

GREATER LONDON AUTHORITY

REQUEST FOR MAYORAL DECISION – MD2529

Title: Woodland creation grant allocation

Executive Summary:

The Mayor's £1.5m woodland creation programme, part of the Greener City Fund approved under MD 2141 and MD 2285, has been set up to help deliver the manifesto commitment to embark on a major tree planting programme and contribute to the London Environment Strategy target to increase tree cover by 10% by 2050.

This decision form requests approval for the allocation of grant funding of up to £748,000 to Enfield Council for the 'Enfield Chase Restoration' woodland creation project which includes a novel use of grant funding that trials a mechanism to incentivise woodland creation and thereby improve the quality of the green belt.

This MD also provides an update on the woodland creation grant scheme allocation of a grant of £493,082 to the Woodland Trust for the 'Extending Hainault Forest' woodland creation project. This decision has been delegated to the Executive Director of Development, Enterprise and Environment under MD2141.

Decision:

That the Mayor approves expenditure of £748,000 in financial years 2019-20 and 2020-21 from the £1.5m woodland creation programme (approved under MD 2141 and MD 2285) on a grant to Enfield Council for the Enfield Chase Restoration project.

Mayor of London

I confirm that I do not have any disclosable pecuniary interests in the proposed decision and take the decision in compliance with the Code of Conduct for elected Members of the Authority.

The above request has my approval.

Signature:



Date:

28/10/15

PART I - NON-CONFIDENTIAL FACTS AND ADVICE TO THE MAYOR

Decision required – supporting report

1. Introduction and background

- 1.1. The Mayor's £1.5m woodland creation programme, part of the Greener City Fund approved under MD 2141 and MD 2285, has been set up to help deliver the manifesto commitment to embark on a major tree planting programme and contribute to the London Environment Strategy target to increase tree cover by 10% by 2050.
- 1.2. The benefits of planting new woodlands around the periphery of cities include public health, climate change adaptation and ecological resilience. Accessible woodland close to urban populations in particular generates high mental and physical health benefits. Tree planting can reduce soil erosion and maximise natural processes to mitigate flood risk. Well planned and designed woodland can overcome habitat fragmentation and increase biodiversity, particularly on farmland where wildlife has declined.
- 1.3. Historically, Forestry Commission (FC) grants alone have not proved to be a sufficient incentive to encourage widescale creation of publicly accessible woodland in the green belt. The GLA grants aim to add value to FC and other grants to make projects viable, attractive to landowners as well as maximising the public benefit for Londoners.
- 1.4. Following a call for expressions of interest in woodland creation projects over 10 hectares, two applications from Enfield Council and the Woodland Trust were invited to submit detailed stage 2 applications for woodland creation within the green belt.
- 1.5. £493,082 of grant funding has been allocated to the Woodland Trust to create new woodland through an extension to Hainault Forest in line with the approvals in MD2141 and MD2285. MD2141 delegates authority to approve all further arrangements for delivery of the programme to the Executive Director of Development, Enterprise and Environment. This approach was confirmed with the Deputy Mayor for Environment and Energy on 2 August. The Woodland Trust will acquire an arable site of low grade agricultural land quality, adjacent to their existing land holdings and plant 24 hectares of native species woodland, extending the area of Hainault Forest managed by the Trust by 21.8%. The extension would buffer and protect the 113 hectares of Ancient Woodland in Hainault Forest, making more space for people and wildlife. There are only 2600 hectares of Ancient Woodland in London and Hainault Forest is recognised as one of the top "old growth" Ancient Woodland sites in the UK, important not only because of the continuity of old trees over generations but also because of the high concentration of veteran/ancient trees. Very few of these sites exist elsewhere in the UK. The GLA funding will unlock the land by enabling the Woodland Trust to purchase the site and provide funding towards elements of the project such as community engagement, which are not covered by FC or other grants. A grant funding agreement with the Woodland Trust is currently being prepared.
- 1.6. This MD concerns Enfield Council's application to the GLA for a grant of £748,000 for the Enfield Chase Restoration project. £225,000 of this funding will compensate the tenant farmers on Enfield Council owned land for the loss of earnings on land they currently manage for agricultural purposes on a long-term lease from Enfield Council. The land will be converted to publicly accessible woodland. The remaining funds will be spent on improving accessibility with new and upgraded footpaths, including the London Loop, provision of other recreational and educational infrastructure, such as signage and seating, community engagement, educational workshops and project management. The total cost of the project is £1,730,200 and a breakdown of how this is funded is at paragraph 2.5.

