



For discussion

Title: Cairngorms Peatland ACTION Programme

Prepared by: Colin McClean, Head of Land Management

Purpose

1. This paper presents an update on the delivery of the Park Authority's Peatland ACTION programme in 2024 / 25 and consideration of plans for the 2025 / 26 pipeline of activity.

Recommendations

2. The Performance Committee is asked to:
 - a) Note the progress against programme targets for 2024 / 25
 - b) Note the plans for 2025 / 26

Strategic policy consideration

3. The Peatland ACTION programme will deliver National Park Partnership Plan (NPPP) targets for a minimum of 38,000 hectares (ha) of peatland under restoration by 2045, 80% of all drains restored by 2035, and all erosion features restored by 2050. Peatland Action funding is a significant component of the match funding for Cairngorms 2030 Programme. As one of the five Peatland ACTION delivery partners, the restoration work delivered by the Park Authority plays an important part in reaching the Scottish Government's target of 250,000 ha of peatland being restored by 2030.

Performance dashboard

Performance Measure for 2024/25	Rating	Commentary
Finance: maximise use of £3 million capital finance and £580,000 resource finance available in 2024 / 25 for peatland restoration	Amber	In addition to the 2024 / 25 grant of £3 million, capital resource for 2024 / 25 includes £500,00 accrued from the 2023 / 24 budget ie a total budget of £3.5 million. Grant allocations currently total £2.5 million with a further £300,00 of restoration in early development ie a



Performance Measure for 2024/25	Rating	Commentary
		<p>projected capital expenditure shortfall of £700,000.</p> <p>Recruitment into vacancies in the peatland team is currently subject to restrictions associated with spending constraints. As restrictions continues, there is a limited risk of a shortfall in resource expenditure.</p>
Finance: impact on the Park Authority's budget management	Green	No wider unplanned demands are likely to be made by the programme on financial resources. Match funding contributions to the Cairngorms 2030 programme are profiled across the lifespan of the C2030 programme and risk of impact on C2030 match funding is deemed low.
Restoration target 2024 / 25: 1500ha Restoration Area	Green	Two projects are already complete. Contractors have been appointed for a further 11, most of which are now underway. We are currently on track to reach our target for hectares.
Pipeline for 2025 / 26:	Green	Demand for peatland restoration projects remains high. Work developing the pipeline for 2025 / 26 is scheduled to take place over the next few months. This is dependent on recruitment to some extent.
Programme risk profile	Amber	<p>Contractor capacity has increased with new companies attracted into peatland restoration. Confidence amongst established contractors to invest further in peatland restoration has been affected by the reduction in overall Peatland ACTION funding.</p> <p>Staff capacity to concurrently deliver the current programme, increase capacity in the private sector and develop a 2025 / 26 pipeline of activity will be affected by the ability to fill</p>



Performance Measure for 2024/25	Rating	Commentary
		vacancies and the 2025 / 26 budget allocation.
Future funding profile	Amber	Reductions in the national Peatland ACTION budget for 2024 / 25 saw an approximately 40% reduction from the previous year's allocation. The funding settlements for future years is unclear.
Future delivery profile	Amber	Landowners remain engaged with Peatland ACTION and we are confident of developing a substantial potential pipeline of projects for 2025 / 26. Beyond this, confidence and engagement throughout the sector will be dependent on future funding announcements.

2024 / 25 delivery progress

4. The Scottish Government announced in December 2023 that the total funding for Peatland ACTION would be reduced from £34 million to £20.6 million. The five Peatland ACTION delivery partners proposed budgets were considered against criteria which included maximising hectares achieved while minimising the average cost per hectare restored. These criteria influenced the 2024 / 25 programme to focus on lower cost and lower risk ditch blocking projects, whilst retaining an element of the high altitude and complex erosion work which the Cairngorms peatland ACTION team specialises in.
5. Two projects commenced in March 2024 and were completed by August. Hectares have still to be measured but are significant and these hectares will count towards the 2024 / 25 target of 1500ha. Expenditure on these projects of around £0.5 million was accrued against the 2023 / 24 budget and will not count against expenditure in 2024 / 25.
6. Contractors have been appointed through tendering for a further 11 projects, most of which now have machines or hand labour teams on the ground. These projects are within the capacity of staff to deliver and are currently all well placed to deliver significant hectares and expenditure.



7. One project cancelled late due to legal uncertainties related to carbon credits. This was a significant loss as £316,000 was allocated to the project and hoped to bring over 300ha of peatland under restoration. We currently hope to replace this lost project with two smaller projects but deadlines for planning and tendering remain tight.
8. We will run two New Entrant projects in 2024 / 25. Contractor interest has increased in 2024 / 25, with the Park Authority's tendered projects averaging six bids per tender. It seems likely this has been a consequence of cuts in the forestry budget which has led to some contractors seeking to spread their portfolios across sectors. This has perhaps been an unexpected consequence of budget cuts.
9. In 2024 / 25, over £300,000 of private sector investment has been made to peatland restoration in the National Park. Reduced certainty over public sector funding for peatland restoration emphasises the need for increased private sector investment. It seems likely there is scope to increase private investment, and the Park Authority is well placed to demonstrate this.
10. The Peatland Programme Development Manager left the Park Authority in June 2024, after making a significant contribution to the development of restoration in the Cairngorms and to the national programme. The role has been recruited from within the Peatland ACTION team, starting in September. With experience as a Peatland Officer with the Park Authority for over three years, the recruitment brings a wealth of knowledge and experience along with minimal disruption to the programme.

2025 / 26 planned programme

11. A priority for the new Programme Development Manager will be work on our pipeline of projects in 2025 / 26. Land manager interest in peatland restoration remains high and peatland projects are becoming part of the accepted routine on some estates. It is anticipated that many new projects will be developed on estates where we are currently working and where relationships are well established. We will seek to present a balanced programme of lower cost drain blocking projects with higher cost erosion projects across the Park while maintaining important relationships with land managers and supporting and developing the New Entrants' Scheme.

Colin McClean,
Head of Land Management