

Meeting Taker:	Cabinet Member for Climate Emergency, Jobs and Business
Date:	2 August 2024
Report title:	Approval of a new Southwark Biodiversity Fund
Ward(s) or groups affected:	All wards
Classification:	Open
Reason for lateness (if applicable):	No
From:	Climate Change Programme Director

RECOMMENDATIONS

1. That the Cabinet Member for Climate Emergency, Jobs and Business approves a time-limited grant fund for not-for-profit groups to deliver biodiversity enhancements in the borough, for capital projects from 2025 onwards.
2. The total grant funding amount will be £500,000, drawn from the £1m Climate Capital Fund budget allocated for biodiversity enhancements by Cabinet in July 2022 – a summary of the scheme is included in paragraphs 8-26. The remainder of this funding will continue to be allocated for internal council projects to deliver biodiversity enhancements.

BACKGROUND INFORMATION

3. Southwark’s Council Delivery Plan (CDP), Climate Change Strategy (CCS), and Nature Action Plan (SNAP) all contain commitments to protect and enhance biodiversity, access to nature, tree canopy cover, green infrastructure, green corridors and urban planting. These commitments include both supporting nature on public land (including parks, housing estates, highways and public realm) and by building the capacity of the Southwark Biodiversity Partnership and other not-for-profit nature groups in the borough.
4. In July 2022, in line with these commitments and recommendations from Southwark’s Climate Change Citizens’ Jury, Cabinet approved the allocation of £1m from within the Climate Capital Fund for “Green Space Enhancements and Biodiversity Improvements” (see [cabinet report](#), paragraph 45b). This accompanied other allocations including the £400k for Southwark Community Energy Fund (SCEF) which was distributed as the Climate Change Team’s first external grants pot this spring.
5. The biodiversity funding pot was [announced](#) in 2022 and since then, we have allocated two grants from within the £1m – £100,000 to Dulwich Village

Highways Scheme, and £20,000 for the Tiny Forest project. We subsequently appointed an Ecology & Climate Change officer to accelerate delivery of the funding on both council-led and externally delivered projects.

6. Based on learning from these schemes so far, and consultation with the nature conservation sector in the borough including Southwark Biodiversity Partnership, officers have identified a need for a portion of the Climate Capital Fund allocation for biodiversity to be delivered as an external grant fund. This approach offers opportunities to galvanise action for nature by multiple stakeholders, build the sector's capacity, build new partnerships, utilise the ecological knowledge and experience of a wider range of organisations and support delivery of multiple complementary schemes at pace.
7. This approach also creates opportunities for strategic alignment with the new national and regional policy frameworks, including the new biodiversity duty for public authorities and the GLA's upcoming work with boroughs to develop London's Local Nature Recovery Strategy in line with new DEFRA requirements.

DESIRED OUTCOMES AND FUNDING CRITERIA

8. This Fund will sit within Southwark's wider portfolio of climate and environment funding – notably, a separate £1m allocation within the Climate Capital Fund to focus on climate adaptation and resilience, and the council's Cleaner Greener Safer funding which supports smaller-scale, grassroots greening initiatives.
9. Bearing that in mind, this specific funding allocation will be used to:
 - Tackle the ecological emergency by delivering strategically impactful, lasting interventions for biodiversity & nature recovery in Southwark **(priority aim)**
 - Seek to maximise environmental, social and strategic co-benefits as secondary outcomes – *including access to nature, social value, improved amenity space, air quality improvements, climate resilience & adaptation, and other goals set out in Southwark's CCS, Climate Resilience & Adaptation Strategy (CRAS) and CDP*
 - Stimulate more action for nature by stakeholders who are best positioned to take action
 - Support the CCS action to “*develop, support and expand Southwark's Biodiversity Partnership and their capacity to deliver local schemes*”
 - Deliver a geographical spread of projects across the borough, in line with Lawton principles and other strategic considerations (e.g. social equity, climate risk mapping, and access to nature)
10. The primary aim of new projects will therefore be to enhance, protect or create a habitat that promotes biodiversity. Interventions will involve physical change in a space that directly results in an improvement to at least one of the three tiers of biodiversity: ecosystem diversity, species diversity and genetic diversity. Grants will therefore be offered ranging from £15,000 to £120,000, to ensure they deliver strategic, substantial and lasting change for biodiversity.