2. Objectives and expected outcomes

- 2.1. The objective of the Mayor's woodland creation programme is to support large scale woodland creation projects in the green belt which benefit local people, the environment and the economy, working with partner organisations to increase London's urban forest. It contributes to the London Environment Strategy target to increase tree cover in London by 10% by 2050 and supports the London Environment Strategy objectives of conserving and enhancing wildlife and natural habitats, improving the quality and function of the Green Belt and improving Londoners' access to green space and nature.
- 2.2. The Enfield Council project will create 60 hectares of new woodland across parts of council-owned leasehold farms close to Trent Country Park in an area called Enfield Chase which historically had large areas of woodland. The new woodland, which will be planted on areas of low grade agricultural land, will protect, enhance and link existing woodlands, field boundaries and individual veteran trees and complements an Environment Agency funded Natural Flood Management project in the Salmons Brook catchment.
- 2.3. The main objectives of the project are:
- improving biodiversity by linking fragments of existing woodland to create green corridors;
 - improving public access to nature and green space, particularly from the more deprived wards to the east; and
 - reducing flood risk through natural flood management.
- 2.4. The use of GLA grant to incentivise farmers to plant trees with a small annual payment to offset their loss of earnings, is a model which has been developed working in partnership with the Forestry Commission and LB Enfield (the landowner). This is explained in more detail in paragraphs 2.9-2.12. This model is an opportunity to test out the approach, providing a pilot project in a peri-urban setting ahead of the Government's proposed new Environmental Land Management Scheme (ELMS). Defra is currently proposing a new ELMS using a similar model of payment for 'public goods' such as publicly accessible woodland. The FC is proposing testing new ELMS payments for both woodland creation within the urban/peri urban area and community woodland management.
- 2.5. The total cost of the project is £1,730,200. The following table shows a breakdown by funder:

Source of Funding	Amount (£,000)	Committed, Requested, or Estimate	Percentage of total project cost
GLA grant	£748,000	Requested	43%
Forestry Commission (Woodland Carbon Fund grant)	£519,000	Estimate (Stage 1 approved. Stage 2 application in progress)	30%
Enfield Council (Decrease in land value)	£169,200	Estimate	10%
Enfield Council capital contribution	£150,000	Requested (decision Early November)	9%
Environment Agency (Salmons Brook Natural Flood Management Thames 21 Project Officer)	£144,000	Committed	8%
Total	£1,730,200		100%

