been offered a grant. You must not start works which require permission until you have secured SSSI authorisation. When you are sent a grant offer, you should download the Notice Template from the GOV.UK webpage and complete as required. Advice can be provided on the completion of this document at the time. Should you wish to accept the grant offer, you should do this via Bravo. Your Notice of Proposal form should be completed and returned via email to peatlandscheme@naturalengland.org.uk.

Further guidance on protected sites and species is provided within Annex 4 Protected Sites and Protected Species, of the Restoration Grant Guidance.

Historic Environment

Projects can use Discovery Grant funding to undertake work required for Historic Environment Assessments (HEAs); enabling you to develop restoration plans informed by an understanding of the historic environment of a site.

The exact approach required will vary depending on the quality and quantity of Historic Environment information available to you, however a HEA will usually comprise:

- a desk-based assessment
- further scoping survey to find the nature and extent of historic features on areas highlighted by the desk-based assessment as being poorly understood AND which fall within the restoration footprint
- integration of results with the proposed restoration methodologies, using the mitigation hierarchy discussed in Annex 5 of the Restoration Grant Guidance

Depending on the site, a further scoping survey could include remote sensing techniques such as aerial photography or LiDAR data, or field-based techniques, like an archaeological walkover survey.

If you are planning to use a Discovery Grant to undertake a HEA for a multi-phase restoration project, scoping must include at least the first phase of restoration works. You may include scoping works with their estimated costs for later phases of restoration in the Restoration Grant application in agreement with the Historic Environment Senior Adviser (Peatlands).

You can also use Discovery Grant funding to gain historic environment permissions or consents for a restoration project. Such permissions include but are not limited to:

- Scheduled Monument consent
- Ministry of Defence licences (under Protection of Military Remains Act 1986)
- Rural Payments Agency permissions for work on SHINE features (where land is in a live agri-environment scheme).

Further guidance on historic environment, including a model brief for a desk-based assessment, is provided within Annex 5 of the Restoration Grant Guidance.

E03: How will the project findings be used in the future?

Discovery Grants are to enable the development of a restoration project plan so that you are in a position to apply for a Restoration Grant in 2023. You will need to demonstrate:

- how the findings from your Discovery Grant project will be used in a future restoration project
- the scope of your Discovery Grant project fully considers the requirements of a Restoration Grant
- barriers to restoration projects and applying for a Restoration Grant will not remain unaddressed
- risks and contingencies have been considered in the context of future restoration
- how you will explore and identify an appropriate source to meet the additional funding requirements of a Restoration Grant – including private finance, such as the Peatland Code

Carbon benefits

Improving peatland condition reduces greenhouse gas (GHG) emissions. The NCPGS estimates potential GHG savings using the area of peatland which is likely to change condition. You can find out more about condition categories in Annex 3 of the Restoration Grant Guidance for 2022.

You will find a calculator as an annex of the online ITA. You must complete this to show the potential GHG abatement of the areas you intend to investigate and plan restoration for in your Discovery Grant

In the Carbon tab you should provide the:

- total area that your Discovery Grant project will investigate, in hectares
- timing of future restoration
- total area you will investigate in each peat condition category, in hectares

This information should match any site details in earlier parts of your application form.

The spreadsheet will estimate the total amount of carbon that could be secured from the peatland area you investigate during your Discovery Grant by 2050 and over the next 50 years. You can find this on the Introduction tab. The calculations are based on assumed changes in peatland condition, which are described in the Introductions tab.

The GHG emission factors used in calculations will be the latest published by the Department for Business, Energy & Industrial Strategy.

Commercial questionnaire

The commercial questionnaire will be assessed separately to the technical questionnaire. You must give all commercial information about your project in the commercial envelope.

Points will be awarded based on an assessment of:

- cost per tonne of potential carbon secured
- confidence in the proposals value for money.

F01: Potential cost of carbon

The assessment of the potential cost of carbon that could be secured through your project will be based on the following calculation.

$$\frac{\text{Total grant requested from the NCPGS}}{\text{Estimated potential CO2e secured by 2050 (from E03)}}$$

Higher marks will be given for lower values from this calculation.

F02: Value for money

Value for money will be assessed based on the confidence that proposals represent value for money and that works in the project are costed appropriately based on benchmarking of known common costs.

Commercial template

The following provides a guide to the commercial template, further details will be given in the ITA, including the spreadsheet template. You should complete the tabs, including:

- project costs
- additional funding
- carbon

You need to give costs across each financial quarter. If your application is successful, these figures will inform your claim profile. Your costs must enable you to achieve your project activity milestones set out in E02.