11. Southwark's Climate Change Strategy recognises the interactions between the climate crisis and biodiversity, including the significant risks posed to biodiversity by a changing climate and the opportunity for natural ecosystems to support climate resilience.
12. In order to help nature thrive in the face of climate change and other pressures, Lawton's principles of creating space for nature that is bigger, better and more joined up will be applied. These recommendations come from a report commissioned by DEFRA in 2009 to identify how ecological networks in England can be enhanced. Projects will be selected to complement each other to ensure this funding allocation collectively delivers all three of these principles.
13. Secondary aims of projects will include other positive environmental impacts beyond improved biodiversity and climate resilience. This could include improved air quality, and flood resilience. Biodiversity enhancements often result in social co-benefits, which will also be considered as secondary project aims. These social co-benefits include increased connection with nature (and the associated proven mental health benefits); social value, community engagement; and improved amenity space. Where possible, these social co-benefits will be located in areas of social inequality and vulnerability who are more vulnerable to the effects of climate change.
14. In order to ensure the fund delivers substantial, lasting and strategic interventions for biodiversity, against the need to achieve a geographical spread for both people and nature in the borough, we will aim to spend the funds on a range of project sizes. Assessment criteria will be commensurate to the grant requests as set out in the table on page 5.
15. Match-funding will be encouraged to improve the application's chances in competition, particularly for larger grants. Outcomes will be assessed against the level of funding requested, and applicants will be asked to demonstrate need for the council's funding. However, match-funding will not be a requirement to avoid excluding groups on the basis of lack of access to other funds.
16. The remainder of the £1m Climate Capital Fund allocation for biodiversity will be retained for internal council-led projects delivered on public land. In order to maximise benefits for biodiversity, as well as to build transparency and trust in how we are working with our biodiversity and community partners in the borough, it will be allocated broadly in line with the outcomes, desired principles and funding criteria set out in paragraphs 9-15 and the table below.

	Small	Medium	Large
Grant available	£15,000-£30,000	£30,000-£80,000	£80,000-£120,000
Target spend / project numbers <i>(subject to some flex depending on applications received)</i>	2-3 projects <i>(c. 10% of budget – £50,000)</i>	4-6 projects <i>(c. 50% of budget – £250,000)</i>	2-3 projects <i>(c. 40% of budget – £200,000)</i>

Assessment criteria:			
1. Enhance, protect or create habitat through physical changes, supported by relevant ecological expertise or advice	Mandatory	Mandatory	Mandatory
2. Aligns with CDP	Mandatory	Mandatory	Mandatory
3. Strategically align with key strategies: - GLA Climate Risk Map - Areas of deficiency in access to nature - Defra priorities on irreplaceable or nationally declining habitats - London Priority Species List (GLA) - Southwark Climate Change Strategy - Southwark Climate Resilience & Adaptation Strategy - SNAP	At least one	At least three	At least three
4. Demonstrate strong link to Lawton principles	Preferred for applicant <i>(though we will ensure all projects combine in a portfolio approach to delivering Lawton principles across the borough)</i>	Mandatory	Mandatory
5. Strongly demonstrate social and/or environmental co-benefits	Preferred	Mandatory	Mandatory
6. Well-planned, deliverable project including appropriate budget, timescales, risk management	Mandatory	Mandatory	Mandatory
7. Sustainability / future management plans in place, including Letter of Support from person responsible for maintenance	Mandatory	Mandatory	Mandatory
8. Value for money (biodiversity outcomes & co-benefits commensurate with funding request)	Mandatory	Mandatory	Mandatory

