

# Cayton & Flixton Lowland Peat Project

Local Investment in Natural Capital (LINC) Programme

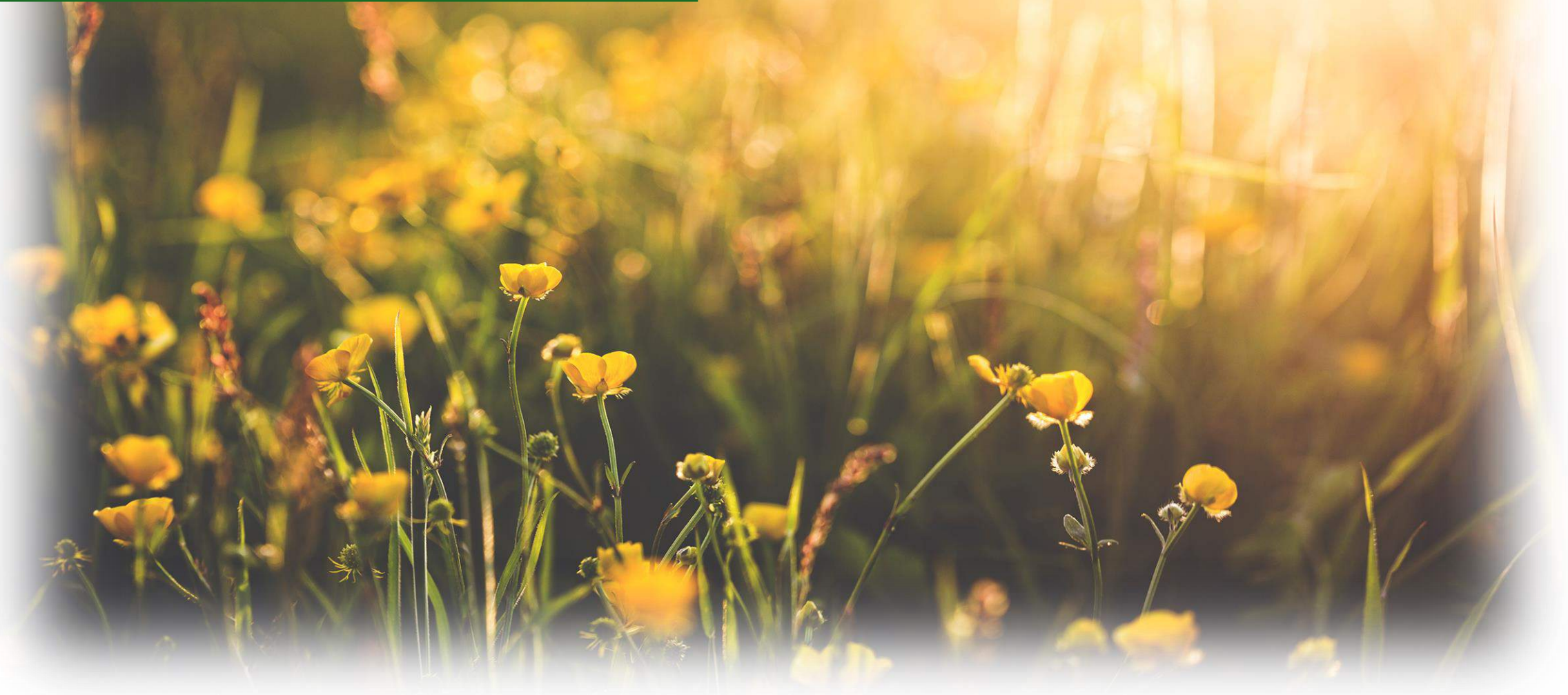


Department  
for Environment  
Food & Rural Affairs



Environment  
Agency

Local Investment in Natural Capital programme



# Project Summary



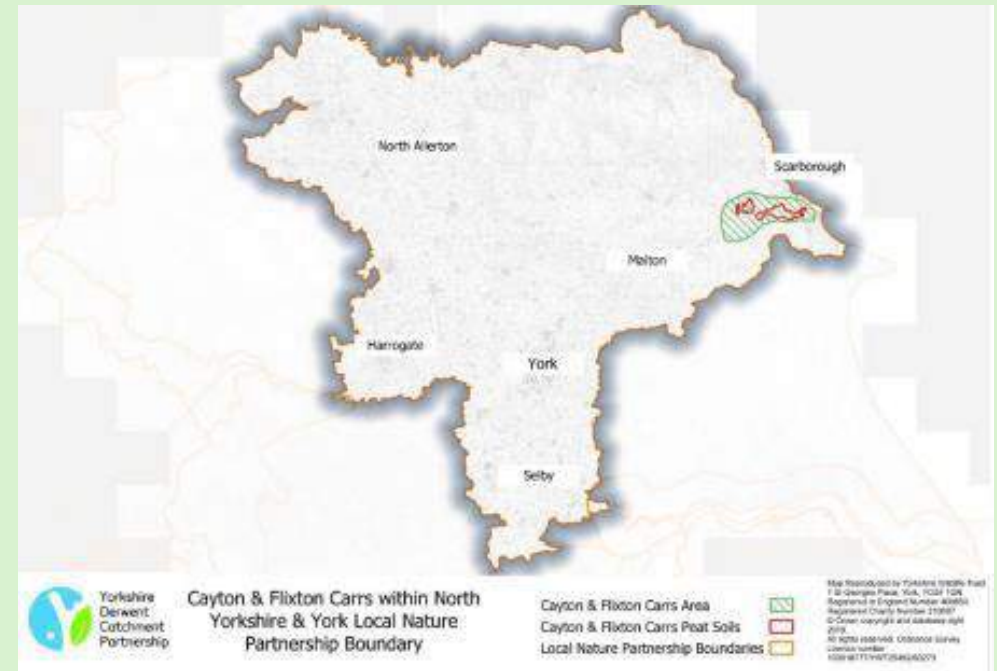
The pilot project was a collaboration bringing together aspirations of North Yorkshire Council (NYC), Yorkshire Derwent Catchment Partnership (YDCP) and Yorkshire Peat Partnership (YPP) to investigate ways to reduce the carbon emitted by lowland agricultural peat, to restore native habitats on the peat and to explore creative sources of funding to achieve landscape-scale ambitions.



Funding was provided by North Yorkshire Council through the Local Investment in Natural Capital (LINC) programme to support the pilot project. The total project area was 500ha, a subset of a larger area of 1,200ha of assumed lowland peat soils. There was little detail on the extent, depth and condition of the peat deposits which the pilot investigated further.



The project was delivered by staff from Yorkshire Wildlife Trust, Yorkshire Peat Partnership and Yorkshire Derwent Catchment Partnership







# Learning Points

- Peatland Code has limited financial viability due to high set up and verification costs with lower return than other schemes and is deemed less suitable for small lowland farms.
- BNG presents much stronger financial opportunities but is hindered by upfront costs and 30- year commitments, again favouring bigger farmers.
- CSHT is the most attractive option for landowners, as it offers shorter contracts, familiar processes, and higher certainty of payments, however it is currently 'invite' only and a competitive process with no guarantee of success.