- 2.6. The Forestry Commission's grant will directly fund tree planting, whilst GLA funds will be used to compensate farmers for loss of earnings for converting their agricultural land to publicly accessible woodland and pay for elements of the project not eligible for other grants such as improving access to the new woodland via the London Loop footpath. The section of the London Loop running through this area which is currently unsurfaced, connects to a longer stretch that was widened and resurfaced in 2014 as part of a Transport for London funded project to create a Quietway route for walking and cycling. Bringing the 3.3km section through Enfield's farmland up to a similar standard would create a new high quality green link connecting Trent Park in the west half of the borough all the way through to the Lee Valley in the east. An additional link footpath is also planned which would form a circular walking and cycling route back to Trent Park.
- 2.7. Enfield Council are contributing capital funding for infrastructure improvements and also absorbing a decrease in land value. The project would not happen without GLA support.
- 2.8. The GLA contribution would be for items as follows:
- | | |
|----------|-----------------------------------------------------------------------------------|
| £225,000 | Licence fee payment to farmers (£375/ha/year) |
| £299,000 | Upgraded London Loop footpath |
| £90,000 | New footpath connecting London Loop to Trent Park |
| £80,000 | Other recreational/educational infrastructure |
| £54,000 | Community engagement, volunteer events, educational workshops, project management |
- 2.9. The novel use of GLA grant funding for licence fee payments to tenant farmers is essential to unlock the land for woodland creation. The land where woodland is proposed is leased by Enfield Council to seven tenant farmers, most on lifetime leases. The land is low grade agricultural land, with a mix of arable and pastoral uses. Enfield's early economic assessment and discussions with tenant farmers suggest conversion of some areas of farmland to woodland is viable. This would mean that relatively small portions of land on each farm, generally along the boundaries of the farms, adjacent to footpaths or along the water courses (to provide natural flood management) would be converted to woodland. Six of the farmers have confirmed an expression of interest in participating and one is in discussions with the Council and may also be interested. The exact area of land to be converted to woodland on each farm is yet to be formally agreed and will form part of the licence agreement. Initial discussions with farmers have shown sufficient interest to secure at least the total 60 hectares of woodland proposed.
- 2.10. The licences have been drafted by Knight Frank who specialise in Rural Asset Management for the property portfolio for LB Enfield. The licences, and their contents relating to the offers and agreements with the tenant farmers, are to be reviewed by independent legal experts prior to finalisation. This expertise will ensure that they are formed on a thorough legal footing in relation to property law surrounding tenancies.
- 2.11. The agreement will be based on a 10 year annual payment to the farmers which will be used as an incentive for their use of the land to allow the woodland establishment. The structure and amount of this payment (£375 per hectare per year), has been developed by Knight Frank and LB Enfield using a range of indices backed up by research of similar rural payments and productivity including work done by the Forestry Commission. This offer has been made on a basis of it being a "one-time" offer which is non-negotiable and fixed.
- 2.12. The GLA funded payment would be paid as a lump sum in advance to Enfield Council to cover the first 10 years of annual payments to farmers. There would be provision in the funding agreement for grant monies to be returned to the GLA if annual payments are not made for any reason within the 10-year period. Licence agreements with tenant farmers will require them to retain woodland for a minimum long term period (at least 30 years). The 10 year term of payments has been chosen because after that time farmers should start to be able to earn income from the woodlands.

- 2.13. Compliance with EU rules on State Aid has been checked by Legal and procurement of grant funded works will be based on value for money as required by the terms of the GLA grant funding agreement.
- 2.14. Maintenance would either be carried out by the farmers who lease the land or organised by the Council, depending on what is agreed on each site. Maintenance costs are covered by the FC grant.
- 2.15. Summary of key project outcomes:

Area of new woodland created	60 ha
No. of trees planted	100,000
No. of adults involved	200 minimum
No. of children involved	200 minimum
Area of improved woodland	10 ha
Length of new walking and cycling route	500m
Length of improved walking and cycling route	3.3km
Habitat restored or enhanced	20 ha
Increase in visitor numbers	30,000 extra visits per year
Volunteer involvement	1600 hours

3. Equality Comments

- 3.1. The woodland creation project outlined in this MD forms part of the policies and proposals in the LES which has been informed by a full Integrated Impact Assessment, including consideration of equalities.
- 3.2. The grant application process required applicants to identify the benefits and beneficiaries of their projects including how many adults, children and young people and people from black and minority ethnic communities. The project aims to maximise the positive impacts on Londoners such as through access to nature and green space, opportunities for involvement in healthy activities and cleaner air. Access to the new woodland will be primarily via the London Loop footpath/cycleway. The following table shows a breakdown of the beneficiaries in the walking/cycling catchment area of the new woodland:

Ward	Population *	Children 0-15	Young People 15-24	BAME	Poor Health
Enfield Highway	16,663	4,123 (25%)	2,397 (14%)	42%	6%
Enfield Lock	18,033	4,726 (26%)	2,455 (14%)	45%	5%
Turkey Street	15,240	3,707 (24%)	2,108 (14%)	38%	6%
Cockfosters	14,138	2,631 (19%)	11%	25%	5%
Chase	14,084	3,219 (22%)	N/A	19%	6%
Borough	333,000	22%	12%	39%	5%

- 3.3. The grant application also set out how a range of local groups and individuals will be involved in the project including how they will reach out to people who may not usually get involved in environmental projects, including children and young people and people from black and minority ethnic communities. Enfield Council, working with environmental charity Thames 21, will reach out to local people, including schools and existing community groups, to give them an opportunity to get involved in the woodland creation activities, and has a target output of 200 adults and 200 children and young people involved.
- 3.4. Recipients of grant funding are required to report on how their projects will provide environmental and community benefits. Information on beneficiaries will be included in quarterly monitoring reports provided by the recipient.

