



Democratic Services

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To:

**OUNCILLOR IAN EDWARDS
LEADER OF THE COUNCIL**

**OUNCILLOR MARTIN GODDARD
CABINET MEMBER FOR FINANCE**

**OUNCILLOR EDDIE LAVERY
CABINET MEMBER FOR ENVIRONMENT,
HOUSING AND REGENERATION**

c.c. Dan Kennedy, Corporate Director - Planning, Environment, Education and Community Services
c.c. Chairman of the Environment, Housing and Regeneration Select Committee
c.c. Julia Johnson/Nicola Wyatt – Policy & Environmental Planning
c.c. Conservative and Labour Group Offices (inspection copy)

Date: 18 January 2022

Non-Key Decision request

Form D

NEW ALLOCATION OF S106 CONTRIBUTIONS 2021/22: Trees for Cities Partnership Agreement Tree Planting Project 2021-23

Dear Cabinet Member

Attached is a report requesting that a decision be made by you as an individual Cabinet Member. Democratic Services confirm that this is not a key decision, as such the Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012 notice period does not apply.

You should take a decision **on or after Wednesday 26 January 2022** in order to meet Constitutional requirements about publication of decisions that are to be made. You may wish to discuss the report with the Corporate Director before it is made. Please indicate your decision on the duplicate memo supplied, and return it to me when you have made your decision. I will then arrange for the formal notice of decision to be published.

Neil Fraser
Democratic Services Officer

Title of Report: NEW ALLOCATION OF S106 CONTRIBUTIONS 2021/22: Trees for Cities Partnership Agreement Tree Planting Project 2021-23

Decision made:

Reasons for your decision: (e.g. as stated in report)

Alternatives considered and rejected: (e.g. as stated in report)

Signed Date
Leader of the Council / Cabinet Member for Finance / Cabinet Member for Environment, Housing & Regeneration

NEW ALLOCATION OF S106 CONTRIBUTIONS 2021/22: Trees for Cities Partnership Agreement Tree Planting Project 2021-23

Cabinet Member(s)	Councillor Ian Edwards Councillor Martin Goddard Councillor Eddie Lavery
Cabinet Portfolio(s)	Leader of the Council Cabinet Member for Finance Cabinet Member for Environment, Housing & Regeneration
Officer Contact(s)	Julia Johnson/Nicola Wyatt – Policy & Environmental Planning
Papers with report	Trees for Cities Partnership Agreement

HEADLINES

Summary	To seek approval to allocate funds and release from the s106 contributions currently held at s106 case references detailed towards the Trees for Cities Partnership agreement, including approval of that agreement as outlined in the report.
Putting our Residents First	The report supports the Council objectives of strong financial management.
Financial Cost	This report seeks to allocate and release £170,000 from identified s106 contributions held by the Council.
Relevant Select Committee	Environment, Housing and Regeneration Select Committee.
Relevant Ward(s)	All.

RECOMMENDATIONS

That the Leader of the Council, Cabinet Member for Finance, and Cabinet Member for Environment, Housing and Regeneration:

1. Ratify the Trees for Cities Partnership Agreement and supporting Tree Planting Projects for 2021-23 as set out in the report.
2. Approve a total of £170,000 to be allocated and used towards the delivery of the Trees for Cities Partnership Agreement Tree Planting (2021-23) project from the following S106 contributions held by the Council:-

Air Quality S106 – a total of £60,000 made up of the following contributions:

E/129/415C £12,500
E/143/449B £14,735
E/126/412B £26,547
E/135/425D £6,218

Carbon Offset S106 – a total of £110,000 made up of the following contributions:

PPR/104/355B	£70,800
PT/235/450A	£31,678
PT/210/424A	£5,746
EO/001/554D	£1,776

3. Approve the capital release request of £170,000 towards the Trees for Cities Partnership Tree Planting project – Appendix A.

Reasons for recommendations

Following a Cabinet decision in March 2009, the allocation of Section 106 (S106) and Section 278 (S278) funds is required to be formally approved by the Leader of the Council and the Cabinet Member for Finance on a case-by-case basis. This report requests the approval for the S106 funds held at the case reference detailed in this report to be committed as outlined in this report. Specifically, the report seeks approval for the Trees for Cities Partnership Agreement to support tree planting projects over the coming years through the allocation (and capital release) of relevant s106 contributions.

Alternative options considered / risk management

The Cabinet Members may agree to fund the scheme and / or suggest alternative projects to which funds could be allocated within the terms of the relevant legal agreements. If the S106 funds are not allocated to an appropriate scheme, the unspent funds may need to be refunded.

