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| Agenda Item | 13 |
| Report No | ECI/42/2023 |

The Highland Council

Committee: Economy and Infrastructure

Date: 17 August 2023

Report Title: Nature Restoration Fund (NRF) 2023/24

Report By: Interim Executive Chief Officer Infrastructure & Environment

1 Purpose/Executive Summary

1.1 This report provides a summary of the Scottish Government's Nature Restoration Fund (NRF) 23/24 and sets out proposals for spend, commitment and governance.

2 Recommendations

2.1 Members are asked to:-

- i) **Note** update on 2023/24 NRF scheme;
- ii) **Agree** the funding proposals as set out in paragraph 6; and
- iii) **Agree** that funding decisions in respect of the grant scheme be delegated as set outlined in paragraph 7.

3 Implications

3.1 **Resource** - The delivery of both the grant scheme and any subsequent projects delivered through the mapping scheme or call for projects across the Council estate will be met through the capital grant allocation for 2023/24 and underspend from 2022/23. As in previous years an administration fee will be paid to the Community Regeneration Team to process the grants.

3.2 **Legal** - There are no legal implications arising directly from this report. However, grant applicants will be subject to a formal grant offer letter with associated conditions. All funds need to be committed/spent by end of financial year 2023/24. Local Authorities will be required to complete and return a monitoring form to the Biodiversity Unit at the Scottish Government within a year of the allocation of funding. Funds will need to be spent in line with Councils financial regulations.

3.3 **Community (Equality, Poverty, Rural and Island)** - The grant scheme will be open to all communities across the Highlands to support local groups sustain locally important habitats and species. Consideration on issues relating to equalities, poverty and rural

3.4 **Climate Change / Carbon Clever** - The global climate emergency and the nature emergency are twin reinforcing crises, the actions we take to address each are fundamental to our wellbeing and survival. Biodiversity in Scotland is in crisis due not only to the effects of climate change, but also changes in land use, over-exploitation, invasive non-native species, and habitat fragmentation.

This scheme is directly targeted at safeguarding biodiversity and will address the climate and ecological emergency by supporting projects which mitigate and adapt to climate change and promote nature-based solutions.

3.5 **Risk** - The key risk associated with this tranche of funding is the short time frame available to commit/spend funds. As in previous years this risk can be mitigated by adopting the same governance taken in 2022/23 and seeking approval/homologation from committee to delegate decision making.

3.6 **Health and Safety (risks arising from changes to plant, equipment, process, or people)** - Internal Council projects will be managed in accordance with The Construction (Design and Management) Regulations 2015, where relevant. External grant aided community projects will be required to provide a copy of the most up to date/valid insurance policy and other organisational policies such as Health and Safety to ensure they are operating appropriately.

3.7 **Gaelic** - Consideration given within individual project applications in line with the Council's policy.

4 Background

4.1 The Nature Restoration Fund (NRF) is a commitment in the current Scottish Government's Programme for Government for multi-year capital funding to support the restoration of biodiversity, safeguard wildlife, and tackle the causes of biodiversity loss.

The fund consists of 2 allocations:-

- i) competitive grant programme for projects in excess of £25k managed by NatureScot; and
- ii) direct allocation to local authorities to spend on project which restore biodiversity.

5 NRF – 2023/24

5.1 All Local Authorities (LAs), including National Parks, have now received a capital allocation from the Scottish Government. The total value of the 2023/24 allocation in Scotland is £10m. The Highland Council secured £676k, an increase of £348k from 2022/23. **Appendix 1** summarises Local Authorities allocations.

The increase in funding reflects an additional £5m that the Scottish Government have allocated to Local Authorities to develop projects which directly contribute to establishing nature networks in their area. Nature Networks are a priority for government and a requirement for all LAs under the new National Planning Framework (NPF4).

issues are dealt with on an individual basis for grant applications and covered in the technical assessments of projects.

5.2 The purpose of the scheme remains broadly the same as in previous years - to support new or to enhance existing approaches to restoring biodiversity. The 2023/24 fund has 5 strategic themes:-

- Habitat and species restoration;
- Freshwater restoration;
- Coastal and Marine initiatives;
- Control of non – native species; and
- Urban – connecting nature across/between towns

6 Nature Restoration Fund (NRF) – 2023/24 Proposal

6.1 As in previous years the timetable for delivery of this fund is very tight and as such the following approach is proposed:-

1. Ringfence up to 50% of the fund to enhance biodiversity, map nature networks and deliver projects **on council owned/managed land**. Continue to build on the findings and opportunities for enhancement identified by the Greenspace mapping project by working up, in partnership with the relevant service(s), fully costed and viable projects.

The output will be a suite of delivered projects, first phase mapping of Highland Nature Networks and a prioritised list of sites/spaces that may be suitable for nature restoration e.g., tree planting, community food growing, control of invasive species and/or set aside areas to deliver a range of biodiversity/carbon benefits. The project will be managed by the Council's Ecology assistant, a post funded through the NRF and supported by the wider Environment team.

