

<b>Agenda Item</b>	<b>12</b>
<b>Report No</b>	<b>ECI/18/2024</b>

# The Highland Council

**Committee:** Economy and Infrastructure

**Date:** 2 May 2024

**Report Title:** Nature Restoration Fund Update

**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) 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 for the 2024/25 NRF scheme as set out in section 6; and
- iii. **Agree** that funding decisions in respect of the 2024/25 NRF grant scheme be delegated as outlined in section 7.

## 3 Implications

3.1 **Resource** - The delivery of the community grant scheme and Council projects delivered through the Council's greenspace project have been met through the capital grant allocation for 2023/24. As per previous years, the Community Regeneration Team received an administration fee to process the grants. It is proposed that any future grant scheme will operate in the same way.

3.2 **Legal** - There are no legal implications arising directly from this report. All grant applicants are subject to a formal grant offer letter with associated conditions. The Council is 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 Council's financial regulations.

3.3 **Community (Equality, Poverty, Rural and Island)** - The grant scheme is open to all communities across the Highlands to support local groups to sustain locally important habitats and species. The Council's own enhancement projects will improve biodiversity on the Council's estate as well as giving access to a diverse range of nature-rich greenspace for local communities.

- 3.4 **Climate Change / Carbon Clever** - The twin climate and nature crises are interlinked and reinforcing; a decline in biodiversity will exacerbate the climate crisis, and a changing climate will accelerate the rate of biodiversity loss. A changing climate is, however, only one of the direct drivers of biodiversity loss and the changing use of sea and land; over-exploitation; pollution; invasive non-native species; and habitat fragmentation are all contributing to the steep decline in our biodiversity.

This scheme is directly targeted at safeguarding and enhancing biodiversity. It will address the climate and ecological emergency by supporting projects which create new opportunities to mitigate and adapt to climate change by managing land more effectively for biodiversity, to promote habitat restoration and to utilise nature-based solutions wherever possible.

- 3.5 **Risk** – The key risk associated with this funding is the short time frame to get the funds committed. As in previous years this risk can be mitigated for the forthcoming round by adopting the same governance taken in 2023/24 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** - 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. Signs which will be placed on sites to promote the scheme will have Gaelic translation.

## 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 a wide range of projects that will deliver nature restoration, safeguard wildlife and tackle the causes of biodiversity loss.

The fund consists of 2 allocations:-

- i) competitive grant programme for projects in excess of £25,000 managed by NatureScot; and
- ii) direct allocation to local authorities to spend on projects which restore biodiversity.

- 4.2 In 2023/24, Scottish Government allocated £10m to the NRF to be split between all local authorities, including National Parks. The Highland Council secured £676k, an increase of £348k from 2022/23. **Appendix 1** summarises the Local Authority allocations.

The increase in funding reflects an additional £5m that 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 local authorities under the fourth National Planning Framework (NPF4).

4.3 The purpose of the 2023/24 scheme - to support new or to enhance existing approaches to restoring biodiversity - has remained broadly the same as in previous years. 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

## **5 2023/24 Nature Restoration Fund Highlights**

5.1 The newly appointed Greenspace Officer has focused on delivering nature restoration projects on Council owned and managed land. The Greenspace Officer, working within and supported as part of the Council's Environment Team, is building on a previous phase of work to start to map parts of the Council estate that could be managed more effectively for biodiversity, to identify sites that could be used by the community for wildlife-friendly food growing (including establishing community orchards and 'fruit forests') and to help the Council deliver carbon and cost savings in how it manages its estate. The latter half of 2023/24 saw the start of the implementation of projects on the ground, including:-

1. Five pilot tree/shrub planting projects at Bignold Park and Wellington Avenue Park in Wick; Torvean Park and Merkinch Nature Reserve in Inverness; Thurso Roads Depot; and Riverside Park in Nairn have been delivered in the last few months. This has resulted in the planting of over 2,700 native trees and hedgerows to either introduce new/reinstate habitat or strengthen existing habitat. For 2024/25 multiple additional planting sites have been identified, subject to agreement with the relevant service.
2. Identification and implementation of a suite of low mow/reduced management sites (working closely with colleagues in Amenity Services). Reduced management, or set aside, involves a change in maintenance regimes on select greenspaces to support wildlife, allowing native grasses and wildflowers to establish and thrive in a more natural way than current maintenance regimes allow. This also delivers a carbon and cost saving to the Council.
3. Identification of key areas of the school estate that are suitable for nature-positive enhancement, including orchards, reduced management/set aside areas, food growing and native tree planting. The Greenspace Officer has been in contact with schools to explore options and opportunities with schemes starting to be delivered within the 2024/25 winter planting season. Schools currently identified include Culloden Academy, Balloch Primary, Teanassie Primary, Charleston Academy, Auchtertyre Primary, Cauldeen Primary and Hilton Primary and working with the Flourish project at North Kessock Primary.
4. The development of an ArcGIS Storymap information page (to be accessible from the Council website) to provide publicly accessible information on each project and outline what the Council are doing across our estate to tackle the ecological emergency and reverse biodiversity loss.
5. Spatially mapping all of the Council's sites that are being managed for biodiversity to help fulfil the Council's requirement under NPF4 to design and implement nature networks.

