

Agenda Item	12
Report No	ECI/14/2022

HIGHLAND COUNCIL

Committee: Economy and Infrastructure

Date: 25 August

Report Title: Nature Restoration Fund 2022/23

Report By: Executive Chief Officer Infrastructure, Environment & Economy

1 Purpose/Executive Summary

- 1.1 This report provides a summary of the Scottish Government's Nature Restoration Fund (NRF) 22/23 and sets out proposals for spend.

2 Recommendations

- 2.1 Members are invited to:-

- i. **Agree** the funding proposals as set out in para 6; and
- ii. **Agree** that funding decisions in respect of the grant scheme be delegated as set out in para 7.

3 Implications

- 3.1 **Resource** – the delivery of both the grant scheme and any subsequent projects identified/delivered through the mapping scheme will be met through the capital grant allocation for 2022/23. Staff cost will be needed to deliver part 1 of the scheme and an administration /management fee will be paid to the 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 2022/23. 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.

- 3.3 **Community (Equality, Poverty, Rural and Island)** – The grant scheme will be open to all communities across the Highlands to further the cause for people and nature and help sustain locally important habitats and species.

Projects designed to address some of the issues described are expected to produce positive benefits for those communities as well as for visitors.

- 3.4 **Climate Change / Carbon Clever** – 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 to get the funds committed. Risks have been mitigated by adopting the same governance taken in 21/22 and seeking approval/homologation from committee to delegate decision making.
- 3.6 **Gaelic** – There are no Gaelic implications arising directly from this report. However, in keeping with agreed Council policy, Gaelic will be promoted where relevant projects are subsequently funded under this scheme.

4 Background

- 4.1 In May 2022 the Highland Council received its second allocation of Nature Restoration Funding from the Scottish Government. This capital allocation is to be spent in financial year 2022/23 to support new, or to enhance existing approaches to restoring biodiversity.

The NRF was originally announced as part of the Scottish Government's 2021/22 budget providing additional funding to support a wide range of projects that will deliver nature restoration, safeguard wildlife and tackle the causes of biodiversity loss especially climate change.

5 Nature Restoration Scheme – 2022/23

- 5.1 All Local Authorities, including National Parks, have received a capital allocation directly from the Scottish Government. The total value of the 2022/23 allocation to Local Authorities in Scotland is £5m. The Highland Council secured an allocation of £328k, an increase of £70k from 2021/22.

Appendix 1 summarises all Local Authorities allocations.

5.2 Purpose of Fund

The purpose of the NRF remains “nature restoration and improving biodiversity on land and in the seas”. This year there is an increased focus on outcomes which address the main drivers of the decline in biodiversity on land, over-exploitation of the natural environment and addressing its consequences, habitat loss and fragmentation, and invasive non-native species particularly in rural biodiversity.

The purpose of the NRF is to support actions that help nature recover across Scotland. To deliver this the NRF will run across four themes:

1. habitat restoration – management for enhancement and connectivity;
2. freshwater restoration, including hydrological change;
3. eradication of invasive non-native species impacting on nature; and
4. coastal and marine management to promote restoration and resilience

5.3 The capital funding allocated to Local Authorities is to support new or to enhance existing approaches that further biodiversity and adhere to the following criteria:-

1. deliver positive effects for biodiversity and enhance local ecosystems; and
2. address the climate emergency and its impacts through mitigation and adaptation and by promoting nature-based solutions.

Capital items that could form that basis for spend may include, but are not limited to:-

- action for pollinators (equipment for maintaining wildflower areas/verges plus planting);
- improving condition and use of Local Natural Reserves (LNRs) (purchase and planting, equipment for outdoor learning and small access improvements);
- developing a local nature network through planting of wildlife corridors, removal of barriers to movement and pollinator planting;
- greening active travel routes (purchase and planting);
- natural flood management actions such as connecting rivers with flood plains, pond creation, deculverting, in-stream works for habitat and flow variability;
- removal of Invasive Non Nature Species (INNS) to improve the biodiversity value of the remaining habitat; and
- habitat and species enhancement works using native stock, enhancing natural coastal defenses through marram and addressing coastal squeeze.

5.4 In 2021/22, The Nature Restoration Fund in Highland was split into two distinct projects.

The first comprised a greenspace mapping and management plan project. This sought to identify, map and plan management for all land owned or managed by the Highland Council and make recommendations for positive future management, looking to improve biodiversity, create diverse habitats and sequester carbon.