Costs should be extra – the Discovery Grant must help you achieve outputs or outcomes that would not otherwise be possible.

Your costs must be clear and justified, including making the most of other sources of funding and resources for the project. You must show costs are reasonable by including supporting evidence, for example:

- quotes or comparisons of costs of similar works where possible
- details of estimated costs for services you have used or plan to use
- typical pay and expense costs for staff and volunteers
- any match funding, in-kind support or other resources specifically secured for this project that are not included in the Grant Funding requested

Project costs tab

You need to use the Project costs tab to enter the itemised costs for each activity of your project. You need to use a separate line for each activity cost. Include the detail for each cost in the description field and the quantity field.

The spreadsheet will automatically calculate total costs entered, and add a total figure against each activity in the Summary tab.

Additional funding tab

You are not required to have any additional funding for a Discovery Grant project. However, if you have additional funding which reduces the overall grant request, it will improve your commercial assessment score.

You need to itemise all match funding in this tab. You can add lines to show contributions from each source. You should split amounts into cash and in-kind contributions for each funder, with a line for each.

A contribution will count as match funding if it relates to an eligible project cost. If an activity is not eligible, it will be excluded from projects costs. If that activity was a source of match funding, it will also be removed from the match funding contribution. Match funding cannot form part of an existing obligation.

If you plan to use volunteers to deliver you project, use the following rates to calculate the value of volunteer time:

- professional volunteer, such as accountancy or teaching: £50 per hour
- skilled volunteer, such as leading a guided walk: £20 per hour
- volunteer, such as administrative work: £10 per hour

You cannot include the time of people who attend engagement activities, such as a guided tour.

Carbon tab

You should enter the potential carbon abatement by 2050 that is calculated in the excel calculator from question E03.

Summary tab

You do not need to populate the summary tab. It will populate automatically using the data you provide in the other tabs. The summary tab includes:

- total project costs
- total grant requested and intervention rate
- cost per tonne of carbon dioxide equivalent

Application decisions

Once the application window has closed, NE will assess all applications. This is likely to take approximately two months.

If the NCPGS team need any clarifications about your application, they will contact you through Bravo.

In a situation where scoring is tied and a decision between applications is required, an assessment of the potential contribution the projects will make to the NCPGS restoration and emissions reduction targets will be used.

Successful applications

If your application is successful, NE will notify you in writing and send you a grant offer letter.

The grant offer will include:

- any special conditions
- timescales to get consents or permissions
- terms and conditions

You will need to sign and return the offer letter by the date given. You must not start the project until you have signed and completed all documents in the grant offer letter and fulfilled any special conditions.

Unsuccessful applications

If your application is unsuccessful, NE will notify you in writing through Bravo. You will have the opportunity to seek further feedback.

Successful grant projects

Successful applicants will receive further information about:

- payments and the claims process
- monitoring, including monitoring templates
- reporting, including reporting templates

Payments

NE will make grant payments in arrears for eligible expenditure against agreed milestones. You can submit claims monthly and must claim at least quarterly. Total costs should be submitted, and payments will be made at the agreed intervention rate. You will need to submit evidence for grant claims, examples are provided in the payments section of the Restoration Grant Guidance.

Reporting

Your Grant Funding Agreement will show the dates that reports are required. You will receive templates for each report you need to submit.

You will need to give quarterly updates on progress, including:

- progress made towards project milestones

- any issues, such as delays
- any changes to the project

By the end of the project, you will need to submit all monitoring data and a final report. The final report should:

- cover all work done across the project
- evaluate how far the project achieve its original aim

Regular reporting will let NE make sure projects are on track to achieve their aims. NE may also:

- use information from project reports to evaluate the role of partnership working in restoration success
- survey grant project partners through interviews or online surveys

Acknowledging funding

You must acknowledge Natural England's support in any publicity or materials that refer to the project. This includes any written or spoken public presentations you give about the project.

You must use:

- our name
- our logo, where you have asked permission or where we request it

When using the NE name and logo you need to follow any branding guidelines we send you. We will provide updated templates from time to time.

Further information

You can find more information about the NCPGS on gov.uk

Full information on the Restoration Grant is available in the Restoration Grant Guidance (provided as an Annex to the ITA on Bravo). This includes a list of resources which may be helpful in developing a Discovery Grant application.

If you require any further assistance, please contact the NCPGS Team at peatlandscheme@naturalengland.org.uk.

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