- 5.2 As per previous years, in 2023/24 the Council has run a Community Grant Scheme for Biodiversity to fund the delivery of smaller-scale (up to £25k) public and third sectors projects that support the management, enhancement, and restoration of biodiversity, and accord with the themes highlighted in paragraph 4.3.
- 5.3 To date, as part of the 2023/24 Community Grant Scheme for Biodiversity, the following projects have been awarded grant funding:-

<b>Grant Recipient</b>	<b>Project Title</b>	<b>Grant Awarded</b>
Culbokie Community Trust	Culbokie Green Pollinator Bed	£5,453
Dingwall Community Woodland	Orchard and Wildflower Project	£3,330
Highlife Highland	Puddles to Ponds at Highland Folk Museum	£7,755
Balvonie Park Association	Restoration of trees and bat protection	£11,796
Raasay House Community Company	Rhododendron Removal	£25,000
Stratherrick & Foyers Community Trust Limited	Habitat support	£17,900
Nairn Butterfly Conservation	Saving Threatened Sand Dune Lepidoptera	£16,115
Skye Connect	Meall na Suiramach Habitat Restoration Project	£25,000
Wick Development Trust	Wick Riverside Biodiversity Improvements	£6,319
The Boleskine House Foundation	Freshwater Pond Restoration	£9,400
Kentallen & Duror Community Centre	Memorial Wood & Nature Restoration	£8,960
Sleat Community Trust	Invasive Non-Native Species Removal at Tormore Community Forest	£18,720
Butterfly Conservation Scotland	Habitat enhancement for Dingy Skipper and other rare lepidoptera at Auchgourish	£23,800
RSPB Scotland	Black Throated Diver conservation in the West Inverness Glens	£6,700
	<b>TOTAL</b>	<b>£186,248</b>

## **6 2024/25 NRF Allocation**

- 6.1 Although no formal announcement has yet been made, it is anticipated that NRF funding will once again be made available to local authorities in 2024/25. It is expected that the criteria will follow similar themes as earlier funding rounds, with a focus on creating nature networks. As per previous years, the timetable for delivery of this fund will be very tight and as such, once the NRF is available, the following approach is proposed:-
1. Ringfence c.50% of the fund to deliver biodiversity enhancement projects on Council owned/managed land (supporting the Net Zero Strategy, the Amenities Review and the Food Growing Strategy).

In partnership with the relevant service/s this project will continue to deliver projects across the Council estate suitable for biodiversity enhancement and nature restoration building on the findings and opportunities identified by the Greenspace mapping project and latterly the Greenspace Officer. Actions may include native tree planting and hedging, community food growing, control of invasive non-native species and the implementation of reduced management greenspace and creation of wildflower meadows, all of which will deliver a range of biodiversity/carbon benefits. As part of this project we will be exploring the possibility of seeking carbon credits where applicable.

The project will be managed by the Council's Greenspace Officer, a post funded through the NRF and supported by the wider Environment team.

The NRF will also enable the Council to build upon the first phase nature network mapping, a key output local authorities are required to deliver through NPF4 and the Scottish Biodiversity Strategy and Delivery Plan. The fund will allow us to undertake further work to refine and develop Highland's nature networks including consulting with key stakeholders and partners across the area. It will also enable the Council to continue to identify Local Nature Conservation Sites (identified as an Action in the Net Zero Strategy) which will both help define nature networks and provide a greater level of protection for natural and geomorphological sites important to local communities.

2. Community Grant Scheme for Biodiversity – as in previous years promote a grant scheme for Highland communities and the public and third sectors to support the management, enhancement, and restoration of biodiversity. This approach will ensure that the Council delivers against the themes highlighted in paragraph 4.3. It is proposed that up to 50% of the allocation is available for grants. All previous grant schemes have demonstrated high demand, have proven to be popular and featured a wide variety of projects from across the area.

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

## **7 2024/25 NRF Governance**

- 7.1 Given the successful management of the previous Community Grant Schemes, it is once again proposed that applications 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.
- 7.2 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 in the previous 3 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 & Economy

Date: 21 March 2024

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Background Papers: None

Appendices: Appendix 1 – Nature Restoration Fund Edinburgh Process  
Strand - 2023-24 Local Authority Allocation (£m)

**Nature Restoration Fund Edinburgh Process Strand - 2023-24  
Local Authority Allocation**

<b>Local Authority</b>	<b>Nature Restoration Fund Allocation (£m)</b>
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 Dumbartonshire	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	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 Dumbartonshire	0.257
West Lothian	0.368
<b>TOTAL</b>	<b>10.000</b>