

Committee(s): Epping Forest Consultative Group – For Information	Dated: 21 June 2023
Epping Forest & Commons – For Decision	13 July 2023
Subject: Countryside Stewardship 2023 Application Final Details (SEF 14b/23)	Public
Which outcomes in the City Corporation’s Corporate Plan does this proposal aim to impact directly?	11, 12
Does this proposal require extra revenue and/or capital spending?	Yes - Revenue
If so, how much?	£147k over 2024-2026
What is the source of Funding?	Epping Forest Local Risk (cost of work £1.911m less CS grant of £2.058m)
Has this Funding Source been agreed with the Chamberlain’s Department?	Yes
Report of: Juliemma McLoughlin, Executive Director of Environment	EF CG - For Information
Report authors: Sally Gadsdon & Andy Froud Epping Forest, Environment Department	EF&CC – For Decision

Summary

This report is necessary to seek final approval of a new financial initiative not currently included in the Epping Forest Local Risk budget. It relates to a Countryside Stewardship (CS) application for grant support covering part of Epping Forest for 2024-2033 which was provisionally approved by your committee on 11 July 2022 for preparation and consultation, subject to your Committee’s further final approval of the final application. This funding would secure income to support management of internationally and nationally important habitats, nationally important heritage features and enable improvements for visitor access in line with ‘London’s Great Forest a strategy and management plan for Epping Forest’. In accordance with your Committee’s decision, the development of the proposals to be contained in the grant application has progressed in consultation with Epping Forest Commoners, the public and government agencies. The proposals have been revised in response to consultation. Minor proposal changes are presented and your approval to the final stage application is sought.

The first stage application was submitted in April 2023. The final stage application will be submitted by the end of August 2023, there may be further changes to the application before then due to further discussions with government agencies. The total annual payments over 10-years for habitat management and education contributions are estimated at £709,000. Additional funding for one-off works and infrastructure would contribute to a significant proportion to these costs estimated to be around £1.202 million. Therefore, the total potential grant could be around £1.911 million over 10 years. The habitat works are proposed to be delivered mostly by contractors and volunteers with a small amount undertaken by in-house staff to

balance costs. Therefore, to meet contractors' costs these proposals are estimated to require an additional £147,000 over 10 years from Epping Forest Local Risk budget in addition to the grant. This would be around £49,000 a year during years 1-3 and then the budget is estimated to be cost neutral. Without this proposed minor input from in-house teams the budget request would have been around £650,000 over 10 years.

There will be an increase in contractor delivery over 2023-2024 of the existing Countryside Stewardship grant on the remaining area of Epping Forest to give the in-house arborist teams more capacity to deal with tree safety works. In the situation that their capacity for delivering this grant work doesn't become available again before the end of the grant in 2029, it has been estimated that the expected grant income over this time should be sufficient to deliver the remaining work. This situation will be reviewed next year.

Recommendations

Members are asked to:

- Note the changes to the proposals.
- Approve the proposals and related Countryside Stewardship final grant application as outlined in paragraph 32 (detailed in Appendix 1), subject to any changes resulting from engagement with government agencies.
- Delegate authority to the Executive Director Environment to agree any further such changes to the proposals in this report in consultation with the Chairman and Deputy Chairman of Epping Forest & Commons Committee.
- Delegate authority to the Director of Environment to sign the grant award offer, agreement and associated paperwork.
- Approve the increased use of contractors for deliver of the existing Countryside Stewardship grant.

Main Report

Background

1. Around half of Epping Forest is already covered by an existing DEFRA Countryside Stewardship (CS) habitat grant for Epping Forest, worth £1.89m across 2020-29, this will be referred to in this report as "Forest 1". This report concerns the CS grant application (SEF 17b-23) in respect of proposals covering the remaining part of Epping Forest, provisionally approved for preparation and consultation by your Committee at its meeting on 11 July 2022. The application seeks funding towards management of the most important habitats across part of Epping Forest, educational visits and the installation of visitor welcoming structures, this CS application will be referred to as "Forest 2". The proposals are detailed in Appendix 1 and summarised in paragraph 35. This grant would be for 10 years (2024-2033).
2. Following your Committee's approval in July 2022, the following actions have been undertaken:

