
CAIRNGORMS NATIONAL PARK AUTHORITY PERFORMANCE COMMITTEE

FOR DISCUSSION

Title: CAIRNGORMS PEATLAND ACTION PROGRAMME

Prepared by: COLIN MCCLEAN, HEAD OF LAND MANAGEMENT

Purpose

This paper presents an update on the delivery of the CNPA's Peatland ACTION programme for 2022-23.

Recommendation

The Performance Committee is asked to note the programme update.

Strategic Background

- I. The peatland programme will contribute to the delivery of the targets and priorities of NPPP4. It is also key for assisting in the implementation of the Heritage Horizon Cairngorms 2030 Programme, providing the majority of the Programme's planned match funding for the delivery phase commencing mid 2023 subject to bid approval. The programme is supporting the delivery of the Scottish Government's peatland restoration targets.

Performance Dashboard

Performance Measure for 2022/23	Rating	Commentary
Finance: maximise use of £2.962 million capital finance available in 2022/23 for peatland restoration	Amber	Costs are not finalised for some projects but we estimate our capital expenditure is likely to be around £1.9 mill, leaving a capital underspend of around £1 mill. We notified ScotGov of our likely underspend in Dec 22 and returned 700K at that point. We plan to return a further 200K in late Feb, leaving some headroom for unexpected costs.
Finance: impact on Cairngorms NPA budget management	Green	No wider unplanned demands currently made by programme on financial resources.

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Performance Measure for 2022/23	Rating	Commentary
Area of restored peatland: 905 hectare target 2022/23 (Restoration Area)	Green	Machines have finished work on five projects. With the hills largely snow free in early February, there are machines currently on the ground on four estates. Subject to weather, two projects will re-start in late Feb following a 2 week break for snow to melt in gullies. Subject to weather we hope to exceed 1000ha of peatland under restoration this year and its possible we may achieve more.
Programme risk profile	Green	Currently we have sufficient contractors to tackle projects and the weather in late January/ early February has been largely snow free. The target of 905 ha in 2022/23 should be achieved, but a snowy March would reduce any additional hectares achieved above the target.
Future funding profile	Amber	We have a four year funding profile agreed, albeit while continuing to operate within single year allocations. We estimate we will need 3.7 mill capital budget in 2023/24 to service all projects in our potential pipeline. However, this estimate cannot be exact as not all estates will ultimately choose to proceed next year. The estimate of 3.7 mill is less than the 4.1 million allocated in the future spending profile, whilst within confidence limits allowing for contingency spending.
Future delivery profile	Green	Landowners remain engaged with Peatland Action and we have more than enough potential pipeline projects to fully allocate the spending profile with contingency built in. We will aim to deliver some projects through direct support by Peatland Officers and some by giving support to private sector designers.

Target for 2022-23

2. In 2022-23 we planned to deliver 905 hectares of peatland restoration (Restoration Area). We are currently on track to meet this target, possibly to exceed 1000ha if weather conditions allow. Work is complete on five estates and is on-going on five others, continuing on several estates during a mild spell in mid February. The final amount of peatland brought under restoration in 2022/23 will not be known until Spring 23.