APPLICANT ELIGIBILITY AND PROMOTION

17. In order to protect the council from fraudulent claims, maximise public benefit, and provide some assurance around the future sustainability of the organisations and projects, there will be eligibility criteria for applicants including:

- Applicants must be constituted not-for-profit groups, with at least three unrelated members, and a set of financial accounts demonstrating a record of existence and financial sustainability.
- Project sites must be wholly in Southwark, and not include any private land.
- Organisations should meet the council's minimum requirements for groups funded through other grant schemes and/or using public facilities, in line with the activities to be delivered (e.g. has relevant insurance or is covered by a partner's insurance for the grant-funded activities; has safeguarding policies if working with volunteers and residents; etc).

18. In line with the priorities of the fund, most eligible costs should be capital costs to deliver biodiversity enhancements. However, it will be for the applicant to make the case that the budget presented will support the desired outcomes of the fund. Examples of eligible costs include:

- **Physical / capital infrastructure costs** e.g. depaving, landscaping, restoration or creation of physical habitat features (such as ponds, deadwood habitats, wildflower meadows), or paths/fencing to protect habitats from damage while allowing people to enjoy nature
- **Staff and contractor costs** directly related to delivery of the capital scheme (e.g. capital project management, managing volunteers)
- **Participation & engagement costs** such as volunteer management, training and expenses to support volunteer work parties, or promotion to engage / consult / inform the local community about the biodiversity enhancements
- **Plants and equipment** required to deliver biodiversity enhancements
- **Project development and evaluation** (e.g. design fees, baselining & monitoring biodiversity impacts, other evaluation activities). Given the capital focus of the fund, these should directly support practical biodiversity impacts and not be the main purpose of the project (e.g. research projects).

19. We will **not** support the following:

- Activities that do not benefit people residing in the area – this will include work on land outside Southwark, or on private land
- Commercial activities (e.g., where there is no public benefit)
- Religious activities, political parties or lobbying groups
- Statutory duties or medical or academic research
- Grant-making bodies to distribute grants through a different process.
- Projects that do not link to the goals and intentions of the SNAP, CCS or other key council environmental strategies
- Projects that do not relate to biodiversity
- Individuals as opposed to organisations. Any individuals with an idea must work with a local not-for-profit organisation to make an application
- Organisations not established in the UK.

APPLICATION AND RECOMMENDATION PROCESS

20. Applications will be open for a period of at least six weeks, with a deadline in October. The fund will be openly & widely promoted across the borough, to encourage both existing & new partners to work with the council for nature, and ensure open access to public funds. We will seek and welcome new partners and applicants who are not currently known to the council or members of the Southwark Biodiversity Partnership. A promotion period and associated communications plan will help widen the fund's reach.
21. Applicants will be required to submit a short form aligned with the desired outcomes and funding criteria shown in the table on page 5, so that they may provide information to support a consistent officer assessment of how they support the fund's objectives. Applicants will be able to request brief advice and feedback on their project idea via an Expression of Interest process, to help strengthen bids.
22. Once applications are received, officers will review all applications and produce an initial summary and assessment of the projects. For any project that affects a council or community asset, officers will seek comment from the relevant department(s) and stakeholders as appropriate. A panel will then be created to review and compare assessments, to give a broader perspective on the applications being received. The panel will consist of at least two council officers from relevant teams and an external representative, and due consideration will be given to the diversity of the panel.
23. The panel will present prioritised recommendations for Individual Member Decision by the Cabinet Member for Climate Emergency, Jobs and Business as the member responsible for the Climate Capital Fund. The Cabinet Member for Leisure, Parks and Young People will also be kept informed, due to the strategic links with ecology and the SNAP.
24. The date for a decision on Southwark Biodiversity Fund awards will be listed on the Forward Plan and is likely to be December 2024.
25. Successful applications will need to provide data and a short report on progress and biodiversity outcomes, at a level of monitoring / reporting commensurate with the grant level and submit this to the council.
26. Unsuccessful applicants will receive feedback and, where relevant, signposting and advice on other relevant or more appropriate funding streams.