- a. Consultation with all commoners on the Register of Commoners to ask whether they had any plans to exercise their rights during 2024-2033 over the land subject to the application so they could be taken into account when developing proposals.
 - b. Public consultation on the proposals for habitat work to be delivered through the grant:
 - i. The consultation was publicised by: sending to 277 key stakeholders; posting on Epping Forest webpage and social media accounts; sending to 6 local councils; putting up on-site posters in places of proposed key change; promotion by Epping Forest Heritage Trust; local media articles.
 - c. Liaison with government agencies Natural England, Rural Payments Agency, Forestry Commission, Historic England, Environment Agency over the proposals.
 - d. Submission of the first stage application in April 2023.
 - e. Development of the project plan.
3. Your committee's authority of July 2022 in respect of two further CS grant applications outlined in SEF 17/b-23 included proposals for the Buffer Lands (largely Copped Hall) and Wanstead Park. These applications are on hold due to insufficient staff resource to complete their development. With the implementation of the new Epping Forest staff structure these applications will be restarted at a later date.
 4. Part of the delivery of Forest 1 was being done by in-house arborists. They now need to divert largely on to tree safety work for 2023 and 2024. The work they would have done will now need to be undertaken by contractors. This situation will be reviewed in 2024.
 5. In the case that contractors are needed to deliver the work that would have been done by in-house arborists until 2029, a budget analysis (Appendix 2) has been completed to determine if there would be any additional financial requirement from Epping Forest Local Risk to cover contractor costs.

Current Position

Forest 2 Application Update

6. Results of the Commoners' Consultation: Whilst many commoners on the Register consented to be sent the consultation information no individuals confirmed they had definite intentions to exercising their grazing rights during 2024-2033.
7. Results of the Public Consultation: 60 responses were received from individuals or organisations. There was a mixture between general support for all the proposals and opposition against some specific proposals, some responses contained a mixture of positive and negative comments. Many responses were commentary, neither supportive nor opposing, or were making additional requests or suggestions. A significant number of comments were not relevant to the consultation topic.
 - a. 24 responses contained general support for the proposals as a whole or supportive of site specific proposals.
 - b. 25 responses were against site-specific proposals or elements. The most notable disagreement with proposals were about the:

- i. Reintroduction of grazing at Lords Bushes
 - ii. Introduction of grazing at Sheppard's Meadows (Epping)
 - iii. Habitat proposals at Epping Thicks
 - iv. Proposal for more signage (though an equal number supported more signage)
8. Through a combination of feedback from the public consultation and liaison with the government agencies, the proposals have been refined. These are the main changes:
 - a. Speakman's Pond – This is no longer a proposal at the current time because the grant does not offer sufficient funding.
 - b. Lords Bushes and Sheppard's Meadows – Grazing will be reconsidered here. It will not be part of the grant application. This will give us flexibility to continue to explore if and how grazing could be undertaken on site.
 - c. Selvage Wood – This site will not be worked as the habitat benefits were not considered considerable enough.
 - d. Canada Plain – One block of wood pasture will be restored rather than two, with the block that will realise greater biodiversity benefits being chosen.
9. The habitat works in Epping Thicks will be retained because they are located in former open areas around ponds and former rides. The public objections were about the removal of thick vegetation, but these areas will largely remain, with a very small amount of holly being removed.
10. The proposals contain new signage for the Forest, so this public feedback will be met. Signs will largely be located on Forest edge locations so as not to detract from the 'natural aspect' which is a concern for visitor who do not like the visual intrusion of signage.
11. The consultation documentation presented proposals at a high-level. It is worth noting the following sites where the degree of tree felling may result in negative public reaction. These are listed here:
 - a. Sheppard's Meadows – felling of young oak on the grassland edge to restore lost grassland area and encourage an expansion of flower diversity that is being lost on the site.
 - b. Ambresbury Banks – felling of young and semi-mature trees to reduce the tree cover over this Iron Age Scheduled Monument to limit further damage to the historic site from tree roots.
 - c. Long Running East – felling of birch and young oak to restore this area of heathland and prevent it from being lost, in order to promote an expansion of heathland species.
 - d. Theydon Plain – felling of young oak on the edge of the grassland to restore the grassland towards the Plain's former size and prevent further loss of grassland.
 - e. Lords Bushes & Knighton Wood – felling of young scrub and trees along the Rowan Trail and in patches across Lords Bushes to widen the ride for management purposes and introduce a greater element of open habitat in some locations and contribute to wood pasture restoration.
 - f. Leyton Flats – felling of holly and young trees mostly in the north of the site (between Snaresbrook car park and the north of Hollow Ponds) to open up the habitat and encourage ground flora re-establishment and create a more welcoming environment for visitors.