Finance and staffing

3. Financial support from Scottish Government is £3.4 million in 2022/23. This comprises £2.962m capital funding (primarily supporting grant awards to land managers) and £0.505m resource funding (supporting staffing and other delivery costs). As of February, CNPA has issued Grant Offers to 10 estates, representing a total of £1.896m committed for projects in 2022/23.
4. In December 2022 CNPA returned £0.70m of uncommitted capital allocation to ScotGov as part of budget re-profiling; retaining a contingency of £0.37m for inflation, unexpected costs and future animation. Accruals from 2021/22 for 5 uncompleted projects, totalling £0.129m, are not represented in the 2022/23 progress table. It is expected this work will be largely completed by March 2023.
5. We have recruited a Trainee Project officer who will start work in March. There were over 30 applicants for this post and some demonstrated a high level of knowledge about peatlands. This post will increase capacity in the peatland team but also recognises the skills shortage which exists in peatland restoration. The aim is to train up the new postholder to Peatland Officer level within 3 years.
6. We now have a highly skilled and motivated Peatland team. In order to scale up the peatland restoration programme towards an annual target of around 2000ha per year, the aim is to increase the number of projects that each of our Peatland Officers deals with annually. Currently each Peatland Officer works on 2-3 projects per annum and this number is limited by the time needed to supervise delivery. We therefore aim to increase private sector input to project supervision and ultimately project design. To that end we are working with a range of partners eg Scottish Woodlands to deliver a drain blocking project on Tulchan of Glenisla and Palladium at Delnadamp. We are also inputting to the SRUC course on restoration design which should increase skills in the sector in the longer term.
7. During 2022 we seconded an employee of RSPB to work with the Peatland team. That secondment has been successful but ends in March. Sally Phillips will now return to work for RSPB delivering peatland restoration on Abernethy having received a solid grounding in restoration techniques and peatland project management. There are some 1400ha of potential peatland restoration on Abernethy which will take many years to complete. CNPA direct input to restoration on Abernethy will be reduced as a result of this secondment.
8. In order to further scale up delivery we will continue to be flexible and innovative in developing partnerships between public and private sectors.

9. The 2021/2022 Azets Internal Audit of the peatland programme controls and processes identified nine improvement actions. Four Grade 3 (amber) actions and one Grade 2 (yellow) action have been implemented, three grade four (red) actions are ongoing and one Grade 3 (amber) has been assessed as not a priority and is not yet started. The three Grade four actions underway are:
- a) A Service Level Agreement identifying the roles and responsibilities of CNPA, Peatland Action grant applicants and contractors is currently with legal advisors. This document is also important in defining the different requirements of Peatland Action and Peatland Code, setting out how the additional requirements of the Peatland Code are to be met by the private sector.
 - b) A management framework outlining all controls, processes and documentation from pre-application to project closure is under review. This is a significant, complex piece of work that will extend throughout 2023
 - c) An internal governance process is scheduled to start in March, ensuring sufficient monitoring and reporting to management on project progress, with appropriate scrutiny and follow up action taken when required.

Progress to date on the programme for 2022-23.

	Annual target (ha)	Forecast Profile (ha)	Work in progress (ha)	Delivered/completed (ha)	Expected delivery for the year (ha)
Oct-22	905	600	945	600	950
Nov-22		750	1225	650	950
Dec-22		850	1285	787	950
Jan-23		862	1217	870	1050
Feb-23		998	1217	899 (mid-feb)	1150
Mar-23		1124	1217		1198

Spend

CAPITAL	Total annual budget (m)	Actual spent (m)	Committed (m)	Uncommitted (m)	Forecast spend (m)
Oct-22	2.96	0.12	1.86	1.11	0.50
Nov-22		0.155	1.89	1.07	0.80
Dec-22	2.26	0.231	1.89	0.37	1.30
Jan-23		0.98	1.89	0.37	1.15
Feb-23		1.125	1.89	0.37	1.60
Mar-23					1.89

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RESOURCE	Total annual budget (m)	Actual spent (m)	Committed (m)	Uncommitted (m)	Forecast spend (m)
Oct-22	0.505	0.207	0.4	0.105	0.505
Nov-22		0.252	0.4	0.105	0.505
Dec-22		0.281	0.4	0.105	0.505
Jan-23		0.31	0.415	0.09	0.505
Feb-23		0.34	0.415	0.09	0.415
Mar-23					

Future forecast:

Forecast	2023-24	2024-25	2025-26	2026-27	2027-28
Hectares	1319	1515	1575	1730	1725
Resource (£m)	0.510	0.567	0.635	0.703	0.778
Capital (£m)	3.636	3.953	4.440	4.889	4.647
Total budget (£m)	4.146	4.519	5.075	5.592	5.426

Colin McClean

28/02/2023

colinmacclean@cairngorms.co.uk