The second part was an open funding round offering grants of £2,500-£20,000 to communities, charities, voluntary organisations and special interest groups to restore, create or improve nature across the Highlands. The scheme received a high number of expressions of interest and was oversubscribed at application stage. Twenty-seven projects were supported. **Appendix 2** provides a summary of projects supported.

6 Nature Restoration Fund (NRF) - Highland Council Proposal

6.1 The timetable for delivery of this fund is again very tight and as such the following approach is suggested/proposed:-

1. Utilise and build on the findings and opportunities for enhancement identified by the 2021/22 Greenspace mapping project by working up, in partnership with the relevant service(s), fully costed and viable projects on Council owned and/or managed land. Where timescales allow there is the opportunity to begin implementation and delivery of projects across the Highlands. This action accords with the Council's Climate Change and ecological objectives and supports the work of the Amenities Review and the Council's Food Growing Strategy. It is also an excellent opportunity to publicly demonstrate the Council's commitment to tackling the climate and ecological emergency.

The output will be a suite of costed sites/spaces that may be suitable for additional tree planting, community food growing and/or set aside areas to deliver a range of biodiversity/carbon benefits.

The project will require a dedicated post for 12 months (initially) to work across services, identify viable projects and deliver where timeframe allows. We propose ringfencing circa £118k for this activity to cover costs associated with staff, feasibility work plus additional monies to deliver enhancements and projects where identified.

2. Community Grant scheme for Biodiversity - open scheme for Highland communities/public sector/third sector to support the management and/or enhancement of biodiversity. This approach will ensure that the Council delivers against the majority of items listed above. The 2021/22 grant scheme was very popular, oversubscribed and featured a wide variety of projects from across the area. The grant scheme enabled a wide range of positive community projects with knock on community benefits, not limited to biodiversity, to be achieved in a short timescale and for relatively small outlay. Total fund would be in the order of £200k.

7 Governance of Proposed Community Grant Fund

- 7.1 Given the successful management of the 2021/22 grant scheme, it is once again proposed that applications for project funding will be made to the Community Regeneration Team and will be launched and run in tandem with other Community based grant schemes. 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 both the Expression of Interest (EOI) stage and full application stage and presented to the Executive Chief Officer Infrastructure, Environment & Economy and Chair of Economy & Infrastructure Committee to discuss and approve.
- 7.2 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 last year whereby the committee delegate decision making authority to the Executive Chief Officer and Chair of the 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 & Infrastructure Committee following the end of the current financial year

Designation: Executive Chief Officer Infrastructure, Environment & Economy

Date: 1 August 2022

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Appendix 1

NATURE RESTORATION FUND - 2022-23	
	Rounded Allocation (£m)
Aberdeen City	0.135
Aberdeenshire	0.213
Angus	0.150
Argyll & Bute	0.238
Clackmannanshire	0.091
Dumfries & Galloway	0.257
Dundee City	0.086
East Ayrshire	0.102
East Dunbartonshire	0.132
East Lothian	0.110
East Renfrewshire	0.061
Edinburgh, City of	0.161
Eilean Siar	0.124
Falkirk	0.179
Fife	0.378
Glasgow City	0.132
Highland	0.328
Inverclyde	0.160
Midlothian	0.103
Moray	0.124
North Ayrshire	0.190
North Lanarkshire	0.274
Orkney	0.054
Perth & Kinross	0.176
Renfrewshire	0.102
Scottish Borders	0.161
Shetland	0.079
South Ayrshire	0.096
South Lanarkshire	0.188
Stirling	0.114
West Dunbartonshire	0.126
West Lothian	0.176
TOTAL	5.000

Highland Nature Restoration Fund - Summary Report 21/22

Local authority name:	Highland Council	
Total NRF funding received 2021/22:	£258,000	
Brief description of work undertaken (max 3000 characters)	The Nature Restoration Fund allocation in the Highland Council area was split into two distinct projects. The first comprised a greenspace mapping and management plan project. This sought to identify, map and plan management for all land owned or managed by the Highland Council. This is across all departments, and makes recommendations for positive future management, looking to improve biodiversity, create diverse habitats and sequester carbon. The second part was an open funding round, offering grants of £2,500-£20,000 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 oversubscribed at application stage. These were refined to 27 projects we were able to support.	
Expected benefits to biodiversity	<i>include any proposed monitoring or evaluation and planned maintenance</i>	
Area of project(s) supported by NRF (m2/ ha)	NRF has supported 28 projects over a wide geographic area in Highland. These projects include 13ha of wetland restoration/creation, 5.62ha meadow creation, 750m of hedge, 880 trees planted in wee forests, 800m of new riparian planting, 2.5ha of new woodland and a number of invasive species removal and pond s created.	
Total project spend (2021/22) £	£258,000	

