

City of London Corporation Committee Report

Committee(s): Hampstead Heath Consultative Committee – For discussion Natural Environment Board – For discussion West Ham Park Committee – For discussion Hampstead Heath, Highgate Wood & Queen’s Park Committee – For discussion Epping Forest & Commons Committee – For discussion	Dated: 29/4/2025 1/5/2025 1/5/2025 20/5/2025 29/5/2025
Subject: Terms of Reference for the Natural Environment Complementary Land Policy and Complementary Land Use Appraisal	Public report: For discussion
This proposal: <ul style="list-style-type: none"> • delivers Corporate Plan 2024-29 outcomes • provides statutory duties • provides business enabling functions 	Dynamic Economic Growth Leading Sustainable Environment Vibrant Thriving Destination Flourishing Public Spaces
Does this proposal require extra revenue and/or capital spending?	Yes
If so, how much?	Up to £50,000 will be needed to pay for a consultant to carry out an independent appraisal of the Complementary Land Use Appraisal
What is the source of Funding?	Funding will be sought from the Transformation Fund
Has this Funding Source been agreed with the Chamberlain’s Department?	Chamberlains has been consulted and has advised that an application can be made for Transformation funding.
Report of:	Katie Stewart, Executive Director Environment
Report author:	Emily Brennan, Natural Environment Director

Summary

The City of London Corporation (CoLC) has commissioned a review of its eight Natural Environment charities (NE charities) as part of a wider charity review. The key aims of the Natural Environment Charities Review (NECR) are to improve and align the governance of these charities and to improve their efficiency and their financial sustainability, including by supporting income generation.

The NE charities own and manage an extensive portfolio of land and built assets outside of the Square Mile. A number of CoLC-owned assets which were originally purchased to support charity operations and/or to support income generation for the NE charities are managed in complement with those charities.

This report proposes the scope and terms of reference for two specific pieces of work to review and improve management of these assets: (a) the development of an updated Complementary Land Policy and (b) a Complementary Land Use Appraisal. The ToRs for the Complementary Land Policy and the Complementary Land Use Appraisal are being submitted to your Committee for consultation. Amendments suggested as a result of that consultation will be taken into account in preparing a final draft of the paper and accompanying ToRs which will be submitted to Policy & Resources Committee for decision on 12 June.

Recommendation(s)

Your Committee is asked to:

- Consider the report and appendices;
- Suggest any amendments and/or changes to the proposed Terms of Reference (ToRs) for (a) the work to develop a Natural Environment Complementary Land Policy (Appendix 1), and (b) the Natural Environment Complementary Land Use Appraisal (Appendix 2). Any proposed amendments and changes by your Committee and by other NE Committees will be considered in the preparation of the version of the ToRs which will be submitted to the Policy & Resources Committee on 12th June 2025 for decision.

Background

1. The City of London Corporation (CoLC) manages a number of greenspaces and buildings in or around London, which are located outside of the Square Mile. Most of these assets are held by the CoLC in its capacity as the sole trustee of the NE charities, but some are held by the CoLC in its corporate capacity with the aim of supporting charity operations and/or funding. These assets are managed in complement to the activities of the NE charities.

2. It is proposed that land assets which are managed, used and/or occupied by the Natural Environment charities, but which are held by the CoLC in a non-charity trustee capacity, will be referred to henceforth as Complementary Land, replacing previously used terms such as 'Buffer Land' and 'Pink Land'.
3. For the purposes of this report and appendices, reference to Complementary Land also includes any built assets associated with it, such as sheds, offices, lodges and otherwise.
4. Land held by the NE charities is managed and administered in line with the objects of the relevant charity, which generally require the preservation of these greenspaces in perpetuity for the recreation and enjoyment of the public. As land held by CoLC in a non-charity trustee capacity, Complementary Land is not restricted to these objects (although it may be subject to other, site specific constraints); however, the purpose of such land when acquired was and historically has remained to support and protect the land which is subject to those charitable objects. Many Complementary Land sites are essential for operations and host buildings and facilities such as sheds and offices; however, a large area, mainly to the north of Epping Forest, is tenanted farmland, grassland, woodland or other open space, and is not subject to the restrictions of the Epping Forest Act and so offers broader potential opportunities for income generation or other uses. The North London Open Spaces only have one site of Complementary Land, Heathfield House, which is used as office space. The majority of Complementary Land is located at Epping Forest, and there are also several parcels at The Commons.

Current Position

5. The NECR has recommended that updated governance arrangements should be developed for these land parcels and their associated built assets. The 'Buffer Land Policy', which was principally articulated in a series of decisions of the Epping Forest and Open Spaces and Policy and Resources Committees in the 1990s, does not meet current management or governance needs and does not include all Complementary Land assets associated with the NE charities.

Proposals

6. In order to better manage these Complementary Land assets, a Complementary Land Policy will be developed as part of the existing NECR programme. The policy development process will review existing policies relating to the acquisition and management of Complementary Land, including the existing 'Buffer Land Policy' for Epping Forest, with a view to replacing and consolidating them as appropriate within the Complementary Land Policy. This paper sets out the proposed Terms of Reference (ToRs) for the development of the Complementary Land Policy (Appendix 1).
7. The aims of the Complementary Land Policy are to set out a framework for CoLC's governance, resourcing and management of Complementary Land, as well as for determining the optimum use for each asset moving forwards, considering the aims and objectives of the CoLC in its roles and responsibilities

including as Charity Trustee. It will also consider priorities such as income generation potential, restrictions on potential uses and/or disposal of assets, and existing commitments such as contribution to the CoLC's Climate Action Strategy (CAS) targets. No additional funding is required for this piece of work as it is being funded as part of the existing NECR programme.