- Farmers have limited knowledge or time to learn and navigate green finance mechanisms and require additional sustained support from trusted intermediaries to progress BNG or Peatland Code applications.
- Investor engagement is critical to secure funding for green finance driven peat restoration projects.



# Recommendations and next steps

- Continue to work with sellers and buyers and expand the project area to include the remaining 700ha (of the larger 1,200ha area).
- Carry out a pilot test case of the lowland peat BNG scheme on acquired land, to determine more realistic upfront cost estimates and experience of the costs and challenges of Conservation Covenants and securing buy-in from the Internal Drainage Board.
- Use the pilot test case to provide continued technical support: to assist farmers and buyers in understanding and accessing green finance schemes.
- Continue to work with potential buyers to explore and utilise different offers including land acquisition or green finance unit purchase and philanthropic donation.
- Develop blended finance models: Combine BNG, Peatland Code, and CSHT for tailored landowner solutions.
- Work with Natural England to consider prioritising CSHT applications from the landscape area.
- Scale the approach regionally: Build on pilot success to restore peatlands or other priority habitats such as floodplain meadows across North Yorkshire.

# Find out more

This case study was produced by the Environment Agency using the Executive Summary written by the delivery partner. For any questions regarding LINC please contact [Claire.Tunningley@environment-agency.gov.uk](mailto:Claire.Tunningley@environment-agency.gov.uk)