Name/s of community, group or school involved (where relevant)	Abriachan Forest Trust, Aigas Community Forest, Aulnaskiach Dell Community Woodland, Avoch Primary Parent Council, Boleskine House Foundation, Broadford and Strath Community Council, Butterfly Conservation Scotland, Camuscross and Duisdale Initiative, Culloden Community Council, Friends of Merkinch Local Nature reserve, Gairloch Area Development Ltd, Glenfinnan Community Facilities, Grantown Health Woodland, Isle of Eigg Heritage Trust, Kentallen and Duror Community Centre, Kinlochleven Community Trust, Kyle of Lochalsh Community Trust, Mallaig Community Council, Minginish Community Hall Association, Rum Community Association, Scotland:The Big Picture, Spey Catchment Initiative, Speyside Fields for Wildlife, Strathpeffer Residents Association, Visit Inverness Loch Ness	
Urban projects: Making space for Nature	tick relevant measures deployed - select all that apply (✓)	Any additional information (optional if available)
Wee Forests (purchase and planting of trees)	✓	17 projects involved the purchase/planting of trees. These ranged in size from small community planting around community halls, to small woodland creation. The largest was 2ha of new planting.
Rain gardens (construction and materials plus planting)	✓	2 projects involved rain gardens, both in Lochaber. One linked to a community hall, the other to manage water in and around a visitor facility.
Improving Greenspace for Outdoor Learning (purchase and planting, equipment for outdoor learning, small access improvements)	✓	13 of the projects include greenspace improvements to facilitate outdoor learning as part of their project. Some (such as Rum, Minginish, Kentallen and Duror) are focussed on greenspace around community halls and their use as learning environments.

		Others (Strathpeffer, Culloden, Gairloch) are improving parks to facilitate better habitats for biodiversity and learning, and others are based with schools or health centres (Avoch, Grantown) to improve the environments pupils/patients).
Action for pollinators (equipment for maintaining wildflower areas/verges plus planting)	✓	There are 13 new wildflower meadows being created as part of the NRF. The largest of these is 5ha, but others are smaller in community greenspace areas.
Improving condition and use of LNRs (purchase and planting, equipment for outdoor learning, small access improvements)	✓	The Highland Council has only one Local Nature Reserve, Merkinch in Inverness. Friends of Merkinch LNR were a successful applicant and are using NRF support to plant trees in the LNR.
Greening Active travel routes (purchase and planting)	X	Greening of active travel routes was not a primary consideration for any of the projects funded by the application round, however it is likely that the projects in local parks and other greenspaces would benefit active travel routes in the vicinity. However, the greenspace mapping project carried out by the Highland Council will likely benefit active travel routes in the longer term, by identifying areas that can be managed differently to improve biodiversity.
Urban woodlands - Climate forests (purchase and planting)	X	With the exception of the Aultnaskiach project (replanting in an existing woodland close to Inverness City centre) and the Highland Council project to replant areas which have suffered from Ash dieback and Dutch Elm Disease, urban woodlands were not the primary focus of most projects.

		The Highland Council greenspace mapping project does however offer scope for planting of urban woodlands in areas identified for biodiversity improvements.
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	✓	Wildflower meadows were a big component of several projects, the largest being 2.02 ha, but many projects having a wildflower meadow component. There was reference to connecting and improving habitats for pollinators in many of the project briefs, with several aiming to provide a diversity of pollen sources. Several tree and hedge planting projects were also aiming to connect habitats and provide natural corridors.
Natural flood management actions such as connecting rivers with flood plains, pond creation, deculverting, in-stream 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	✓	A few projects included some non-native removal as a small part of their project (including japanese knotweed and white butterbur), but one focussed entirely on removal of rhododendron ponticum in an inaccessible gorge. Whilst inaccessible, the area is highly visible and results in the spread to environmentally sensitive areas close by.

<p>Habitat and species enhancement works using native stock, enhancing natural coastal defences through marram, addressing coastal squeeze</p>	<p>✓</p>	<p>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 small blue and dingy skipper butterflies.</p>
<p>Supporting building the evidence base to better inform restoration, recovery and wider enhancement efforts</p>	<p>X</p>	