8. This paper also sets out the proposed ToRs for second piece of work: a Complementary Land Use Appraisal (Appendix 2). This piece of work will help inform the development of the Complementary Land Policy, but was a distinct piece of work requested by Policy & Resources Committee on 13th February 2025 following a debate about future potential uses of Loughton Golf Course (a Complementary Land asset in Epping Forest). This Appraisal will involve appointing a consultant to carry out an independent, detailed options appraisal for each Complementary Land asset.
9. The Policy and Appraisal are both critical to the NECR as commissioned by Finance Committee in 2023, and the P&R request to look afresh at how Complementary Land may be used against wider Corporation and/or NE Charities' objectives.
10. The Appraisal will be commenced as soon as possible in order to start assembling the necessary evidence for a site-by-site assessment as requested by Committee, but recommendations to P&R on the ultimate use of each site will be made in view of the final Policy that is developed. A recommendation for the future use of each asset will be proposed and will be put to P&R for decision following consultation with the NE charities' management committees and with other key stakeholders, including consultative committees. This assessment will consider what options are viable for each asset, strategic priorities, any restrictions on usage / disposal, potential for income generation, operational requirements, whether or not that asset is still delivering its original purpose, and whether that purpose is still valid – all against the newly developed Policy.
11. As part of the proposed Complementary Land Policy Review and Appraisal, there is also a requirement to fully understand and articulate their modern context, including the services they continue to provide to the charities such as operational function, climate mitigation, protection from encroachment, access, and income generation. It is also important to identify and explore the opportunities associated with these assets, such as income generation, environmental improvements including carbon sequestration, recreational and operational uses. Key constraints on existing or potential uses also need to be identified including legal and environmental restrictions and/or designations, national and local planning policies and frameworks, and any existing commitments (e.g. usage for carbon credits or biodiversity offsetting). It is proposed that this current and potential value should be formally, independently assessed alongside the benefits and risks of disposal options, including for housing, commercial or other development.
12. In the longer term it may be desirable for simplification of CoLC and charity administration to seek formal changes to the governing documents of relevant NE charities, to ensure they have appropriate powers to facilitate the management of

a broader range of land and assets than currently envisaged in their charitable objects and founding Acts. The routes to achieve this are either through a Various Powers Act, or potentially through Charity Commission processes, either of which would be significant projects in themselves.

Corporate & Strategic Implications

Strategic implications: The CoLC NE Complementary Land Policy and the Complementary Land Use Assessment both satisfy the City of London Corporate Plan outcome 'Leading Sustainable Environment'; *'We have a responsibility to ensure that we act as a leader on environmental sustainability and strive to enhance it in all aspects of how we work. Climate action, resilience, air quality, and sustainability are all facets of ambitious targets for the entire City to be net zero by 2040'*. They will also contribute to 'Providing Excellent Services' and 'Flourishing Public Spaces'.

Financial implications: The Appraisal does not fall within the original scope of the NECR therefore additional funding is sought to cover the cost of appointing an independent consultant to deliver it. The cost is anticipated to be in the region of £50,000 and funding will be sought from the CoLC's Transformation Fund. The need for additional budget for the legal input necessary to support the Land Use Assessment will be assessed as the detailed scope of the project is defined and included within any funding bids as appropriate.

It should be noted that as Members have indicated that this work is a priority and should be completed by mid to late 2025, the Executive Director Environment has approved the appointment of a consultant to enable work to be progressed, underwritten by the Department's budget, which will ensure the work is not delayed.

Resource implications: The Terms of Reference at Appendices 1 and 2 outline membership of officer task and finish groups for oversight and delivery of these two workstreams.

Legal implications: Comptrollers and City Solicitors representation is included in both the Policy Development and Land Use Assessment work streams. The Complementary Land parcels were acquired at different times and have differing legal contexts. For example, while the majority are held in City's Estate, there are parcels adjacent to Epping Forest held in City Fund. Some parcels will have specific restrictive covenants on their titles. These factors will need to be taken into account during the review, and are particularly relevant to the 'constraints' element of the Land Use Assessment. The Complementary Land Policy will need to reflect the distinctions between CoLC in its charity trustee capacity and in its City's Estate/Fund capacities in the use and management of the various parcels, with appropriate supporting internal governance mechanisms identified and implemented.

Risk implications: Risks of both Complementary Land Policy Development and Complementary Land Use Assessment will be recorded on NECR Risk Register and managed by the Task and Finish Group for each project stream.

Equalities implications: Equalities implications will be taken into account where relevant as the Complementary Land Policy and Land Use Assessment are developed.

Climate implications: The City of London Climate Action Strategy will be taken into account both in the development of the Complementary Land Policy and in the Land Use Assessment. The latter will also include existing Natural Capital Assessment data and Biodiversity Net Gain potential, in combination with other considerations such as mitigation of local development pressures.

Security implications: To be included as part of Land Use Assessment (for example, if change of use of all or part of an existing land parcel presented a security concern to a charity or CoLC property).

Appendices

Appendix 1: Terms of Reference: Complementary Land Policy Development

Appendix 2: Terms of Reference: Complementary Land Use Appraisal

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