Select Committee comments

None at this stage.

SUPPORTING INFORMATION

Purpose of Planning Obligations

1. Planning obligations, or S106 agreements, are an established mechanism for mitigating planning effects arising from development proposals. The agreements are usually negotiated within the context of planning applications, between Local Planning Authorities and persons with an interest in the piece of land (owners, leaseholders or developers). They are intended to make development acceptable, which would otherwise be unacceptable in planning terms.
2. Any S106 monies generated from planning agreements must be spent on their intended purpose and that the associated development contributes to the sustainability of the area by addressing the impacts of the development proposals. As a result, expenditure of S106 funds must relate to a specific development and must be in accordance with the

corresponding legal agreement. If a contribution is not used for the intended purpose or not spent within the period allocated in the S106 agreement, the monies may need to be returned.

Trees for Cities Partnership Agreement and Planting Programme 2021-23

3. The Council's Green Spaces Service have progressed a partnership agreement with Trees for Cities (attached) to undertake a programme of tree planting throughout the Borough over two years, signed-off by the Cabinet Member. Formal approval for the entering into the partnership agreement is now sought through this report.
4. The proposed Tree Planting Programme for 2021-23 has now been confirmed as follows:

2021/22

- Yeadng Open Space – 9,000 – 13,500 whips
- Stockley Park – 91 standards
- Dawley Road – 2,570 whips

2022/23

- Rosedale 500- 1000 whips and 20-30 Standards
- Stonefield Park 500 whips and 20-30 Standard
- Philpots Farm up to 4,000 whips

5. It is proposed to allocate £170,000 towards the Trees for Cities tree-planting programme from S106 contributions secured by the Council to mitigate air quality damage and offset the carbon impacts of new developments. The justification for the use of these funds to support the planting programme is set out below.

Proposed Allocation of S106 Air Quality Contributions

Background

6. There are areas of the Borough that suffer from levels of pollution above the national European Union Health Limits. Due to these levels of pollution, and as part of its statutory local air quality management duties, Hillingdon declared an Air Quality Management Area (AQMA) across the bottom two thirds of the Borough and developed an Air Quality Action Plan (AQAP) which includes measures to both monitor and improve local air quality.
7. The council's Air Quality Action Plan (AQAP) has been updated in accordance with the Mayor of London's London Local Air Quality Management regime. The Plan has incorporated new pollution information including the concept of air quality focus areas. The focus areas are where the pollution levels are predicted to be the highest in the borough and where there is relevant significant public exposure. It is important to reduce pollution exposure as soon as possible in these areas. With medical evidence highlighting the detrimental health impacts arising from exposure to air pollution, there is also a recognised need to not only gain improvements just where air quality is currently

poor. The Air Quality Action Plan includes measures to gain improvements across the whole borough to bring about the added health benefits gained by having better air quality.

8. The Action Plan highlights that well-placed green infrastructure can help to improve the air quality in local areas. The use of green infrastructure to protect people from air pollution is supported by the Mayor of London in its guidance "*Using green infrastructure to protect people from air pollution*", GLA April 2019. This describes the most suitable type of green infrastructure regarding pollution associated with roads where the priority is to protect people further away from the kerbside. The provision of measures such as tree planting, does not reduce pollution from the sources that cause the emissions e.g. road traffic, however they can be relevant for consideration where residential areas and recreational parks are in areas of poorer air quality with no current provision of green infrastructure and where there is a close proximity to roads.

Air Quality Proposals

Stockley Recreation Ground - £30,000

9. Additional tree planting is proposed in Stockley Recreation Ground and the surrounding residential roads. The location is within the declared Air Quality Management Area and is situated in an area between the M4, the Stockley Bypass and the Great Western mainline. Pollution levels in this general area, whilst within the air quality standards limits, are subject to higher levels of pollution than other parts of the borough. The recreation ground will be used by younger people who are, in general, more susceptible to exposure to air pollution. In addition, the surrounding residential roads, especially Lavender Rise as it meets the busy Stockley Bypass, can be subject to queuing traffic at the traffic lights. Trees planted along the verges in these areas will help disperse emissions. The proposed planting of additional trees in Stockley Recreation Ground would support the delivery of Air Quality Action Measure 18 – Improving green infrastructure, Stockley Recreation Ground and surrounding residential areas in West Drayton.

