

Agenda Item	8
Report No	ECI/17/26

The Highland Council

Committee: Economy and Infrastructure

Date: 28 May 2026

Report Title: Nature Restoration Fund

Report By: Assistant Chief Executive - Place

1 Purpose/Executive Summary

1.1 This paper provides background information and an overview of the Nature Restoration Fund (NRF), a Scottish Government funded grant scheme. It also presents an update on the 2025/26 allocation to Highland Council, summarises the projects supported to date, and seeks Member approval to proceed with any new allocation for 2026/27, consistent with previous years' arrangements.

2 Recommendations

2.1 Members are asked to:-

- i. **Note** allocation and spend progress to date;
- ii. **Agree** to continue to use existing allocation and governance structures for any future allocation(s);
- iii. **Agree** to target funds to in-house council projects if NRF allocation is significantly reduced; and
- iv. **Agree** to continue to delegate decision making to the Assistant Chief Executive – Place in consultation with the Chair of this Committee

3 Implications

3.1 **Resource** – The NRF fund is managed by the Environment team in partnership with the Community Regeneration Team. The Community Regeneration Fund (CRF) team receive an administration fee to process community grants. It is proposed that any future grant scheme will continue to operate as previously agreed.

3.2 **Legal** - There are no legal implications arising 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 **Risk** – As in previous years the key risk associated with this funding is the late allocation of funds and subsequent short time frame to commit funds. This risk has been mitigated by adopting the governance outlined in section 7 and seeking approval from Economy and Infrastructure (E&I) Committee to delegate decision making.
- 3.4 **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 valid insurance policies and other organisational policies such as Health and Safety to ensure they are operating appropriately.
- 3.5 **Gaelic** - There are no Gaelic implications arising directly from this report. However, in keeping with agreed Council policy, Gaelic has been and will be incorporated / promoted where projects are subsequently funded under this scheme.

4 Impacts

- 4.1 In Highland, all policies, strategies or service changes are subject to an integrated screening for impact for Equalities, Poverty and Human Rights, Children’s Rights and Wellbeing, Climate Change, Islands and Mainland Rural Communities, and Data Protection. Where identified as required, a full impact assessment will be undertaken.
- 4.2 Considering impacts is a core part of the decision-making process and needs to inform the decision-making process. When taking any decision, Members must give due regard to the findings of any assessment.
- 4.3 This is an update report and therefore an impact assessment is not required.

5 Background

- 5.1 The Nature Restoration Fund (NRF) is a Scottish Government multi-year capital and revenue funding programme, supporting a wide range of projects that deliver nature restoration, safeguard wildlife and tackle the causes of biodiversity loss.
- 5.2 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.
- 5.3 Since its inception, the Council has received four rounds of Nature Restoration Fund (NRF) funding:-
- 2021/22 allocation £258,000
 - 2022/23 allocation £328,000
 - 2023/24 allocation £676,000
 - 2024/25 - £331,000
 - 2025/26 allocation £596,000 (£102K of revenue money directed to grassland management)
- Total : £1.85m**

- 5.4 Funds have been split equally between 2 schemes - a nature restoration community grant scheme and in-house Council projects.

Over the four rounds of Nature Restoration Funding (NRF), a total of £918,707.10 has been committed to community grants. This funding has supported 96 projects delivered by 45 organisations, including The Highland Council, which has applied for projects within the community grants allocation.

A summary of the projects supported during the first three funding rounds is [available](#)

- 5.5 **Appendix 1** summaries the community projects supported during 2025/26 - a total of **£323,584** has been allocated with a further £12k claimed to date to support the administration of the scheme. A small underspend is anticipated due to a number of factors, project eligibility and underspend on individual projects.
- 5.6 In addition to the grant scheme NRF funds have been used to support in-house Council projects ranging from tree planting, grassland management, purchase of grass cutting equipment, creation of wildflower meadows/roundabouts, invasive species removal at Bught Park and Loch Loy and the mapping of nature networks. Further details on the projects supported have previously been reported to committee.
- 5.7 Table 1 provides a summary of the Council projects currently in receipt NRF funding:-

Table 1		
NRF BUDGET	ALLOCATED	ACTUAL/COMMITTED SPEND ('000)
Community Grant Fund		350
NN PO post costs - 2 years		80
NN - 1-year ext to PO post		55
Licence for Scottish Salmon dataset from UKCEHE (required for NN mapping)		2.4
6 x Woodland management plans		30
Tree Survey for Culloden Avenue		3
LERC business plan / seed funding	20	
Ardersier Common Management Plan, INNS removal and habitat restoration		20
Amenity Services - Dingwall 800 tree planting on Dingwall approach		10
Amenity Services - 2 x cut and lift machines		84
Amenity Services - wildflower roundabout scheme	25	
Biodiversity Management / Enhancement Plan / green infrastructure plan for Inverness City	20	
Muir of Ord newt pond - hydrological assessment		15
EasyTreev tree management software (Amenity Services)		24
Totals	65.0	673.50

* It is worth noting that totals shown above include underspend carried forward from previous years.