Policy Framework Implications

27. The provision of the Southwark Biodiversity Fund supports the council's delivery plan, Fairer, Greener, Safer 2022-2026, through the following themes:
- Transforming our borough: ensuring Southwark is a great place to live and work including high quality green spaces
 - A healthy environment: planting more trees and creating more parks and nature sites, seeking to protect and enhance the borough's biodiversity.
28. This fund will also support the delivery of the Climate Change Action Plan, which has a number of actions relating to greening under the "Thriving Natural Environment" theme:
- Greener streets
 - Increase access to nature
 - Increase tree coverage
29. It will also deliver a range of outcomes associated with the CRAS adopted in 2024, as urban greening supports flood resilience and tackles urban heat island effect. These benefits will be specifically considered in assessment as secondary outcomes to be delivered along with biodiversity enhancement, as well as through inclusion of the London Climate Risk Map in the decision-making process.
30. Finally, this fund will also support the delivery of the SNAP, which has actions relating to creating and enhancing specific habitats, as well as actions relating to promoting the longevity of special species within the borough.

Community Impact Statement

31. This funding will support the local community to engage with nature and the benefits it offers, both through supporting the natural environment VCSE sector, and through new opportunities for other residents to engage with nature in improved habitats across the borough. The fund will be promoted widely to ensure that all communities know they are able to access this funding. Groups will be able to access officer advice and feedback / support with their applications via an optional Expression of Interest process, which will particularly benefit small or less experienced groups.
32. The Southwark Biodiversity Fund will build the capacity of not-for-profit organisations within Southwark and the services they provide to the local community. By funding a range of smaller and larger projects, a range of organisations of different sizes will have access to this grant, including smaller grassroots organisations.
33. Green spaces and nature areas have special social value within communities. They are spaces for communities to socialise, play and exercise, and are of particular value to those without access to a private outdoor space.

Equalities (Including Socio-economic) Impact Statement

34. Due consideration will be given to equalities in delivering and monitoring the funding. In particular, issues of equality and equity have been embedded in the assessment criteria in the following ways:

- a. The London Climate Risk Map will be used as one key decision-making factor in assessing and prioritising applications. This map takes account of IMD data, health inequalities and other socio-economic and demographic factors which make certain communities more vulnerable to climate change. In particular, in Southwark, residents experiencing income deprivation, social renters, Black Asian and Minority Ethnic communities are at greater risk of negative impacts from climate risks, which is recognised in the Climate Risk Map.
- b. Another decision factor will be to fund projects within areas of deficiency in access to nature, which generally applies to communities experiencing socio-economic deprivation, as well as Black and Minority Ethnic communities (who generally experience lower greenspace provision nationally, even accounting for other factors such as socio-economic factors). By seeking to fund projects in areas of deficiency, we therefore hope to address some of these inequalities and target communities who are currently less able to easily access the benefits of engaging with nature.
- c. We will also consider the geographical spread of projects in making decisions, ensuring a range of communities will be able to experience the benefits of biodiversity enhancements.

35. We will undertake equalities monitoring of the groups and projects funded, to understand the impacts of these measures and the reach achieved by the fund.

Health Impact Statement

36. It is well-evidenced that exposure to nature promotes wellbeing, particularly improved mental health. The funding criteria favours projects that will be delivered within areas of deficiency in access to nature, hence aiming to improve access to nature within Southwark and the associated benefits to health and wellbeing.

37. When assessing applications, we will consider the environmental co-benefits that projects promote, including addressing flood risk, overheating and urban heat island effects, and air pollution, all of which have significant impacts on physical and mental health.

