

Committee(s): Epping Forest and Commons Open Spaces and City Gardens Policy and Resources	Date(s): 8 July 2019 15 July 2019 19 September 2019
Subject: Proposed development and submission of a partnership funding bid to Heathrow Airport Limited.	Public
Report of: Colin Buttery, Director of Open Spaces	EFCC - For Decision OSCG – For Information Policy and Resource – For Decision
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Summary

Members are aware from previous visits and reports that the Burnham Beeches Special Area of Conservation (SAC) is under growing peril from a variety of external environmental threats associated with planned development in the area. Foremost of the imminent, planned developments is the expansion of Heathrow Airport Limited to provide a third runway.

This report outlines a partnership proposal to develop a funding submission to the Secretary of State of Transport to create and restore Habitats of Principle Importance (HPI) in and around the Burnham Beeches SAC, whilst providing value (measured in generic biodiversity units) that could contribute to the biodiversity offsetting strategy being pursued by Heathrow Airport Limited; these both being aims of the Airports National Policy Statement. General funding of this activity would be met by Heathrow Airport Limited in terms of set up and long-term delivery and management costs ‘in perpetuity’.

Recommendation(s)

Members are asked to:

- i. Approve delegated authority to the Director of Open Spaces to agree a Memorandum of Understanding with Heathrow Airport Limited that will:
 - a. Guide the City’s ‘promotion and coordination role’ during the development of the project
 - b. Lead to the submission of a collaborative bid to Heathrow Airport Limited to fund a landscape scale project that will secure ‘net biodiversity gain’ in and around Burnham Beeches SAC.
- ii. Note the indicative timetable (paragraph 12) provided by Heathrow Airport Limited.

Main Report

Background

1. The 2010 Government review of England's wildlife sites (the Lawton Review), in its final report 'Making Space for Nature', set out a clear vision moving away from the idea of wildlife contained in isolated reserves and towards whole landscapes that are vibrant, wildlife rich and ecologically functioning. This was translated into making important sites such as Burnham Beeches SAC 'bigger, better and more joined up'.
2. By contrast, Burnham Beeches' habitats are currently suffering from increased pressure from developments at its boundaries. Unlike Epping Forest, Burnham Beeches has no buffer land to protect it spatially from urban encroachment. This has been of growing concern in recent decades as the site has become increasingly and negatively impacted upon by increased traffic and housing density, worsening air quality and landscape fragmentation.
3. The need to protect the Burnham Beeches SAC by working in partnership with local landowners and others was first identified in 2005 when a feasibility study commissioned by the City and Plant Life concluded that a landscape scale project, working with other local landowners and interested bodies, was both feasible and urgent. However, only the initial stages (mainly the expansion of conservation grazing across Burnham Beeches) were taken forward in the intervening years due to lack of large scale funding. The opportunity provided by Heathrow Airport Ltd has the potential to reinvigorate this urgent project.
4. The expansion of Heathrow Airport to provide a third runway was supported by the Court of Common Council in October 2015 as part of the City's Aviation Policy. Officers and Members recognised that such an expansion is likely to have a positive impact on Businesses within the City and increase visitor numbers to London, but noted that such expansion should not have a negative impact on the local environment.
5. Heathrow Airport Ltd have committed to achieving a net gain in biodiversity as part of the third runway project. To achieve this they must agree and deliver projects on their own or with third parties to mitigate and exceed any biodiversity loss directly associated with that development.
6. As such, the development of the third runway at Heathrow provides an opportunity to apply for significant funding that would be a 'win-win situation' for both Burnham Beeches SAC and the expansion of the airport.

Current Position

7. Following the identification of Burnham Beeches SAC as a European site potentially at risk of Likely Significant Effects within the Habitats Regulations Assessment (HRA) that accompanies the Airports National Policy Statement, Officers have positively engaged with Heathrow Airport Ltd. Discussions have

included the assessment of effects on the SAC and mitigation and compensation measures that could be delivered in line with documents published by Heathrow during their first consultation and at the Environmental Impact Assessment (EIA) scoping stage.

8. In 2018 following discussions with Heathrow's Ecological Consultants (Wood), Officers, along with a consortium of interested parties including Natural England, Plant Life and local landowners started to develop plans, to link the Burnham Beeches Special Area of Conservation with nearby Littleworth Common Site of Special Scientific Interest (SSSI) to enhance the landscape for wildlife and people.
9. Heathrow requested a 'scoping document' be developed to include broad delivery costs, the City of London to act as the promoter and coordinator of the scheme. Your Officers then met again with local landowners, South Bucks District Council and Natural England to establish the level of support that might exist for the project at this very early stage.
10. The scoping document and associated map can be found in the non-public section of the Committee papers and is attached as Appendix 1 and Map 1 respectively. They were submitted to Heathrow in April 2019. Members will note that its general aim is to place Burnham Beeches SAC at the heart of a resilient and biodiverse area of around 6km² of which 200ha would be restored to Priority One habitat to the benefit of people and wildlife.
11. Officers have since met with Heathrow Airport Ltd who have indicated that the proposal is now of significant interest to them given its large-scale ambition and closeness of match to its own requirements.
12. Heathrow Airport Ltd have now asked that the City now works more closely with them to develop a detailed project bid, indicating that they require confirmation of what can be achieved along with more accurate costs and a higher level of confidence that partners are willing to agree appropriate legal steps. They require this detail be provided by October 2019 and aim for all agreements to be signed off by February 2020.
13. General funding of this activity would be met by Heathrow Airport Limited in terms of set up and long-term delivery and management costs, 'in perpetuity'. In the very short-term there may be some limited costs to the City to get the project to the formal submission stage, generally in terms of Officer time (see para 15. iii).
14. It can be seen from the above that the project proposal's development and submission process is now gaining traction and a more formal structure is required. A Memorandum of Understanding will be produced to set out the working arrangements between the City (as the coordinator and local lead) and Heathrow Airport Limited to include the proposed timeline, aims and objectives covering the coming 6 – 9 months. Once the project proposal has been developed to the satisfaction of all parties it will be considered for submission to the Secretary of State for Transport for approval.

