

# GREATER LONDON AUTHORITY

## REQUEST FOR MAYORAL DECISION – MD2567

### Title: Urban Tree Challenge Fund - revised London grant award

#### Executive Summary:

In October 2019 the Forestry Commission (FC) offered the GLA a grant of £2,165,246 from the national Urban Tree Challenge Fund (UTCFC) to plant new street trees in London. This followed the GLA co-ordinating a bid to the fund from 20 London boroughs and the Royal Docks Enterprise Zone team. It was necessary for the GLA to co-ordinate the bid as the government was only accepting 'block grant' applications for funding over £500,000 which precluded boroughs from applying individually. The acceptance of this funding was approved by the Mayor under cover of MD2528.

However, the FC temporarily withdrew funding offers to all applicants nationally in November 2019 due to errors in how the initial offers were calculated. The FC revised their calculations and in December 2019 offered the GLA a grant of £2,011,461. Under Mayoral Decision Making in the GLA, this reduction in income is sufficient to require a fresh Decision.

The FC grant requires match funding. The GLA will provide match funding of up to £1.2m (approved under cover of MD2141 and MD2285) from the Greener City Fund and the boroughs will provide match funding of up to £1.24m

The combined funding from the UTCFC, GLA and boroughs will enable the planting of 7072 new street trees. This is a reduction of 619 trees compared to the 7691 due to be planted through the original grant offer. The street trees will be planted in 2019-20 and 2020-21, targeted in wards of low canopy cover and high deprivation. The FC grant will be paid in arrears to the GLA in 2019-20 and 2020-21 with further maintenance payments in 2021-22, 2022-23 and 2023-24. The GLA will be the accountable body for the FC funding in holding the grant funding and distributing it to boroughs.

#### Decision:

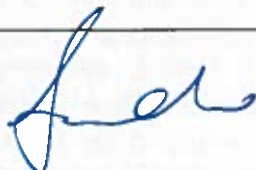
That the Mayor approves the GLA's receipt of £2,011,461 from the Forestry Commission; and expenditure of up to £3,211,461 (comprising the sums to be reimbursed from the Forestry Commission funding and up to £1.24m from the GLA's Greener City Fund) to deliver street tree planting through the Urban Tree Challenge Fund.

#### 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:

14/1/20

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

### **Decision required – supporting report**

#### **1. Introduction and background**

- 1.1. MD2528 sets out the background to this project and it records the Mayor's approval of the original grant award to the GLA from the Urban Tree Challenge Fund, as well as the expenditure of GLA match funding. As this grant offer was subsequently revised by the Forestry Commission, this new MD2567 seeks approvals in respect of the updated budget and outputs for the London street tree planting project through the Urban Tree Challenge Fund.
- 1.2. The Mayor approved (under cover of MD2141 (July 2017) and MD2285 (May 2018)) the budget for the £12,000,000 Greener City Fund for the period 2017-18 to 2020-21, including £4,500,000 for trees and woodlands. The £4,500,000 for trees and woodlands was to support a number of programmes including providing match funding for public realm tree planting in 2019-20 and 2020-21 (MD2285, para 2.11 and Table 2).
- 1.3. In May 2019 the government announced its Urban Tree Challenge Fund (UTCF), a national fund of £10,000,000 to support a number of objectives in Defra's 25 Year Environment Plan and also contribute towards meeting the government's commitment to plant one million urban trees by 2022. The UTCF opened this summer for block bids of over £500,000 for tree planting projects in 2019-20 and 2020-21.
- 1.4. When applications opened it became clear that it would be necessary for the GLA to co-ordinate any London bid as the government were only accepting 'block grant' applications for funding over £500,000 which precluded boroughs from applying individually. The GLA worked with the London Tree Officers Association and invited all boroughs to submit expressions of interest to participate in the bid. Twenty boroughs expressed an interest in bidding and provided their planting requests to the GLA, who collated the bid.
- 1.5. The GLA submitted an application at the end of August 2019 for £2,800,000 of government funding from the UTCF, and heard from the Forestry Commission at the start of October that it had been successful in being awarded £2,165,246.
- 1.6. However, in early November 2019 the GLA heard from the FC that they were temporarily withdrawing all offers made through the UTCF due to errors made in the calculations of the initial grant offers. The errors varied but in the GLA's case it was that the FC offer should not have included planting in certain wards which scored below 100 against the FC's criteria (a combination of canopy cover and deprivation).
- 1.7. In early December the FC issued a revised grant offer to the GLA of £2,011,461. This offer removed 10 wards in Harrow, Kingston, Richmond and Sutton which were lower scoring. This is a grant reduction of £153,785.
- 1.8. Mayoral Decision Making in the GLA (the Scheme of Delegation) sets out the provisions where the value of a financial commitment associated with a Decision changes. Under Section 18.13, as this represents a reduction in income of over £50,000, a new Decision Form is required.
- 1.9. The UTCF grant requires match funding. The GLA will provide match funding to boroughs of up to £1,200,000 from the Greener City Fund (approved under MD2141 and MD2285). The GLA's match funding has been maintained at the original level to support some additional planting in boroughs disproportionately affected by the reduction in Forestry Commission grant. This will be paid to the participating boroughs with the FC grant, meaning that the GLA will be awarding total grant funding of up to £3,211,461. The boroughs will provide match funding of up to £1,240,000. Note that the GLA Greener City Fund budget will not be providing match funding to the Royal Docks project, which will be matched from the Royal Docks Enterprise Zone budget. The FC grant funding for tree planting