2. Community Grant scheme for Biodiversity – as in previous years promote a grant scheme for Highland communities, public sector and third sector to support the management, enhancement, and restoration of biodiversity. This approach will ensure that the Council delivers against the themes highlighted in paragraph 5.2. It is proposed that up to 50% of the allocation is available for grants. The 2022/23 grant scheme was very popular and featured a wide variety of projects from across the area. **Appendix 2** summarises the range of projects supported under the 22/23 scheme.

It is worth noting that due to time constraints the final split between both proposal needs to be flexible to ensure funds are allocated and any potential loss from the area is avoided.

7 Governance

7.1 Council projects will be identified either through the Greenspace mapping project or via a direct call for projects issued to all Council services. Projects on Council estate or managed land will be co-ordinated by the ecology assistant with the Environment team.

7.2 Given the successful management of the previous scheme, it is once again proposed that applications for project grant funding will be made to the Community Regeneration Team. The Environment team will continue to provide biodiversity advice to aid the assessment and scoring of proposals to ensure Scottish Government funding criteria are satisfied. A funding recommendation paper will then be drafted for the full application stage and presented to the Executive Chief Officer Infrastructure,

Environment & Economy and Chair of Economy and Infrastructure Committee to discuss and approve.

- 7.3 Timescales for both the approval process and for the delivery of projects make approval of grants difficult to report to committee, and as such, delegated authority is being sought to replicate the process used in the previous 2 years i.e., the committee delegate decision making authority to the Executive Chief Officer Infrastructure, Environment & Economy and Chair of Economy and Infrastructure Committee on the basis of a technical and biodiversity assessment of applications and project ranking. This process will be led by the Community Regeneration team with support from the Environment team. A final report on funding allocations and outcomes delivered under the grant scheme will be brought to the first meeting of the Economy and Infrastructure Committee following the end of the current financial year.

Designation: Executive Chief Officer Infrastructure & Environment

Date: 24 July 2023

Author: Nicole Wallace, Service Lead
(Environment, Development Plans and Active Travel)

Background Papers: None

Appendices: Appendix 1 – 2023/24 Local Authority Allocations
Appendix 2 – 2022/23 Grant Scheme

Appendix 1

| NATURE RESTORATION FUND – EDINBURGH PROCESS STRAND – 2023-24 LOCAL AUTHORITY | ALLOCATION (£m) |
|---|------------------------|
| Aberdeen City | 0.270 |
| Aberdeenshire | 0.445 |
| Angus | 0.306 |
| Argyll & Bute | 0.489 |
| Clackmannanshire | 0.195 |
| Dumfries & Galloway | 0.490 |
| Dundee City | 0.171 |
| East Ayrshire | 0.206 |
| East Dunbartonshire | 0.266 |
| East Lothian | 0.223 |
| East Renfrewshire | 0.121 |
| Edinburgh, City of | 0.272 |
| Eilean Siar | 0.255 |
| Falkirk | 0.348 |
| Fife | 0.612 |
| Glasgow City | 0.247 |
| Highland | 0.676 |
| Inverclyde | 0.306 |
| Midlothian | 0.211 |
| Moray | 0.246 |
| North Ayrshire | 0.355 |
| North Lanarkshire | 0.556 |
| Orkney | 0.106 |
| Perth & Kinross | 0.353 |
| Renfrewshire | 0.199 |
| Scottish Borders | 0.328 |
| Shetland | 0.161 |
| South Ayrshire | 0.189 |
| South Lanarkshire | 0.545 |
| Stirling | 0.228 |
| West Dunbartonshire | 0.257 |
| West Lothian | 0.368 |
| Total | 10.000 |

Appendix 2

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| Local Authority Name | Highland Council | |
| Total NRF funding received 2022/23 | £380,000 | |
| Brief Description of work undertaken | The Nature Restoration Fund allocation in the Highland Council area was split into two distinct projects. The first comprised the recruitment of an officer to identify biodiversity projects on greenspace owned or managed by the Highland Council. The second part was an open funding round, offering grants of £2,000-£25,000 to communities, charities, voluntary organisations and special interest groups to restore, create or improve nature all around the Highlands. We received a high number of expressions of interest and were able to support 25 projects across the Highland region. | |
| Expected benefits to biodiversity | | |
| Total Project Spend (2022/23) | £380,000 | |
| Name/s of community, group or school involved (where relevant) | Dalneigh Primary School, Nairn River Enterprise, Nairn Green Hive, Friends of Merkinch Local Nature Reserve, Scourie Community Development Company, Welcome Ullapool, Gairloch Area Development, Highlife Highland, Broadford and Strath Community Company, Kentallen and Duror Community Centre, Golspie Community Council, Torridon Glen Partnership, Culduthel Woods Group, Fornightly Hall, Lochardil and Drummond Community Council, Beaully Fishery Board, Road to the Isles Facilities Group, Abriachan Forest Trust, Speyside Fields for Wildlife, Wester Loch Ewe Community Council, Cromarty and District Community Council, Isle of Eigg Heritage Trust, Butterfly Conservation Scotland, Clan Mackenzie Charitable Trust, Kingussie and Vicinity Community Council, Raigmore Community Residents Association | |

