
CAIRNGORMS NATIONAL PARK AUTHORITY PERFORMANCE COMMITTEE

FOR DISCUSSION

Title: Cairngorms Peatland ACTION Programme

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Purpose

This paper presents the latest delivery of the CNPA's Peatland ACTION Programme and the plans for delivery this year.

Recommendations

The Performance Committee is asked to review the delivery updates presented with this paper and consider:

- a) whether the programmes of activity are making the expected contribution to the Cairngorms NPA's agreed strategic outcomes;
- b) whether the delivery updates suggest any strategically significant impacts on the Cairngorms NPA's agreed performance objectives;
- c) whether any material impacts on the Cairngorms NPA's strategic risk management and mitigation measures arise from assessment of programme delivery.

Performance Dashboard

Performance Measure for 2021/22	Rating	Commentary
Finance: maximise use of £1.85 million capital finance available in 2021/22 for peatland restoration	Green	Current target deployment of capital has been reduced to £1.408 million for 21/22 with agreement of Scottish Government. Total year spend is being finalised by the Finance Team and should be close to this figure.
Finance: impact on Cairngorms NPA budget management	Green	No wider unplanned demands currently made by programme on financial resources.
Area of restored peatland: 557 hectare target 2021/22	Green	Exceed hectares target, delivering 730ha of restoration management, primarily due to a focus on easier drain blocking work. The

CAIRNGORMS NATIONAL PARK AUTHORITY
Performance Committee Paper 2 13/05/2022

Performance Measure for 2021/22	Rating	Commentary
		<p>consequence of this resulted in a reduction in spend as drain work is cheaper.</p> <p>Current restoration management target for 2022/23 is 905ha.</p>
Programme risk profile	Amber	<p>Current contractor capacity uncertain to be able to meet future demand requirements of the programme. New entrants scheme has brought on 4 contractors with experience to undertake the simpler drain blocking work.</p>
Future funding profile	Amber	<p>Capital and resource finance confirmed by Scottish Government for 2022/23 at £3.5m and £0.51m respectively. Contractor and staff constraints (the imminent departure of the Programme Manager) are likely to lead to a continued focus on drain blocking in 2022/23. This means the capital budget is bigger than we require. Programme assessment later this month will recommend a revised capital budget. The resource budget will enable us to increase capacity within the Peatland Action team.</p>
Future delivery profile	Amber	<p>Finance is in place to support the work required to achieve a programme target of 905ha. The departure of the Programme Manager will reduce capacity and the team will also have to focus on the results of the Internal Audit and Process Mapping. Additional staff resources will be required to both replace the Programme Manager and to increase team capacity if the target is to be achieved. This recruitment is already underway.</p> <p>A final schedule of programme delivery has been prepared which takes capacity issues into account, but which will still aim to achieve a target of 905ha.</p> <p>The focus will be on the cheaper and easier to manage drain work.</p>

Performance Measure for 2021/22	Rating	Commentary
		Contractor capacity is expected to be able to meet this target.

Strategic Background

1. The peatland programme will contribute to the delivery of the targets and priorities of the current National Park Partnership Plan and the next plan. It is also key for assisting in the implementation of the Heritage Horizon Cairngorms 2030 project, providing the majority of the project's matched funding. The programme is supporting the delivery of the Scottish Government's peatland restoration targets.
2. For this financial year, 2021/22, the Peatland Programme target was to deliver 557 hectares of peatland restoration management supported by £1.94 million (capital & resource costs) of Scottish Government funding.
3. The Programme plans to deliver 905 hectares of peatland restoration management in 2022/23, with financial support from Scottish Government of £3.47 million.
4. The programmes of activity under consideration here also fit with the priorities of the current National Park Partnership Plan (NPPP), the most recent overview of delivery of the NPPP having been presented to the Board at its meeting in September 2021: [Meeting - Cairngorms National Park Authority](#). The relevant elements of the NPPP delivery relating to these programmes are:
 - a) **Landscape scale restoration: I(a)** target effort and support to the most effective opportunities to deliver the public interest priorities such as woodland improvement and expansion, peatland restoration, flood risk management (5,000 hectares of peatland restoration management).