12. Site-specific public and local stakeholder engagement will be undertaken before these works commence to inform local communities of the changes to be expected.
13. An addition to the previous proposals is a new phase of partnership working with the Field Studies Centre to undertake educational visits on the Forest which is fundable through CS up to a maximum of 25 visits a year which would be a total of £7950 per year which would be passed on to the Field Studies Centre.
14. This report is to be presented to the Epping Forest Consultative Group on 21 June 2023 and any feedback from the Group will be reported to your Committee to ensure it can be taken into account in your Committee's decision.
15. The first stage application has been submitted to Natural England for consideration and there may be further changes to the proposals following discussion with them or other government agencies over summer 2023. Delegated authority is sought to incorporate any such changes to ensure that the application can be submitted in August 2023.
16. The proposed delivery plan for Forest 2 has been produced which balances contractor costs with time required from in-house teams. The plan is based on works being undertaken mainly by contractors and volunteers to relieve time pressures on in-house operational teams. Minor elements of work that is more cost effective to be done by in-house teams is proposed in order to reduce the overall cost of the project. A time analysis has demonstrated the feasibility of remaining work being undertaken by volunteers.
17. The project budget (Appendix 3) shows the grant is estimated at £1.911m over 10 years with an associated project delivery cost of £2.058m. It is hoped the grant will cover around 93% of the project costs but this is dependent on discussions with Natural England and the Rural Payments Agency over summer 2023. Approximately £49k will be required from Epping Forest Local Risk per annum, amounting to a total of £147k between 2024-2026, to meet contractor costs. Thereafter, until 2033, the budget is estimated to be cost neutral. No contingency has been included in these figures. The use of in-house operational teams for delivering some elements of work would save approximately £500k in contractor costs over 10 years.

Balancing Delivery and Costs of Forest 1 and Forest 2

18. The Forest 1 budget (Appendix 2) shows that if required contractors could be commissioned to deliver the rest of the larger-scale Forest 1 work with the key assumption that a few key operational tasks are still delivered in-house. There is therefore no expected request for additional funds from Local Risk to deliver Forest 1, though there is no contingency included.
19. Tender prices are due to be received shortly for 2023-4 Forest 1 work and this will help to align estimations, and any significant issues in funding delivery will be flagged thereafter.
20. There is the option to request additional grant for Forest 1 for eligible work, this will be explored to ease any budgetary pressures on Forest 1 costs.
21. It is proposed in-house operational teams deliver a small element of Forest 2 where there is a significant cost saving over the use of contractors with a low time requirement (see Appendix 3). If there are in-house capacity issues contractors may need to undertake some of this work.
22. The volunteer work will largely be done by the Epping Forest Heritage Trust and Epping Forest Conservation Volunteers, with additional support from other

smaller volunteer groups. The contribution from volunteer groups is critical and the grant cannot be delivered without them. It is estimated that approximately 450 tasks will be required over the 10 years, whilst this is difficult to approximate to a financial value the same work would cost several tens of thousands of pounds if done by contractors.

Proposals

23. The full revised proposals are presented in Appendix 1.
24. The proposed delivery plan for Forest 2 is through contractors and volunteers with minor elements of work done by in-house teams to balance the project cost. The budget is presented in Appendix 3; approximately £147k would be required from the Epping Forest Local Risk budget over 2024-2026.
25. The proposals will be finalised in August 2023 by the Conservation Team in discussion with Natural England and other government agencies. It is proposed that authority for any resulting changes be delegate as set out at recommendation 3.
26. It is proposed that delegation of authority to sign the final stage application is given to the Director of Environment.
27. The delivery of Forest 1 in 2023 and 2024 will largely be done by contractors and volunteers. In-house arborist teams should make sufficient progress on tree safety works before 2029 to allow them to transition back before this date to Forest 1 delivery; in this situation less money will be spent on contractors and any remaining grant funds will be used to contribute to staff costs within Epping Forest Local Risk.
28. The Forest 1 and 2 budgets do not include an amount for contingency. There will need to be a proportionate degree of tolerance in these financial requests to make allowances for unstable economic factors.