in the Royal Docks will be transferred to the GLA Royal Docks Enterprise Zone team budget once it has been received from the FC (see paragraph 2.5).

## 2. Objectives and expected outcomes

- 2.1. The combined funding from the UTCF, GLA and boroughs will enable the planting of up to 7072 new street trees across the 20 boroughs who chose to participate in the UTCF application: Barking and Dagenham, Barnet, Brent, Camden, Croydon, Greenwich, Hackney, Haringey, Harrow, Havering, Kingston-upon-Thames, Lambeth, Lewisham, Newham, Richmond-upon-Thames, Southwark, Sutton, Tower Hamlets, Wandsworth and Westminster. Combined UTCF, GLA and borough funding will directly support the planting of 6938 trees, with 134 trees supported by GLA and borough match funding only. The street trees will be planted in 2019-20 and 2020-21, targeted in wards of low canopy cover (below 20 per cent) and high deprivation.
- 2.2. This is a reduction of 619 trees compared to the 7691 due to be planted through the original grant offer.
- 2.3. The FC grant will be paid in arrears to the GLA in 2019-20 and 2020-21 with further maintenance payments in 2021-22, 2022-23 and 2023-24. We anticipate the process being: boroughs will make an annual grant claim to the GLA in arrears after the tree planting season each year, with evidence of expenditure and details of the trees planted. The GLA will then make its annual claim to the FC for the FC grant amount. Once the FC has paid the GLA's claim, the GLA will then use the FC funding and the GLA match to pay valid borough claims. The GLA has requested details from the FC of the precise grant monitoring and claims processes for the grant funding. These reporting and claim requirements will be incorporated into the GLA's grant agreements with boroughs.
- 2.4. The GLA match funding of up to £1.2m from the Greener City Fund (approved under MD2141 and MD2285) will form part of the grant awarded to boroughs in 2019-20 and 2020-21 and a condition of the award of funding to boroughs will be that they also provide their own match funding. The FC grant funding will cover all UTCF payments to boroughs in 2021-22, 2022-23 and 2023-24.
- 2.5. The trees budget of the Greener City Fund requires re-profiling over 2019-20 and 2020-21 to align with the grant payments of the UTCF and also to reflect the grant profile of woodland creation projects (subject to a separate MD2529). See Table 1 for the current Greener City Fund tree delivery budget. Table 2 shows the proposed re-profiled trees budget line and Table 3 shows the tree delivery budget with the additional £2,011,461 income from the FC.
- 2.6. Table 1 – Current profile of the Greener City Fund – Tree Delivery Budget:

	2019-20 (£000)	2020-21 (£000)	2021-22 (£000)	2022-23 (£000)	Total (£000)
<b>Greener City Fund Budget - Trees</b>	3,160	460	0	0	3,620

- 2.7. Table 2 – Proposed re-profile of the Greener City Fund – Tree Delivery Budget:

	2019-20 (£000)	2020-21 (£000)	2021-22 (£000)	2022-23 (£000)	Total (£000)
<b>Greener City Fund Budget - Trees</b>	2,090	1,530	0	0	3,620

2.8. Table 3- Proposed re-profile of the Greener City Fund - Tree Delivery Budget, including the additional income from the Forestry Commission:

	2019-20 (£000)	2020-21 (£000)	2021-22 (£000)	2022-23 (£000)	2023-24 (£000)	Total (£000)
<b>Trees (including additional FC income)</b>	2,389	2,090	454	454	245	<b>5,632</b>
<b>Forestry Commission income</b>	-299	-560	-454	-454	-245	<b>-2,012</b>
<b>Total (£000)</b>	<b>2,090</b>	<b>1,530</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>3,620</b>

**3. Equality comments**

3.1. See MD2528.

**4. Other considerations**

*Table 4 – key risks and issues*

4.1. The risks are unchanged from MD2528.

*Links to Mayoral strategies and priorities*

4.2. See MD2528.

**5. Financial comments**

5.1 Approval is being sought for the receipt and expenditure of up to the revised £3,211,461 for the Tree Planting Project. Although the overall project has a value of up to £4,451,461 the GLA will manage and be accountable for up to £3,211,461 only. The Forestry Commission has confirmed it will award £2,011,461 of this with the GLA funding the remaining £1,200,000.

5.2 As the grant will be paid in arrears, it is recommended the Authority ensure all related expenditure is eligible before it takes place.

5.3 This reduction in funding has resulted in the need to rescope the project and further re-profiling of the budget as set out in table 3. This reprofiling will be highlighted as part of the quarter three reporting process.

5.4 As per MD2528, it should be noted that the Forestry Commission's grant is to be transferred to the GLA as capital grant. However, as the GLA accounts for Tree planting as revenue expenditure (in line with previous tree planting programmes), the grant of £2,011,461 will be subject to a capital/ revenue swap via the Authority's Capital Programme Reserve.

5.5 This project will be contained within the Environment Programme budget, specifically the Greener City revenue budget.

**6. Legal comments**

6.1 The foregoing sections of this report indicate that:

6.1.1 the decisions requested of the Mayor fall within the exercise of the GLA's general statutory powers to do such things considered to further or which are facilitative of, conducive or incidental to the promotion of the improvement of the environment in Greater London: and

6.1.2 in formulating the proposals in respect of which a decision is sought officers have complied with the GLA'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, 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 and foster good relations 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 (section 149 of the Equality Act 2010). To this end, the Mayor should have particular regard to section 3 (above) of this report.

6.3 Should the Mayor be minded to make the decisions sought officers must ensure that they:

6.3.1 are content that the GLA can comply fully with the conditions of the Urban Tree Challenge Funding;

6.3.2 do not place any reliance upon the Urban Tree Challenge Funding until the GLA and Forestry Commission have entered into and executed the Urban Tree Challenge Funding agreement; and

6.3.3 enter into and execute grant funding agreements with the participating boroughs before committing to the provision of the funding proposed.

## 7. Planned delivery approach and next steps

Activity	Timeline
GLA sign funding agreement with the Forestry Commission to accept the grant funding	Early January 2020
GLA sign grant agreements with 20 boroughs + Royal Docks to award the FC funding	By mid-January 2020
Announcement of grant funding	January TBC by Forestry Commission
Tree Planting Delivery 2019-20: year one	Jan-early March 2020
Year one monitoring and grant claim from FC; grant payments to boroughs	March 2020
Tree Planting Delivery 2020-21: year two	November 2020-Feb 2021
Year two monitoring and grant claim from FC; grant payments to boroughs	March 2021
Delivery End Date	April 2021
Year 3 maintenance payments	TBC 2021-22

Year 4 maintenance payments	TBC 2022-23
Year 5 maintenance payments	TBC 2023-24
Final evaluation start and finish (external)	TBC by Forestry Commission
Project Closure	April 2024

**Supporting papers:**

MD2528 Urban Tree Challenge Fund – London grant

**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**

If YES, for what reason: Until the funding agreements have been signed between the GLA, the Forestry Commission and the participating boroughs and the FC have announced the grant awards. Publication at this point would prejudice the GLA's ability to manage the efficient entry into funding agreements with the participating boroughs.

Until what date: 31 January 2020

**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:**

Katrina Ramsey has drafted this report in accordance with GLA procedures and confirms the following:

✓

**Sponsoring Director:**

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 13 January 2020.

**EXECUTIVE DIRECTOR, RESOURCES:**

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

Signature



Date

13.1.20

**CHIEF OF STAFF:**

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

Signature



Date

13/1/2020.