4. Other considerations

Key risks and issues

4.1. The key risks and issues are set out in the table below:

Risk	Likelihood	Impact	Mitigation
Failure to deliver full extent of woodland due to tenant farmers rejecting offer to convert some of existing farmland to woodland	Low	High	Enfield Council have received six Expressions of Interest from tenant farmers. A seventh is in discussions with the Council and are also interested. Grant funding agreement will only be signed and sealed once letters of intent are signed by leasehold farmers.
Failure to deliver woodland due to planning consent or other approvals not granted	Low	High	The Forestry Commission's Woodland Creation Planning Grant process initial assessment identifies potential barriers to planting and has not identified any issues that are considered likely to affect obtaining the necessary approvals
Delays to delivery of woodland beyond GLA funding deadline of March 2021 due to time taken to negotiate licences with farmers	Low	High	Enfield aim to have letters of intent signed by farmers in November, issue legal agreements for farmers to review to be signed and completed by end of December.
Match funding not secured from Forestry Commission	Low	High	GLA officers have developed this scheme in partnership with the FC who support the projects in principle and will continue to work closely with the FC to deliver shared objectives. The Forestry Commission's Woodland Creation Planning Grant process initial assessment has not identified any issues that are considered likely to affect obtaining the necessary approvals
Match funding not secured from Enfield Council	Low	High	Enfield Council are leading the project and committed to delivery. Enfield Council Cabinet approval will be confirmed in advance of signing and sealing the GLA grant agreement.
Woodland planting fails due to lack of maintenance	Medium	High	Forestry Commission grants allow for higher density tree planting than needed, so some tree failures will not have a large impact. Forestry Commission grants pay for maintenance. Licence agreements will include commitment to maintenance. GLA grant funding agreements will include clauses covering clawback of funding if woodland is not maintained.

Tenant farmers unable to continue to maintain woodlands after the 10 year compensation payment period	Medium	High	Licence agreements with tenant farmers will require them to retain woodland for a minimum long term period (at least 30 years). The forthcoming Agricultural Bill will include new environmental land management payments for public goods that will be introduced within 7 years.
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Links to Mayoral strategies and priorities

- 4.2. The grant allocation to the Enfield Chase Restoration project as part of the Mayor's woodland creation programme will contribute towards:
- meeting the London Environment Strategy target to increase tree cover by 10% by 2050;
 - meeting the London Environment Strategy objectives of conserving and enhancing wildlife and natural habitats, improving the quality and function of the Green Belt and improving Londoners' access to green space and nature;
 - meeting the London Environment Strategy aims around adapting to climate change including the objective to reduce risks and impact of flooding in London and improve water quality in London's rivers and waterways; and
 - making London a healthier, fairer city, where nobody's health suffers because of who they are, or where they live, in particular ensuring all Londoners can access to good-quality green space.
- 4.3. There are no conflicts of interest to declare with respect to anyone involved in the drafting or clearance of this form.

5. Financial comments

- 5.1. Mayoral approval is being sought for the allocation of £748,000 grant funding to Enfield Council for the Enfield Chase Restoration project. £225,000 will be used as both compensation and incentive payments to tenant farmers who currently occupy the land whilst the remaining £523,000 will be used for accessibility improvements and community engagement.
- 5.2. The total cost of this specific project is £1.7m in which the GLA will fund 43% and the remaining 57% will be funded from external entities.
- 5.3. MD2141 approved grant funding of £493,000 to the Woodland Trust for the 'Extending Hainault Forest' project. This decision seeks approval to profile this expenditure over two financial years as set out in the below table.
- 5.4. The total spend for these two projects, which fall under the Woodland Creation Programme, is therefore £1.241m. The yearly spend is profiled in the below table.

	2019-20 (000)	2020-21 (000)	Total (000)
Woodland Trust	472	21	493
Enfield Council	24	724	748
	496	745	1,241

- 5.5 This will be funded by the National Park City (Greener City Fund) Tree Delivery programme.