Climate Change Implications

38. Biodiversity and climate change are closely intertwined. Climate change poses a significant long-term threat to the state of nature due to the effects of extreme weather, rising sea levels and seasonal changes. Furthermore, biodiversity enhancements can build climate resilience within local communities by reducing the effects of urban heat islands, and mitigating vulnerability to climate-related extreme weather events such as flooding.

39. Southwark's CCS recognises these interactions between the climate crisis and biodiversity. Within the Climate Change Action Plan, several actions have been identified under the themes of greener streets, tree coverage, access to nature and enhancements to the natural environment. Where possible, this funding pot will facilitate and/ or accelerate the delivery of these actions.

40. Given that this fund sits within the wider Climate Change Capital Fund, Climate Change Team officers have been closely involved in ensuring the intertwined relationship between nature recovery and climate change is carefully considered when developing this fund. Climate change is disrupting the natural world by displacement of species and disruption to seasonal cycles, so it is important that we build nature's resilience to climate change by promoting genetic and species diversity. Trees and other plants capture carbon dioxide, increasing natural carbon storage and contribute to reductions in the greenhouse gas effect.

Resource implications

41. The funding for grants will be drawn from the one-off Climate Capital Funding allocation of £1m, which Cabinet allocated for biodiversity projects in 2022. The remaining funds will continue to be allocated to internal council projects delivering biodiversity enhancements.

42. The management and distribution of funds will be managed by existing council staff, in particular the Ecology & Climate Change Officer who was appointed in January 2024 to accelerate distribution of the £1m funding allocation. This officer will continue to drive and project manage distribution of additional biodiversity funds, both via this grant fund and for internal council projects. Additional support with reviewing and assessing applications will be provided from within the Climate Change and Ecology teams' existing staff capacity.

43. Promotion of the fund will be undertaken through existing council communication outlets across the community, including newsletters, webpages, social media, and webinars delivered by officers.

44. Applications will need to demonstrate sustainability and plans for management and maintenance of planting and landscaping, including a letter of support from those responsible for site maintenance in the longer term. Where projects take place on council land, in the public realm or highways, this may involve modest maintenance requirements for associated council teams; but funding bids will only be recommended for approval where the relevant teams are supportive and confirm this can be accommodated within council resources. Similarly, if any projects are not on public land, we will seek assurances around any potential future change of land use that could reduce biodiversity value, and how applicants will safeguard the site's future to prevent this. This will be discussed and assessed on a case-by-case basis for each project.

45. Southwark Biodiversity Fund projects will need to start in early 2025 and be completed within designated timelines specified at the point of awarding funding (unless dispensation is given). Variations in submitted funding timelines will be discussed on an ongoing basis, with the council holding the right to withdraw the funding commitment for undue delay.

46. The total expenditure and sources of funding for the scheme will be monitored and reported on as part of the overall Climate Capital Fund management.

Consultation

47. Funding was allocated to biodiversity enhancements in response to Southwark Citizens' Jury on Climate Change in 2022. The Jury's recommendations include recommendation 17. Green spaces/natural resources, which highlights a desire to protect and create green spaces in response to the climate emergency.

48. No formal consultation has been undertaken for the establishment of this fund. However, in developing the fund officers have engaged with the Southwark Biodiversity Partnership (a network of non-profit groups who work to improve and enhance biodiversity in the borough) and with other relevant stakeholders, in order to ensure the fund will be accessible and relevant to local needs.

SUPPLEMENTARY ADVICE FROM OTHER OFFICERS

Assistant Chief Executive (Governance and Assurance)

49. This report seeks approval to establish a new Southwark Biodiversity Fund totalling £500,000 to enable the provision of grant funding for not-for-profit groups to deliver biodiversity enhancements in the borough, for capital projects from 2025 onwards.

50. Paragraphs 8 to 25 set out the details and objectives of the new Fund and describe how a planned and robust process is to be carried out, both for the purpose of attracting applications from interested eligible not-for-profit groups and organisations and evaluating their proposals.