Proposals

15. It is proposed that:

- i. Working collaboratively with Heathrow Airport Limited, national environmental organisations and landowners, the City Corporation will develop and submit a formal project proposal which if successful, will assist Heathrow to achieve its requirement for 'net biodiversity gain' and ensure the wider long term protection of the Burnham Beeches SAC from long term environmental harm.
- ii. Activities to develop the bid will include detailed discussions and agreements with neighbouring landowners and biological surveys across multiple boundaries.
- iii. The Superintendent and Conservation Officer will continue to lead this project on the City's behalf until the outcome of the submission to the Secretary of State is known in 2020. The latter's role will be backfilled using Priority Investment Pot funding as approved in 2018. During this period support will be required from the City Surveyor, Comptroller and City Solicitor and Chamberlain
- iv. It is intended that the final project proposal will include funding for two additional temporary posts to meet the demands of the delivery stage as well as a permanent post-delivery role to oversee the general management of the project area 'in perpetuity'.
- v. Working arrangements for i-iv above will be guided by the approved MOU.

Corporate & Strategic Implications

Approval of this recommendation will help the City Corporation to achieve the Corporate Plan aims and outcomes to:

- Shape outstanding environments:
 9. Advocate ease of access via air, rail, road, river and sea
 11. We have clean air, land and water and a thriving and sustainable natural environment.
 12. Our spaces are secure, resilient and well maintained
- Contribute to a flourishing society:
 2. *People enjoy good health and wellbeing*

It will also help deliver the City's Responsible Business Strategy, by addressing

- Outcome 2: 'The Planet is Healthier', specifically Priority 5: 'Biodiversity'.

It will help us achieve our Departmental Business Plan outcomes:

- Open spaces and historic sites are thriving and accessible.

1. Our open spaces, heritage and cultural assets are protected, conserved and enhanced.
4. Our habitats are flourishing, biodiverse and resilient to change

Implications

16. Heathrow Airport's plans for a third runway provides a unique opportunity to meet the City's aim to support global economics via the development of the third runway at Heathrow whilst helping to protect its natural assets at Burnham Beeches as follows:
 - i. Long-term commitment of adjoining private land to protect the City's Assets at Burnham Beeches
 - ii. Direct linkage and enhancement of the City's assets and associated biodiversity to the wider landscape
 - iii. Greater opportunities for public appreciation of the City's assets and wider landscape,
 - iv. Enhanced partnership working with neighbouring land owners
 - v. Potential acquisition of adjacent land by the City Corporation for recreational use thereby reducing current levels associated harmful impacts to that part of the SAC owned by the City Corporation.
 - vi. Minimal financial risk. Heathrow have strongly indicated that they will provide details of legally assured funding for the project through the development and delivery stages and provide management funding 'in perpetuity'
17. Broad estimates for the financial value of the project are currently estimated to be in the range £1,300,000 to £2,000,000 excluding any potential land acquisition and agricultural tenancy issues (which would require separate costing) for which the services of the City Surveyor and Comptroller and City Solicitor would be required.
18. A number of external factors have the potential to heavily influence the outcome of this project in terms of scale and ambition including the willingness of neighbouring landowners to formally work with the City to deliver the project in either whole or part. Competing projects from other bodies will also influence how Heathrow decide to meet their biodiversity net gain ambitions. Ultimately Heathrow Airport Limited will take the final decision concerning any submission to the Secretary of State for Transport.

Comptroller and City Solicitor's comments.

19. There are no legal implications at this stage. The formal steps required to facilitate the project and any legal issues arising will become clear as the proposals are developed.

Open Spaces Charities

20. Burnham Beeches and Stoke Common is Registered Charity No 232987. Members will note that decisions they take in relation to the relevant charity must be taken in the best interests of that charity.

Conclusion

21. Heathrow Airport Limited are required to achieve biodiversity net gain as part of the development of the third runway and are keen to develop the project proposal provided by the City of London earlier this year.
22. A biodiversity net gain partnership with Heathrow Airport, Natural England and local landowners would help the City to achieve its often-conflicting roles to support global business whilst protecting the natural environment.
23. The impact of a successful funding submission would reinforce the City's role as an advocate and leader in shaping outstanding environments and evidence that the City recognises its depth of influence beyond the square mile. It would reflect that the City is a 'responsible' organisation committed 'in action' to increasing our positive impact on the environment.
24. Heathrow Airport Limited have confirmed their high level of interest in the proposed project due to its large scale. It is apparent that this scale and ambition needs to be retained if they are to support this proposal for submission to the Secretary of State. Therefore, there remains some uncertainty given the external influences outlined in para 18.
25. The impact on Burnham Beeches would be substantial, directly and indirectly securing this internationally recognised Specific Area of Conservation from the impact of development at Heathrow and elsewhere, thus enhancing its natural habitats, biodiversity and providing additional opportunities for recreation.

Appendices

Appendix 1. Outline scoping document to Heathrow. April 2019. **See non-public section of the agenda.**

Map 1. Burnham Beeches SAC and surrounding area – landownership boundaries. **See non-public section of the agenda.**

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