Key Data

29. In the area of Epping Forest proposed to be included in the CS application there are three SSSI units in Unfavourable No Change condition and one in Unfavourable Declining out of the 38 SSSI units in total. It is hoped that the work within the grant will move these Unfavourable units to 'Unfavourable – Recovering' status.
30. Funding is sought for management of a variety of habitats and endeavours:
 - a. 117 hectares of wood pasture restoration with the creation of over 700 new pollards
 - b. 51 hectares of grassland management and restoration
 - c. 12 hectares of heathland management
 - d. Sensitive management of 421 veteran trees
 - e. 4 hectares of ancient scheduled monument heritage features
 - f. 2 new cattle corrals to support wood pasture and heathland management through grazing
 - g. Removal of 0.5 hectares of rhododendrons to protect beech woodlands from Ramorum disease
 - h. Management of 3 ponds

- i. 432 new items of visitor infrastructure (information and interpretation boards, way-markers)
 - j. Up to 25 educational visits a year run by the Field Studies Council on Epping Forest to explain the link between farming, food and the countryside.
31. The Countryside Stewardship scheme is a valuable funding stream. Part of Epping Forest already receives around £170,000 in annual payments until 2029 (increase from £150,000 in last report due to rise in CS grant rate rise) in addition to over £200,000 for one-off work.
32. The current estimated income from the proposals above would be additional annual payments of around £71,000 for Epping Forest. In addition, funding for one-off works would provide significant proportion of these costs, with some works funded at a high percentage between 60-100%.
33. This government grant is not designed to cover the total cost of works, but rather incentivise landowners. The grant is estimated to cover around 93% of the cost of the project. It is estimated the grant will be around £1.911m, with an associated project cost of £2.058m. The remainder of the costs are proposed to be funded through the Epping Forest Local Risk budget.
34. The final stage application will be made in August 2023 for the grant to start in January 2024 and would run for 10 years, finishing in 2033.
35. The existing Epping Forest CS grant will finish in 2029. The government's new Environmental Land Management grant schemes should provide a continuity of funding after the end of these CS grants.

Corporate & Strategic Implications

Strategic implications

36. City of London Corporate Plan 2018-2023: (11) We have clean air, land and water and a thriving and sustainable natural environment; (12) Our spaces are secure, resilient and well-maintained.
37. The proposed action supports the Natural Environment division's Vision of enriching people's lives by enhancing and providing access to ecologically diverse open spaces and outstanding heritage assets across London and beyond.
38. The proposed action meets the Natural Environment division's objective of 'Open spaces and historic sites are thriving and accessible'. It would also contribute to the Department's performance measures of the condition of our Sites of Special Scientific Interest, active ancient tree management and income generation.
39. The grant would deliver work to contribute to the government's 25 Year Environment Plan targets.

Financial implications

40. Under City of London Corporation Financial Regulations 2.11(d) it is necessary for the Chief Officer to seek prior approval of new financial initiatives not currently included in the Epping Forest Local Risk budget.
41. It is estimated that £147k would be required from Epping Forest Local Risk between 2024-2026 to meet required contractor costs for Forest 2.
42. The capital works are funded at 60-100% of actual costs. During the application process the percentage funding would be made known and a decision would be taken whether to retain any elements funded under 100% where the remaining costs would need to be funded through Local Risk.
43. Through the preparation of the application the eligibility criteria for the proposals above would be determined; some features may not be eligible for funding. This would affect what is included in the final application. Any proposals that are not eligible for funding would not go ahead within this CS grant application.

Resource implications

44. The preparation of the Forest 2 application will continue to require significant amounts of the Environmental Stewardship and Biodiversity Officer's time until early autumn 2023.
45. The management of any awarded grant for Forest 2 and its delivery would be shared by the Estate & Conservation Teams and Business Development teams at Epping Forest. Some of the delivery would also be undertaken by volunteer groups in liaison with Epping Forest officers. This would also require significant staff resource.
46. The delivery of Forest 1 by contractors during 2023-2024 will result in a greater workload for the Conservation Team.