6. Legal comments

Powers

- 6.1 The foregoing sections of this report indicate that the decisions requested of the Mayor fall within the statutory powers of the Authority to promote and/or to do anything which is facilitative of or conducive or incidental to the improvement of the environment within Greater London and in formulating the proposals in respect of which a decision is sought officers have complied with the Authority's related statutory duties to:
- (a) pay due regard to the principle that there should be equality of opportunity for all people;
 - (b) consider how the proposals will promote the improvement of health of persons, health inequalities between persons and to contribute towards the achievement of sustainable development in the United Kingdom; and
 - (c) consult with appropriate bodies.
- 6.2 In taking the decisions requested of him, the Mayor must have due regard to the Public Sector Equality Duty; namely the need to eliminate discrimination, harassment, victimisation and any other conduct prohibited by the Equality Act 2010, and to advance equality of opportunity between persons who share a relevant protected characteristic (race, disability, gender, age, sexual orientation, religion or belief, pregnancy and maternity and gender reassignment) and persons who do not share it and foster good relations between persons who share a relevant protected characteristic and persons who do not share it (section 149 of the Equality Act 2010). To this end, the Mayor should have particular regard to section 3 (above) of this report.

Funding

- 6.3 The proposed grant of up to £748,000 to the London Borough of Enfield ("LB Enfield") may be viewed as a conditional gift rather than a contract for services and supplies. Section 12 of the Authority's Contracts and Funding Code provides that decisions to award grant funding should generally be made on the basis of the outcome of a transparent, competitive application process. To this end, the officers have set out in paragraph 1 above how they have met that requirement. Furthermore, the officers must ensure that an appropriate funding agreement be put in place between the Authority and the LB Enfield before any part of the funding be paid.

7. Planned delivery approach and next steps

- 7.1. The aim is to announce the grant funding of both the Woodland Trust and Enfield projects during the tree planting season potentially in February 2020 to coincide with the Woodland Trust's public appeal for their project.
- 7.2. The following table sets out the timetable for delivery:

Activity	Timeline
Funding agreements signed and sealed	Nov 2019
Announcement	Feb 2020
Delivery Start Date	Feb 2020
GLA funded project elements complete	Mar 2021
Woodland creation completion	Mar 2022

Public access to information

Information in this form (Part 1) is subject to the Freedom of Information Act 2000 (FoIA) and will be made available on the GLA website within one working day of approval.

If immediate publication risks compromising the implementation of the decision (for example, to complete a procurement process), it can be deferred until a specific date. Deferral periods should be kept to the shortest length strictly necessary. **Note:** This form (Part 1) will either be published within one working day after it has been approved or on the defer date.

Part 1 - Deferral

Is the publication of Part 1 of this approval to be deferred? YES - Feb 2020

If YES, for what reason: LB Enfield negotiations with their tenant farmers regarding license fees are commercially confidential and should not be released until after the farmers have signed licenses for the annual payments. The Woodland Trust land purchase is also commercially sensitive and should not be in the public domain until the land transaction has been completed.

Part 2 - Sensitive information

Only the facts or advice that would be exempt from disclosure under FoIA should be included in the separate Part 2 form, together with the legal rationale for non-publication.

Is there a part 2 form -NO

ORIGINATING OFFICER DECLARATION:

Drafting officer to confirm the following (✓)

Drafting officer:

Nicole Collomb has drafted this report in accordance with GLA procedures and confirms the following:

✓

Sponsoring Director:

Juliemma McLoughlin (on behalf of Debbie Jackson) has reviewed the request and is satisfied it is correct and consistent with the Mayor's plans and priorities.

✓

Mayoral Adviser:

Shirley Rodrigues has been consulted about the proposal and agrees the recommendations.

✓

Advice:

The Finance and Legal teams have commented on this proposal.

✓

Corporate Investment Board

This decision was agreed by the Corporate Investment Board on 28 October 2019.

EXECUTIVE DIRECTOR, RESOURCES:

I confirm that financial and legal implications have been appropriately considered in the preparation of this report.

Signature 

Date 28.10.19

TOM MIDDLETON ON BEHALF OF MARTIN CLARKE

CHIEF OF STAFF:

I am satisfied that this is an appropriate request to be submitted to the Mayor

Signature 

Date 28/10/2019.

