Delegated Decision Report
24 July 2026

Title:	Environment, Wellbeing, and Community Action Programme
Portfolio:	Home of the Green Energy Revolution
Responsible Director:	Phil Witcherley, Director of Economic Growth and Innovation
Report Author:	Karen Daglish, Programme Manager

Purpose of the report

This report recommends that the Chief Executive approves the allocation of £2.5m North East Mayoral Strategic Authority (North East MSA) Investment Fund for the Environment, Wellbeing and Community Action Programme including procurement of an external Fund Manager and an independent programme evaluation.

Recommendations

The Chief Executive is recommended to approve:

1. Allocation of £2.5m Investment Fund for the Environment, Wellbeing and Community Action Programme.
2. Procurement of a Fund Manager to administrate two funding packages within the programme that will improve or create accessible green and blue spaces in communities with poor access to nature and create climate resilient neighbourhoods. This equates to 10% of the programme costs (£250,000 total).
3. Procurement of an independent evaluation across the programme.

Executive Summary

Many urban areas and rural towns across the North East have limited access to quality green and blue spaces, often in the most deprived communities. Poor access to nature is linked to poorer health outcomes, lower wellbeing, and increased vulnerability to flooding, extreme heat and poor air quality.

This Delegated Decision seeks approval to allocate £2.5m from the North East MSA Investment Fund to deliver the **Environment, Wellbeing and Community Action** priority within the Cabinet-approved Environment, Coast and Rural Investment Plan. This programme forms part of a wider strategic approach to environment and nature recovery (see Appendix A). The programme supports the North East Local Growth Plan commitment to protect and restore nature and the Mayor's Manifesto pledge *"People should have more access to local green space to support their health and wellbeing."*

The programme will deliver two complementary funds:

- **Mayor's Local Spaces Matter Fund**
  Small grants for charities and community groups to create or enhance accessible green and blue spaces, supporting healthier, nature-rich neighbourhoods.

- **Nature Solutions for Local Places Fund**
  A targeted fund investing in nature-based infrastructure in priority urban, rural and coastal communities, improving access to nature, climate resilience and local wellbeing.

A. Context

1. Background

Many of the region's urban areas and some rural towns have poor access to publicly available green and blue spaces – such as parks, wetlands, nature reserves, the coast, or public rights of way through countryside. Often, deprivation correlates with poor access to green and blue space, with some of the most deprived areas of England ranking the worst level for green space access. Correspondingly, urban and built-up areas with a lack of, or heavily modified, natural features are vulnerable to the impact of extreme weather. This not only results in economic damage from flooding, poor air quality, and extreme heat, but also leads to poor physical health and wellbeing in residents.

In November 2024, Cabinet approved £17m North East MSA Investment Fund against the Environment, Coast, and Rural Investment Plan. This Delegated Decision is for the allocation of £2.5m for the 'Environment, Wellbeing and Community Action' priority of the Environment, Coast, and Rural Investment Plan. Cabinet has also committed to protecting and restoring the unique North East nature and landscapes through Mission 2 'Home of the Green Energy Revolution' in the North East Local Growth Plan. Additionally, the Mayor's Manifesto includes the pledge *"People should have more access to local green space to support their health and wellbeing."*

2. Investment Proposal

The Environment, Wellbeing and Community Action programme will deliver two complementary funding packages that demonstrate how green and blue spaces can reduce inequalities in access to nature and benefit both people and place:

- **The Mayor's Local Spaces Matter Fund - £1,000,000**

Running to March 2029, a small grants fund totalling £1m for grants of up to £50,000 to charities and community groups to improve or create accessible green and blue spaces, empowering communities to build nature-rich neighbourhoods and support health and wellbeing for people from all backgrounds. Key themes for the fund will be protecting our habitats and species, equality in access to green space and nature, and community empowerment. The impact of the fund will be felt the most in deprived communities with the worst access to green and blue spaces, and where health inequalities prevail.

- **Nature Solutions for Local Places Fund - £1,500,000**

A targeted fund totalling £1.5m to improve nature-based infrastructure in priority urban, rural, and coastal areas with high deprivation, poor access to nature, and significant nature loss. Investments will support exemplar projects designed to illustrate the benefits for people and communities of nature-based solutions, as well as testing and demonstrating effective models for project financing and delivery and developing scalable or replicable projects. Grants will be between £50,000 and £250,000 to March 2029. Communities will have better access to nature whilst bringing benefits like shading, cooling, and water retention.