6 2026/27 NRF allocation

- 6.1 Although no formal announcement has yet been made, it is anticipated that NRF funding will be available to local authorities in 2026/27. It is expected that the criteria will follow similar themes as earlier funding rounds.
- 6.2 As per previous years, the timetable for delivery of this fund will be tight and as such, once the NRF is available, the following approach is proposed:-
1. Ringfence 50% of the fund to deliver Council biodiversity enhancement projects; and
 2. Deliver community nature restoration grant scheme

Depending on the scale of the 2026/27 allocation, it may be necessary to prioritise funds solely for use on Council-led projects. Members are therefore asked to support this revised approach, should it be required.

- 6.3 Any future NRF will enable the Council to continue to build upon work already underway e.g., nature network mapping, and to identify Local Nature Conservation Sites (identified as an Action in the Net Zero Strategy and Ecology Strategy) which will both help define nature networks and provide a greater level of protection for natural and geomorphological sites important to local communities. In addition, opportunities to develop a Local Environmental Records Centre (LERC) will be explored alongside the delivery of local greenspace and woodland management plans.
- 6.4 Nature Restoration Community Grant Scheme – dependant on funds available we will continue to promote a grant scheme for Highland communities, public and third sector organisations to support the management, enhancement, and restoration of biodiversity. Previous grant schemes 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 will need to be flexible to ensure funds are allocated and any potential loss from the area is avoided.

7 Governance

- 7.1 It is proposed that the community grant applications will continue to be made to the Community Regeneration Team. The Environment team will 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 Assistant Chief Executive - Place and Chair of Economy and Infrastructure Committee to review and approve.

A similar process will be followed for any in-house Council projects seeking funding in excess of £25k. All other in-house projects will be assessed by the Environment team.

- 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, authority is being sought to continue to delegate decision making to the Assistant Chief Executive – Place and Chair of Economy and Infrastructure Committee.
- 7.3 A final report on funding allocations delivered under the NRF scheme will be brought to the first meeting of the Economy and Infrastructure Committee following the end of the current financial year.

Designation: Assistant Chief Executive - Place

Date: 22 April 2026

Author: Nicole Wallace, Service Lead
(Environment, Development and Transport Planning)

Background Papers: None

Appendices: Appendix 1 – 2025/26 NRF grant scheme

Appendix 1 – NRF grants 25/26

Lochaber	Community Association of Lochs and Sounds	Lochaline Native Oyster Restoration Project (LNOP)	£25,000
Lochaber	Scotland the Big Picture	Torlundy Wild Connections	£21,480
Speyside	Butterfly Conservation Scotland	Re-establishing a population of Dark Bordered Beauty	£20,164
Nairn	NICE Nairn	Dune Resilience Project Nairn (Phase 2)	£20,110
Lochaber	Arisaig Community Trust	Reviving Nature in Arisaig	£17,238
Inverness	Friends of Merkinch LNR	Merkinch Warden Programme	£16,650
Black Isle	RSPB	Tern Raft Revival	£16,569
Lochaber	National Trust for Scotland (NTS)	Gleann Leac na Muidhe INNS eradication partnership	£16,000
Speyside	Speyside Fields for Wildlife	Glenbeg Habitat Restoration	£15,388
Black Isle	Go Flourish	Fungi, Flora, Fauna - North Kessock's Biodiversity Boost	£14,426
Lochalsh	Balmacara Community Trust	Balmacara Woodland Park Regeneration Project	£13,798
Lochaber	John Muir Trust	Rainforest Restoration in Britain's Last Wilderness	£12,315
Ross-Shire	Scottish Wildlife Trust	In-Stream River Restoration at Ben Mor Coigach	£11,287
Easter Ross	Butterfly Conservation Scotland	Restoring Habitats for Priority Lepidoptera in Easter Ross & Sutherland Coastal Landscape	£11,219
Caithness	Wick Development	Wick Riverside Biodiversity Improvements – Phase 2	£9,100
Inverness	Culduthel Woods Group	Pond Improvement Project	£9,000
South Skye	Broadford and Strath Community Company	Nature Restoration, Broadford Community Woodland	£8,500
Inverness	Strathdearn Community Developments	Wildflower Meadows & Orchard Creation	£8,151
Ross-shire	Aultbea Community Council	Himalayan Balsam Removal in Laide/Aultbea	£7,600
Ross-Shire	Farmer Jones Academy CIC	Gro For You - Ross-Shire Nature Pond	£7,500

Inverness	Knocknagael Ltd	Creation of a species rich wetland SuDS at Knocknagael	£7,000
Inverness	The Boleskine House Foundation SCIO	Community Tree Planting and Wildflower Seed Sharing	£6,625
Easter Ross	Beauly Fishery Board	R. Beauly: Improving Atlantic salmon smolt survival	£6,263
Highland	High Life Highland	Nocturnal Forage restoration	£5,365
Sutherland	West Sutherland Fisheries Trust	Eels in Loch Assynt	£4,330
Inverness	Knocknagael Ltd	Creation of a species rich meadow	£4,270
Wester Ross	Laide and Aultbea Community Woodland	Newt Pond Restoration	£3,439
Skye	Broadford and Strath Community Company	Biodiversity Enhancement, Broadford Community Garden	£2,620
Sutherland	Rogart Development Trust	Restoration of the Mart Site – wildflower meadow	£2,177
Total			£323,584