Dawley Road - £30,000

10. The Trees for Cities proposal includes the planting of c2000 whips along Dawley Road. This is just outside an air quality focus area but does border the well-used recreational routes to and from Hayes as well as Lake Farm Country Park and the various recreational areas. The proposals will provide an additional barrier to pollutants, particularly harmful particulate matter, especially from diesel vehicles. The barrier will provide a further level of protection to the Country Park and all those who use it. The trees will be planted on the roadside of the recreational route thus creating a protective barrier to pedestrians.
11. The Council considers that a further £30k from the air quality damage contributions collected from developments that are not air quality neutral would be acceptable to fund this element of the project and promote a cleaner and safer environment for pedestrians, park users, and to residential properties in the direction of the prevailing wind north east of the Park.

12. The table below provides a summary of the amount of S106 funds to be allocated towards the air quality schemes outlined above.

Table 1 - Details of Air Quality S106 contributions to be allocated

S106 Funding Reference	Scheme	Amount to be allocated	Comments
E/129/415C	West Drayton Police Station, Station Road, West Drayton 12768/APP/2016/1580 & 12768/APP/2014/1870	£12,500	Funds to be used towards initiatives to improve air quality in the Authority's Area including (but not limited to): use of low fuel technology; tree and other planting; restrictions on certain types of vehicles; use of cleaner fuels; use of combined heat & power; environmental management and air quality strategy (see agreement for details)
E/143/449B	5 Station Road, West Drayton 65480/APP/2014/1018	£14,735	Funds to be used towards initiatives to improve air quality in the Authority's Area including (but not limited to): use of low fuel technology; tree and other planting; restrictions on certain types of vehicles; use of cleaner fuels; use of combined heat & power; environmental management and air quality strategy (see agreement for details)
E/126/412B	Enterprise House, 133 Blyth Road, Hayes 11623/APP/2013/3606	£26,547	Funds to be used towards initiatives to improve air quality in the Authority's Area including (but not limited to): use of low fuel technology; tree and other planting; restrictions on certain types of vehicles; use of cleaner fuels; use of combined heat & power; environmental management and air quality strategy (see agreement for details).
E/135/425D	Land rear of 2-24 Horton Road, West Drayton 71582/APP/2016/4582	£6,218	Funds to be used towards initiatives to improve air quality in the Authority's Area including (but not limited to): use of low

			fuel technology; tree and other planting; restrictions on certain types of vehicles; use of cleaner fuels; use of combined heat & power; environmental management and air quality strategy (see agreement for details). Funds to be spent within 7 years of receipt
		£60,000.00	

Proposed Allocation of S106 Carbon Offset Contributions

Background

13. All major developments in London are required to be zero carbon. To meet this target an onsite reduction of at least 35 per cent beyond the baseline of part L of current Building Regulations is required however, where further reductions cannot be achieved on-site, any shortfall should be provided, in agreement with the borough through a cash in lieu contribution to the borough's carbon offset funded or through alternative off-site provision. The London Plan allows for the shortfall in carbon, i.e. the carbon tonnage short of the zero-carbon standard to be offset through an in-lieu payment. The offset payment is collected at a rate of £95/tonne and annualised over a 30-year period. This formula is set through the London Plan (NB, 30 years is the expected 'carbon lifetime' of the National Grid as it moves to renewable sources thereafter)

14. The money collected can then be used by the Council for a variety of projects that will contribute to the reduction in carbon. The GLA has provided guidance on how the Council should consider the use of the collected S106 money. Carbon sequestration forms part of a wider portfolio of opportunities to reduce carbon and is specifically recognised in the GLA guidance although alternative options are preferable.

15. However, the Council recognises through its Climate Change Action Plan that tree planting is necessary to ensure the capture of carbon and therefore will assist with the aspirations for a lower carbon future. The Plan recognises that there will be a residual carbon footprint from its operations past the 2030 carbon neutral date; this is largely down to the requirement for natural gas consumption. Consequently, tree planting will be required to offset this residual carbon footprint.

16. Unfortunately, trees absorb carbon at a slow rate but large-scale tree planting can have a significant benefit overtime particularly as it reaches maturity (15 – 20 years and beyond). Consequently, planting trees now on a large scale will form part of the carbon reduction plan post 2030 when the Council intends for its operations to be carbon neutral. The trees will then continue to perform carbon sequestration at higher rate, particularly as they reach peak growth.

Carbon Offset Proposal - £110,000

17. Trees for Cities have proposed a total of six tree planting projects in the borough as listed in paragraph 6 of the report. The total required to deliver all of these projects after the deduction from those projects funded for air quality mitigation is £110,000. £110,000 collected in S106 funds equates to a carbon shortfall of 39tCO₂ annualised for 30 years at £95 per tonne per annum. In other words, the Council should be looking to reinvest £110,000 to save 39tCO₂ per annum (1,157tCO₂ over 30years).