3. Delivery Arrangements

An external organisation with a strong track record of supporting grassroots organisations and the ability to attract match funding will be competitively procured to manage both funds. Appointing one external Fund Manager will deliver efficiencies through using established systems, reducing setup and delivery costs, and providing a single, consistent application 'front door' across the region.

4. Evaluation

An independent evaluator will be procured to undertake a longitudinal evaluation of the project. Grant monitoring will be undertaken by the appointed Fund Manager and will be proportionate to the grant size.

5. North East Carbon and Nature Marketplace

All funded projects will be added to the North East Nature and Carbon Marketplace, subject to following the standard due diligence process. This will showcase ongoing investment needs to a new audience.

6. Timescales

Milestone	Forecast Date
Proposal Start Date	1 August 2026
Financial Completion Date	31 March 2029
Anticipated Proposal Completion Date	31 March 2030
Launch The Mayor's Local Spaces Matter Fund / invite first bids	December 2026
Launch the Nature Solutions for Local Places Fund / invite first bids	Jan 2027
Final call for bids to both funds	Oct 2028
Final evaluation report	April 2029

B. Impact on North East Mayoral Strategic Authority Objectives

North East Environmental Stewardship, Coast, and Rural Growth Investment Plan
Delivery of Strategic Priority 4: Boosting health, wellbeing and community action on net zero and Priority 3: Local Nature Recovery". It also contributes towards Priority 2: Building Climate Resilience.

Local Growth Plan Mission: Home of the Green Energy Revolution
"We'll provide a compelling net zero vision that provides many more jobs and opportunities for our communities, creating better places for people to live, work and play, and which protects and restores our unique North East nature and landscapes"

Local Growth Plan Mission: A North East we are proud to call home
This investment will improve lives and places in the communities facing the greatest deprivation, health inequalities and lack of access to nature.

Mayor's Manifesto pledge: 'Local spaces matter'
"People should have more access to local green space to support their health and wellbeing."

C. Key risks

- **Delivery partner procurement** – Low risk due to a strong regional market and high interest in similar funding programmes.
- **Subsidy Control** - Grant funding will deliver schemes that are not 'commercial' activity or operating in a market environment and procurement of the fund manager will be undertaken on a market basis and on this basis no subsidy is present.
- **Low grant uptake** – Mitigated through active promotion, outreach and application support via VCS infrastructure organisations and local authorities.
- **Misuse of funds** – Managed through robust project monitoring, financial evidence requirements and reporting to the North East MSA.
- **Insufficient match funding** – Applicants must demonstrate match funding at application stage, with ongoing monitoring and support to identify additional funding sources.
- **Non-recoverable VAT costs** – Accounted for within project budgets and checked through grant appraisal and due diligence processes.
- **Long-term sustainability** – Applicants must provide management and maintenance plans, with evaluation findings helping shape future funding and investment opportunities.

D. Corporate Implications

D1. Financial and other resources implications

Funding source	2026/27	2027/28	2028/29	Total
North East MSA Investment Fund (£)	563,952	1,151,774	784,274	2,500,000
Match Funding Leverage (£)	432,500	856,000	532,500	1,830,000
Total (£)	996,452	2,016,774	1,316,774	4,330,000

Status of match funding:
Applicants will be responsible for securing the match funding needed for their projects, which will be assessed and verified by the Fund Manager.

Funding availability: Investment Plan agreed at North East MSA Cabinet on 26 November 2024.

D2. Legal implications
Comments of the representative of the Monitoring Officer have been incorporated into the body of the report.

D3. Equalities implications
The North East MSA follows the Public Sector Equality duty and this report has due regard to the need to achieve the objectives set out under s149 of the Equality Act 2010. An Equality Impact Assessment has been completed, the outcomes of which will be embedded in the Business Case prior to Finance and Investment Board.

D4. Consultation and engagement
Internal colleagues delivering similar programmes, including the Mayor's Opportunity Fund and Economic Inactivity Trailblazer, were consulted to incorporate lessons learned and inform programme design. The programme was co-designed with key regional stakeholders through workshops in January and March 2026, involving local authorities, Natural England, the Environment Agency, Protected Landscapes, and the region's Wildlife Trusts. These partners remain actively engaged in programme development and delivery.

E. Appendices

Appendix A. Investment in Environment & Nature

F. Background papers

Cabinet Minutes 26 November 2024

G. Contact officers

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H. Glossary

North East MSA – North East Mayoral Strategic Authority

Appendix A. Investment in Environment & Nature