
CAIRNGORMS NATIONAL PARK AUTHORITY PERFORMANCE COMMITTEE

FOR DISCUSSION

**Title: CAIRNGORMS PEATLAND ACTION PROGRAMME
DELIVERY**

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Purpose

This paper presents the latest delivery update for the Cairngorms Peatland ACTION Programme

Recommendations

The Performance Committee is asked to review the delivery update and consider:

- a) Progress towards the project's agreed purposes;**
- b) Be aware of the delivery risks posed by weather and contractor capacity;**
- c) Understand the scope and scale of the Peatland Programme and the resource implications for the Authority;**
- d) Whether the delivery updates suggest any strategically significant impacts on the Cairngorms NPA's agreed performance objectives; and**
- e) Whether any material impacts on the Cairngorms NPA's strategic risk management and mitigation measures arise from assessment of programme delivery.**

Background

1. Peatlands cover nearly a quarter of Scotland and contain over half of the total Scottish soil carbon. However, a high proportion of Scottish peatlands has been altered by land management practices to such an extent that it is now degraded, causing substantial greenhouse gas emissions. Consequently, the Scottish Government has established ambitious peatland restoration targets; a large funding programme – Peatland Action – has been in place since 2012.
2. Over 25% of the Cairngorms National Park is peatland habitat with around 90,000 ha of that being degraded. This represents nearly one-fifth of the National Park being in poor condition. Damaged peatlands can lead to poor water quality, increased flood risk, reduced biodiversity as well as carbon emissions making peatland restoration management a high priority.

3. The programme of restoration management in the Cairngorms National Park is now in its seventh year. Work started in the spring of 2014 with the recruitment of one project officer with grant-aid from Peatland ACTION through SNH (now NatureScot). Funding for peatland restoration management was through grants from SNH's Peatland ACTION to land managers. All funding was for one financial year only (including the project staff). An additional Peatland ACTION Project Officer was recruited in 2018, funded by NatureScot to support the expanding programme and increased level of project administration. From 2020 the Scottish Government directly funded the CNPA as a "Delivery Partner" in the Peatland ACTION programme providing funding for staff costs and survey work. Grants for restoration work were provided by NatureScot in 2020.
4. The Peatland ACTION Project Officers provide a full project management service from the initial project design, surveys and field work through to assisting with grant applications, contractor management and reporting for land managers.
5. During the period 2014 to 2019 twenty one projects were undertaken across 11 different estates in the National Park. This work brought 2,041 hectares of peatland under restoration management. 2020 saw limited project delivery due to the coronavirus pandemic and limited contractor availability: only 131 hectares of management work was undertaken on 5 estates. The last few years have seen repeated issues with a lack of suitable peatland contractors to carry out the work across Scotland.
6. The CNPA made a proposal to Scottish Government to become a full Peatland ACTION Delivery Partner providing grants for restoration in March 2020. Due to the pandemic this proposal went through a number of iterations before being finally agreed in November 2020. The CNPA Peatland ACTION Programme, starting in April 2021 will run for three years and deliver approximately 2,766 hectares of restoration management. Scottish Government are providing £9.92 million directly to the CNPA for this delivery. The ambitious programme includes creating a new peatland team within the Authority.
7. 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 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.
8. For this financial year, 2021/22, the Peatland Programme plans to deliver 557 hectares of peatland restoration management supported by £2,285,146 (including staff and survey costs) of Scottish Government funding.

Performance Overview: Delivery against Strategic Expectations

9. The establishment of the Peatland Programme is in progress despite the impacts of COVID. Four new staff were recruited this year and a Programme Manager appointed.