Legal implications

47. Historic England's consent is required for Ambresbury Banks and Purlieu Banks under the Ancient Monuments and Archaeological Areas Act 1979.
48. Planning permission is required for a small part of the works in Leyton Flats (London Borough of Redbridge) and installation of visitor infrastructure within Bell Common Conservation Area (Epping Forest District Council). A Flood Area Permit is required from the Environment Agency for those sites close to rivers. SSSI consent will be sought from Natural England through the CS application process.
49. As required for the purposes of Countryside Stewardship grant, the City, as Conservator of Epping Forest, commits, by the terms of the Countryside Stewardship Agreement, to take all reasonable steps to engage with any Commoners known to them and understanding their future commoning intentions in relation to the Countryside Stewardship proposals and ensuring it is compatible for its continuation. The CS

Agreement includes conditions applicable to the exercise of rights of common (such as regarding infected or troublesome animals and meeting the rules of the CS scheme). Part of the documentation required for the CS Agreement is a document, called an Internal Agreement in the CS scheme, that lays out how any active commoners exercising their rights would carry them out so that the CS Agreement conditions are complied with. Whilst there are currently no active commoners, anyone becoming an active commoner in the future will be asked to sign this document and abide by these terms. This document encapsulates various safeguards for the compliance with the CS agreement provided by various legal acts and regulations.

50. The signing of the CS award offer is a legally binding agreement. There are options to cease the grant once it has started, but it would mean pulling out of the whole grant. There are no options to pause/postpone works, nor to modify the grant contents.

Risk implications

51. The risk rating is low because there is limited in-house involvement, although there is a large reliance on contractors and volunteers.
52. Some sites may attract negative responses, the ones that may attract more negative reactions are listed in paragraph 7. Local community engagement will be undertaken but this work is essential for preserving habitats and the necessary loss of trees will always be unpopular.

Equalities implications

53. An Equality Analysis Test of Relevance has been carried out on the proposals. The habitat works are not deemed to have any equality impacts. The accessibility of the proposed new signage will be optimised with QR codes to be used with smartphones that can adapt the information according to need.
54. The signs will have a net positive impact by making these open spaces more welcoming and denoting these are public spaces and identifying who the landowner is. The signage will help our visitors understand the Forest better and help them to have a better experience and help us look after the Forest. The signs are likely to have a net positive effect by increasing awareness in the community of the availability of these spaces for use by the public, and these may be able to reach groups that are currently less likely to visit.

Climate implications

55. The management of the habitats supported by the CS grant would increase the resilience of the habitats to environmental and biological changes brought about by climate change as well as increasing the resilience of populations of some species found in these habitats. The work complements the aims of the Climate Action Strategy of the City Corporation for both climate adaptation and biodiversity enhancement.

Security

None.

Charity implications.

56. Epping Forest is a registered charity (number 232990). Charity Law obliges Members to ensure that the decisions they take in relation to the Charity must be taken in the best interests of the Charity

Conclusion

57. A first stage Countryside Stewardship application has been submitted for Epping Forest. Commoners, the public and government agencies were consulted on the proposals and have been modified to a minor extent. There may be further changes to the proposals through discussion with government agencies. This grant would provide 10 years of funding to support the management of important habitats, heritage features and improvement of visitor access. The proposal is to deliver the works largely using contractors and volunteers with a limited amount being undertaken by in-house teams. An estimated £147k would be required from the Epping Forest Local Risk budget, in addition to the £1.911m grant, to deliver the works. The final stage application will be completed by the end of August 2023, and the grant should start January 2024.

58. More of the delivery for the existing Countryside Stewardship grant on the other part of Epping Forest will be done by contractors in 2023-2024 to allow the in-house arborist greater capacity to deal with the tree safety works. A budget analysis indicates that if this in-house capacity is not made available to deliver any further works on this grant before 2029, the expected grant income should be sufficient to commission contractors to undertake the larger-scale work, although this will result in greater work for the officers delivering the project. Volunteers will continue to be critical in delivery of this grant.

Appendices

- Appendix 1 – Updated detailed proposals
- Appendix 2 – Forest 1 Budget Summary
- Appendix 3 – Forest 2 Budget Summary

Background Papers

SEF 17-22 and 17b-22 Countryside Stewardship Grant 2023 Application Proposals

Sally Gadsdon

Environmental Stewardship Officer, Natural Environment

Andy Froud

Biodiversity Officer, Natural Environment

T: 020 8532 5329

E: Sally.Gadsdon@cityoflondon.gov.uk