18. Calculating the carbon performance of large-scale tree planting is inherently complicated. The tree proposals put forward by Trees for Cities includes a large-scale project of c18,500 – 21,000 whips across 6 different sites for the 2021/22 and 2022/23 planting season (during winter). A whip is a young seedling up to approximately 1m in height and approximately 2 – 3 years old. A whip has negligible carbon sequestration value in its early years but as it grows the carbon absorption capacity increases exponentially. Over a 100year lifetime, as a general principle, a tree will absorb 1tCO₂.

19. However, it is not straight forward to simply equate 18,500 (lower estimate) whips to a carbon saving of 18,500tCO₂. The actual carbon absorption is dependent on the type of tree and not all trees have a lifespan of a 100 years. Furthermore, 18,500 whips is effectively overplanting; natural selection will result in the stronger trees maturing whilst many others will not succeed or may be cut back to allow stronger specimens to thrive. The actual carbon benefit will therefore depend on species mix, soil quality, and how well the planting thrives. Furthermore, on day one of a complete planting season, there will actually be a carbon deficit; soil preparation for tree planting releases carbon, and the machinations to deliver and plant the whips also has a carbon impact.

20. To consider the carbon performance of the proposal some assumptions around planting mix and distance have been made as well as a long-term success rate based on projects elsewhere. The UK Woodland Carbon Code is the primary tool for determining the value of carbon sequestration:

The Woodland Carbon Code (WCC) is the quality assurance standard for woodland creation projects in the UK and generates independently verified carbon units. Backed by the Government, the forest industry and carbon market experts, the Code is unique in providing woodland carbon units right here in the UK.

21. The WCC incorporates a spreadsheet to determine the carbon savings based on a range of variables. Conservative assumptions have been made about the mix of species and planting area and there is an assumption around thinning (i.e. a more likely tree canopy existing over time). Yeading Open Space Park is approximately 50 hectares but already heavily planted.

22. The key for S106 though is the saving over the first 30 years, the period over which the shortfall is calculated for a development and the offset funds secured. Based on the outputs and making assumptions for a starting deficit, the carbon sequestered after 10 years is estimated to be at 30tCO₂. However, after 20 years the project would reach a

cumulative 374tCO₂. The target saving of 1,157tonnes is reached between year 25 and 30.

23. In year 30, the cumulative saving of the tree planting is 1,244 tonnes. For completeness and to illustrate the merits of the project, even if the target were not reached in 30 years, it is worth noting that the cumulative total by year 35 is 2,076tCO₂.

24. In summary, by year 30 the tree planting would have more than offset the amount of carbon needed to be saved by the £110,000 secured through the S106 offset contributions. The carbon saved then continues at an increased rate providing a greater cumulative saving. Ancillary to those savings, tree planting has residual benefits in relation to flood risk, biodiversity and air quality.

25. It must be noted though that tree planting is not the primary method for carbon reduction as set out in the GLA guidance. The area of land required is significant and in this instance is in the control of the Council. Large planting schemes like this are likely to be rare and therefore it would not be expected for a developer to opt into offsite tree planting or make up for a shortfall on their own development site. The carbon saving must be retained within the borough and therefore the common practice would be for developers to ensure the payments are made in accordance with the normal planning policy (i.e. payment of £95/tCo₂ annualised for 30 years).

26. It must also be noted that calculations above are based on working assumptions about mix and planting spacing. The exact species mix will inform planting as will detailed site planning. The species mix will only be known based on stockists advice and availability. However, the above calculations are based on conservative assumptions and the lower estimate of whips to be planted. It also does not consider the standards (mature specimens) as this is not addressed in the calculator. Allowing for a flexibility in planting spacing, mix and ultimately a reduction in whip numbers being planted, the carbon savings for this type of project at the value required would still more than match the carbon savings for the S106 requested to be released.

Table 2 - Details of Carbon Offset S106 contributions to be allocated and released

S106 Funding Reference	Scheme	Amount to be allocated	Comments
PPR/104/355B	Former EMI Site, Dawley Rd, Hayes 8294/APP/2015/1406	£70,800	Contribution received towards investment in local energy efficiency and carbon reduction measures within the Authority's area. Spend within 7 years of receipt (Nov 2022)
PT/235/450A	Land at the Arena, Bennetsfield Road, Stockley Park 37800/APP/296/1430	£31,678	Funds received as a contribution towards the Council's Carbon Fund. Funds to be used by the Council towards the provision of offsite carbon

			reduction measures to mitigate carbon emissions from the development. Funds to be spent within 7 years of receipt (June 2027).
PT/210/424A	Land at Onslow Mills, Trout Road, West Drayton 1724/APP/2016/3513	£5,746	Contribution to be used by the Council towards off site carbon reduction measures, schemes and initiatives in order to mitigate the harm caused by the development. No time limit for spend.
EO/001/554D	Chailey Industrial Estate, Pump Lane, Hayes 2102/APP/2018/4231	£1,776	Funds received as the carbon offset contribution to be used by the Council towards the provision of offsite carbon reduction measures to mitigate the impact of the development. Funds to be spent within 7 years of receipt (June 2028).
£110,000.00			