10. A grants system and associated documentation is complete, with a procedure in place with the Scottish Government Sponsorship Hub for approving grants above the CNPA's delegated authority (£100,000).
11. One of the key conditions of accepting the CNPA grant for peatland works, is that estates must provide uninterrupted access to contractors and staff from 1 September to 31 March as a minimum. One estate was unable to provide this and a potential peatland restoration project was deleted from the programme.
12. New protocols had to be developed to cover a change in legislation giving peatland restoration Permitted Development rights with the need for Prior Notification from Planning Authorities for projects.
13. The development of a strategic programme plan, peatland mapping, risk register, ENFOR coordination and supporting documentation remains to be completed. The focus of staff resources is currently on project delivery with the next few months being the busiest time of year for undertaking restoration work.
14. The Programme continues to collect data on breeding birds, peat depth and herbivore impact on peatland across the National Park. Peat depth surveys and herbivore impact assessments were undertaken on eight areas, across 7 estates, covering 5,205 hectares. Breeding bird surveys were carried out across seven estates over an area of 8,542 hectares. This data is used for planning work this year and for future years.
15. Peatland restoration work can, on some sites, require the use of materials like coir logs or geo-textiles for blocking erosion channels or covering bare peat. These products are made from coir, a coconut based product. Lead times for buying this equipment can be long so we have purchased these materials in advance for projects to use, and arrange storage with several estates. We are supporting a contractor in developing machinery and trialling the cutting of rectangular heather bales as a more locally sustainable alternative to coir logs.
16. The CNPA inherited a number of legacy projects that started prior to 2021 with funding from NatureScot. The CNPA will deliver these projects through our funding programme. Most of these projects do not contribute to the hectares target. A programme of new peatland works is being delivered across the National Park this year, and a portfolio of projects are under development for 2022.
17. The team has a potential to deliver 932 hectares of restoration management across 14 sites on twelve estates in 2021/22. This represents a possible spend of £1,761,265. This is against a target of 557 hectares with £1,760,200 finance (excluding staff and survey costs) from Scottish Government. Contractors are appointed and working, or about to work, on 570 hectares of peatland restoration supported by grants of £956,743. A further 130 hectares of project work is out for tender and work could potentially be delivered on these sites this year. Two sites, covering 141 hectares, were tendered for the third year in a row and no contractors tendered for this work. One more site, covering 91 hectares, has a contractor appointed but is unlikely to see work happening due to estate administration.

18. Contractor capacity remains the biggest challenge for delivering peatland restoration work at scale. The Peatland Programme has initiated a new entrant scheme for local contractors this year and is providing dedicated training on the job for 4 new entrants. Working with 2 estates, the new entrants receive training and supervision from the Peatland team in drain blocking (the easiest technique in the suite of peatland restoration tools) on a very straightforward project site.

Performance Overview: Risks under Management

19. Staffing: three new staff joined the programme in 2021, a Programme Manager was appointed and a fourth officer is due to start in late October. The seventh member of the team, a Project Assistant, should be recruited later this autumn.
20. The programme is on course to deliver slightly more than the targeted 557 hectares of peatland restoration management subject to weather and contractor constraints this year. Despite the best efforts of the team, many contractors started later than hoped due to a combination of team resources, the introduction of the Prior Notification process, grant documentation, estate decision making and contractor availability.
21. While the Programme is looking likely to deliver the target hectares, the spending profile is much less than anticipated. Spending on project delivery is likely to be £0.96m leaving an underspend of £0.8m. Part of the reason for this is because more drain blocking projects were developed which are cheaper compared to the more complex eroded sites. This emphasis on drain blocking projects is also a reflection of the lack of more experienced peatland contractors who can manage the complex erosion sites. There are several contracts out to tender that if successful could reduce the underspend to around £0.6m though the risk of weather is more of a threat to the Programme's spend profile.
22. As mentioned above, contractor capacity remains the biggest challenge and risk to the programme's delivery. Some of the solutions to capacity require national coordination from Scottish Government (and its Agencies) and confidence in the contractor sector to expand. As peatland work is restricted to only part of the year (around 6 months) many contractors do not have the scope to scale up without having other non-peatland work on their books. The Programme will continue the training of new entrants to attract a wider pool of contractors. In addition, the Programme is exploring the possibilities of establish a contractor framework agreement that would offer contractors work over 3 years at agreed costs.
23. Weather remains a significant risk to delivery, as the many sites are above 650m. It is not uncommon to have substantial snow in November or December that will prevent work on the ground. Sites in January and February are nearly always snowed out. To mitigate this access for some projects is available from July and a number of projects were deliberately developed on lower ground (400-500m). Bird survey work this year will enable the development of some projects that could start in March and run right through the spring and summer (with the appropriate bird protection measures in place).

24. Project documentation is scheduled to all be completed before Christmas but the strategic planning and mapping will take longer. The Programme needs to complete the mapping of degraded peat (for future planning and supporting Heritage Horizon 2030) and construct a new GIS architecture for our data and mapping needs. A GIS officer has been appointed.
25. The development of the Peatland Programme is a significant new venture for the Park Authority involving substantial funding (nearly £10m over 3 years, with increased funding beyond), complex contractor and procurement management. The transition of the Authority toward a direct delivery organisation will require the development of new procedures and require additional resources to enable proper contract management and procurement.

Conclusions: Performance Overview and Matters Meriting Strategic Review

26. The delivery and spend of the Peatland Programme is currently on track but risks due to weather and contractor availability are significant and may impact on the programme.

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