51. The recommendations of this report align with the council's Climate Change Strategy and with associated corporate policy in this area as noted in paragraph 3.

52. The report also confirms how the planning and development of the new Fund has been informed by recommendations made by the Southwark Citizens' Jury on Climate Change and following consultation with relevant individual and group stakeholders.

53. The community and equalities impact statements contained within paragraphs 29 to 33 note that the intention of the Fund is to promote and encourage engagement by all individuals and groups within the local community by offering the opportunity to apply for funding for a range of small to large scale projects and to benefit from the projects which arise from the funding allocations. It is also noted that the health and socio-economic inequalities that exist within certain sections of the community will be factored into the criteria for assessing funding applications. This is consistent with the requirements of the council's statutory duty (the Public Sector Equality Duty) as prescribed by the Equality Act 2010.

54. The decision to approve the Recommendations is one which is expressly reserved to the Cabinet Member under the council Constitution.
55. Following the allocation of the Fund to successful applicants appropriate legal terms and conditions will regulate the various grant awards.

Strategic Director, Finance (ENG24/048)

56. The Strategic Director of Finance (SDF) notes the recommendation to the Cabinet Member for Climate Emergency, Jobs and Business to approve new grant funding for not-for-profit groups to deliver biodiversity enhancements in the borough, for capital projects from 2025 onwards.
57. The SDF notes the resource implications in this report and that the proposed grant funding allocations will be contained within the £500,000 drawn from the £1m Climate Capital Fund budget allocated for biodiversity enhancements by Cabinet in July 2022.
58. The operation and management of the fund will be monitored within the context of the Climate Change Capital Fund and as part of the Department's overall Capital Programme.
59. In order to ensure that each project funded assists the Council in achieving its climate change objectives, it is recommended that the climate change service ensures that each project identifies clear benefits of the scheme against our climate action and adaptation plans (including links to the Climate Resilience & Adaptation Strategy and borough climate risk maps). This will be essential to future climate change budgeting and monitoring.
60. It is also noted that officers' time and any other costs connected with this recommendation will be contained within existing departmental revenue budgets.

BACKGROUND DOCUMENTS

Background Papers	Held At	Contact
July 2022 Cabinet Report designating the budget	https://moderngov.southwark.gov.uk/documents/s107854/Report%20Citizens%20Jury%20July%202022.pdf	Tom Sharland / Tom Buttrick
Southwark Nature Action Plan (SNAP)	https://www.southwark.gov.uk/parks-and-open-spaces/ecology?chapter=3	Tara Quinn / Julian Fowgies
SINC Review Report	https://www.southwark.gov.uk/parks-and-open-spaces/ecology?chapter=4	Tara Quinn / Julian Fowgies
Climate Change Strategy and Action Plan	https://www.southwark.gov.uk/environment/climate-emergency/reaching-net-zero/our-plan-for-net-zero	Tom Sharland / Tom Buttrick
Climate Resilience and Adaptation Strategy	https://www.southwark.gov.uk/environment/climate-emergency/climate-resilience-and-adaptation/key-documents	Tom Sharland / Tom Buttrick

APPENDICES

No.	Title
None	n/a

AUDIT TRAIL

Lead Officer	Tom Sharland, Head of Climate Change and Sustainability	
Report Author	Caroline George, External Opportunities Manager / Holly Weber, Ecology Officer	
Version	Final	
Dated	25 July 2024	
Key Decision?	Yes	
CONSULTATION WITH OTHER OFFICERS / DIRECTORATES / CABINET MEMBER		
Officer Title	Comments Sought	Comments Included
Assistant Chief Executive, Governance and Assurance	Yes	Yes
Strategic Director, Finance	Yes	Yes
Cabinet Member for Climate Emergency, Jobs and Business	Yes	Yes
Cabinet Member for Leisure, Parks and Young People	Yes	Yes
Date final report sent to Constitutional Team		2 August 2024