27. Trees for Cities will be developing a larger scheme of planting trees throughout the Borough, to which the Council will be contributing £170k towards. The whole scheme has not yet been fully costed; however, 3 sections have been costed. A breakdown of these costs is provided in Table 3 below. Where the funding required is above the levels agreed within this report, this will be funded by Trees for Cities as set out in the Financial Implications section below:-

Table 3: Partial Scheme Cost Plan

Description	Amount
Yeading Open Space	99,750
Stockley Recreation Park & Estate	55,700
Dawley Road	22,700
Total	£178,150

All of the above 3 sections include costs to carry out site surveys, site preparations, landscape architect design, purchase of tools, materials and trees and installation works.

Financial Implications

The report requests the allocation of £170k from eight S106 contributions as detailed in Table 4 below:-

Table 4: S106 Contributions

S106 Funding Reference	Scheme	Amount	Time Limit to Spend
PPR/104/355B	Former EMI Site, Dawley Rd, Hayes 8294/APP/2015/1406	£70,800	Nov 2022
PT/235/450A	Land at the Arena, Bennetsfield Road, Stockley Park 37800/APP/296/1430	£31,678	Jun 2027
PT/210/424A	Land at Onslow Mills, Trout Road, West Drayton 1724/APP/2016/3513	£5,746	None
EO/001/554D	Chailey Industrial Estate, Pump Lane, Hayes 2102/APP/2018/4231	£1,776	Jun 2028
E/129/415C	West Drayton Police Station, Station Road, West Drayton 12768/APP/2016/1580 & 12768/APP/2014/1870	£12,500	None
E/143/449B	5 Station Road, West Drayton 65480/APP/2014/1018	£14,735	None
E/126/412B	Enterprise House, 133 Blyth Road, Hayes 11623/APP/2013/3606	£26,547	None
E/135/425D	Land rear of 2-24 Horton Road, West Drayton 71582/APP/2016/4582	£6,218	Dec 2025
Total		£170,000	

The S106 funds comprise £110k carbon offset monies and £60k air quality contributions and are proposed to deliver the Trees for Cities tree planting programme within the Borough. The scheme is to be implemented by Trees for Cities over 2021 to 2023. The full cost of the scheme has not been fully costed, with only three sections of the scheme that have been costed by Trees for Cities at a value of £178k. The £170k S106 contribution will contribute towards the 2021-23 programme, with Trees for Cities to fund costs over and above this.

The S106 contributions held at PPR/104/355B, PT/235/450A, EO/001/554D and E/135/425D have a risk of being returned with to the developer with interest if they are not spent by the deadlines to spend by as per the S106 agreements.

The project will be reported under Green Spaces S106 projects within the capital programme.

RESIDENT BENEFIT & CONSULTATION

The benefit or impact upon residents, service users and communities?

The recommendations will enable external funds to be spent to maximum effect to provide viable improvements for the benefit of local communities.

Classification: Public

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Consultation carried out or required

Not required.

CORPORATE CONSIDERATIONS

Corporate Finance

Corporate finance notes that the 2021-23 Trees for Cities tree planting programme will be funded from developer contributions in accordance with the planning obligation agreements, with no impact on Council resources.

Legal

Legal Services have considered the content of the section 106 agreements referred to in this report and concludes that the recommendations presented are consistent with the terms of the respective agreements.

Infrastructure / Asset Management

There are no Infrastructure /Asset Management implications arising from the recommendations in this report.

Comments from other relevant service areas

The scheme has been developed in consultation with relevant service groups as appropriate.

BACKGROUND PAPERS

Planning Obligations Supplementary Planning Document 2014

APPENDIX A

S106 Allocation & Release Report 2021/22 - Cities for Trees Partnership Tree Planting

Location	Project / Expenditure Title	Information	Funds Release Sought £000's	Approved	Hold	More Information Required
Boroughwide	Cities for Trees Partnership	Tree Planting Boroughwide	170			
Total seeking release			170			
Previously released			0			
Budget			170			
Remaining budget			0			