Performance Overview: Delivery Against Strategic Expectations

5. The Peatland Programme aimed to delivery over 500 hectares of restoration management in 2021/22 and has exceeded this with 730 hectares of management works, primarily drain blocking, by the year end. This was possible by extending several of the project site's work areas, the relatively mild winter, and projects on lower altitude sites.
6. The programme had reduced its capital budget by £442,000 in December 2021 due to focusing delivery on the cheaper drain blocking projects rather than the more expensive actively eroding projects. The final year end position is still to be calculated and we are likely to have a modest underspend of around £100,000 or less against the total capital budget of £1.31 million. Several projects were unable to complete by the year end due to factors outside our control: contractor availability, winter weather on higher altitude sites or delays in Peatland Code registration (the latter is a function carried out by agents/consultants and not CNPA staff). Several projects also came in under budget.

7. Scottish Government have approved the £2.96m capital and £0.51m resource request for the Peatland Programme for 2022/23 as set out in detail in the previous paper to the Committee. They have also indicated support for the five-year budget and programme of works: £23.2 million and 6250 hectares of restoration management for the period 2022 – 2027.
8. Interest in peatland restoration remains very high from land managers all across the National Park, much higher than the availability of contractors or the staff resource within CNPA to support.
9. The Peatland Code (see here for more information: <https://www.iucn-uk-peatlandprogramme.org/peatland-code-0>) and carbon finance are increasing the interest in restoration and is requiring additional work from the Peatland team to support project that go down this route. This can delay programme delivery as project await Peatland Code validation.
10. The internal audit, process mapping and team development workshops have all identified that staff in the team are at or working beyond capacity, and there is little scope to expand the programme of work. Additional staff resources to increase capacity will be required to achieve the 905 hectare target being proposed for this year.
11. The New Entrant Training programme for peatland contractors, as reported in the previous paper, was highly successful in bringing 4 new contractors to the works programme and training them up to a standard to delivery high quality drain blocking work. On the back of this programme all four contractors won further work with us during 2021/22. It is planned to repeat the New Entrants Programme in 2022/23, possibly with a focus on project work in Deeside and Highland Perthshire

Performance Overview: Risks Under Management

12. Staff resources to deliver the planned programme of work, and the future expansion of the programme are currently inadequate. In the short-term the staff resource issue is compounded by the Programme Manager leaving and the resource gap that leaves. In addition, the GIS/Data Officer has been on sick leave since early April putting additional strain on the Project Officers and the ability to deliver the programme. We will now actively recruit new staff to increase capacity but, in the short term, capacity will be reduced. The programme of work for 2022/23 and the target of 905ha has taken these capacity issues into account.
13. A focus on cheaper, easier to manage, and deliver, drain blocking work this year should enable the programme to approach the 905ha delivery target. However, this does have implications for the programme budget, and there is likely to be a significant budget underspend as project work moves away from the more expensive actively eroded peatlands to the cheaper drain blocking peatland.
14. The Internal Audit of the programme was completed in March and the final report is awaiting sign-off. The audit highlighted several risks to the Peatland team providing a 'full service' approach to supporting delivery with land managers that have not been fully considered by the CNPA. The risks identified in the audit include legal, financial,

reputational and resourcing. In addition, there needs to be stronger strategic direction of the peatland programme from within the CNPA. A “Management Action Plan” forms part of the audit, and the recommendations within this plan will be addressed over the next six months. This work will require additional staff resources to deliver.

Conclusions: Performance Overview and Matters Meriting Strategic Review

15. The target of 557ha of peatland under restoration for 2021/22 was exceeded and 730ha were achieved. A target of 905ha has been set for 2022/23. This target takes staff and contractor capacity issues into account. Issues and risks raised by the Internal Audit will be addressed over the next six months. Additional staff resources will be required to achieve both the restoration target and the requirements of the Internal Audit. The agreed Resource budget gives us some flexibility over recruitment. We are unlikely to require the full Capital budget to achieve target.

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9th May 2022

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