| Urban Projects: Making Space for Nature | Tick relevant measures deployed – select all that apply | Any Additional Information |
|---|--|--|
| Wee Forests (purchasing and planting of trees) | ✓ | 8 projects involved the purchase/planting of trees. These ranged in size from planting around community halls and small community orchards to larger schemes of riparian planting. |
| Rain gardens (construction and materials plus planting) | | |
| Improving greenspace of outdoor learning (purchase and planting, equipment for outdoor learning, small access improvements) | ✓ | 8 projects included greenspace improvements that would facilitate outdoor learning. Some (such as Kentallen and Duror, Fornightly, Scourie) are focussed on greenspace around community hubs, while others such as Dalneigh primary school were focussed on improving areas within the school grounds. |
| Action for pollinators (equipment for maintaining wildflower areas/verges plus planting) | ✓ | 10 projects included direct action for pollinators, but these range in size from small individual meadows to the Highlife Highland wildflower meadow project which alone has seen the creation of over 70 small wildflower patches across the Highlands. |
| Improving the condition and use of LNRs (purchase and planting, equipment for outdoor learning, small access improvements) | ✓ | The Highland Council has only one LNR, Merkinch in Inverness. This year saw another successful project on Merkinch LNR involving removal of INNS, tree planting and wildflower planting. |
| Greening active travel routes (purchase and planting) | | Whilst no individual project has the specified aim of greening active travel routes, many of those in community parks and other greenspaces will indirectly contribute to this. |
| Urban woodlands – climate forests (purchase and planting) | ✓ | Four projects included the planting of small urban woodlands. These included small areas of tree planting in important community locations in Golspie, Kentallen, Raigmore and Nairn. |
| Rural projects: Helping Nature Recover | Tick relevant measures deployed – select all that apply (✓) | Any additional information (optional if available) |
| Planting of wildlife corridors, removal of barriers to movement, pollinator planting | ✓ | 3 projects included planting of wildlife corridors, including riparian woodland planting in Torridon, pollinator corridors in and around Cromarty and wildflower networks across the Highlands |

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| Natural flood management actions such as connecting rivers with flood plains, pond creation, deculverting, instream works for habitat and flow variability | ✓ | A number of projects involve natural flood management solutions. There are a few wetland creation schemes, riparian planting projects and wet meadow creation that all help to absorb excess water during heavy rainfall and reduce flooding events. |
| Removal of INNS | ✓ | 7 separate projects included INNS removal, ranging from large scale Japanese knotweed removal to rhododendron removal in woodlands, and smaller scale invasive species in public areas of species such as gorse. |
| Habitat and species enhancement works using native stock, enhancing natural coastal defences through marram, addressing coastal squeeze | ✓ | A number of projects fit in to this description. One involves the expansion of the tree nursery on the Isle of Eigg to allow local provenance and locally grown saplings to be planted in areas of woodland across the island. The risk of importing tree diseases with saplings is very high, so supporting the Eigg to be self-sufficient in restoring its woodland is very positive. One project also focusses on habitat management for priority lepidoptera, managing and improving habitat in Easter Ross. |
| Supporting building the evidence base to better inform restoration, recovery and wider enhancement efforts | | |

| THC NRF Community Grant Scheme 22/23 | |
|---|------------------|
| Organisation | Grant (£) |
| Dalneigh Primary School | 3,232 |
| Nairn River Enterprise/Green Hive | 2,457.66 |
| Friends of Merkinch LNR | 2,000 |
| Scourie Community Development Community | 3,000 |
| Gairloch Area Development | 6,000 |
| Highlife Highland | 11,033 |
| Kentallen & Duror Community Centre | 17,020 |
| Golspie Community Council | 3,000 |
| Torridon Glen Partnership | 5,600 |
| Culduthel Woods Group | 4,980 |
| Fornightly Hall | 4,000 |
| Lochardil and Drummond Community Council | 3,000 |
| Beaully Fishery Board | 9,000 |
| Road to the Isles Facilities Group SCIO | 3,000 |
| Abriachan Forest Trust | 16,200 |
| Speyside Fields for Wildlife | 11,700 |
| Wester Loch Ewe Community Council | 2,447.60 |
| Cromarty & District Community Council | 2,750 |
| Isle of Eigg Heritage Trust | 4,348 |
| Butterfly Conservation Scotland | 24,730 |
| Clan Mackenzie Charitable Trust | 10,000 |
| Kingussie and Vicinity Community Council | 12,900 |
| Raigmore Community Residents Association | 3,919 |
| Whin Park | 19,728.60 |
| Administration (10%) | 18,000 |
| *Green Space Mapping project | 176,000 |
| Total | 380,000 |

* costs include salary for 2 years plus initial project costs , delayed start will mean funds C/F into 2023/24 & 2024/25