

## OFFICER DECISION RECORD (ODR2)

This form records an officer decision and is published in accordance with the Openness of Local Government Bodies Regulations 2014

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| <b>Date of Decision</b>                                     | <b>28<sup>th</sup> August 2025</b>  |
| <b>Decision Taker<br/>(including Job Title)</b>             | <b>Peter Skates – Director of Growth and Enterprise</b>   |
| <b>Consultees</b>   | <b>Janet Witowski – Acting Governance, Compliance and Monitoring Officer</b><br><br><b>Ashley Hughes – Executive Director of Resources, Section 151 Officer</b>   |
| <b>Specific Delegation</b>                                  | <p>Economy and Growth Committee decision of 11<sup>th</sup> March 2025</p> <p>55. Carbon Neutral Update and Mersey Forest Partnership pdf icon PDF 655 KB</p> <p><b>RESOLVED:</b> That the Committee</p> <p>2 accept the Trees for Climate grant of £570,719.50 for woodland creation on the Batherton Estate.</p> <p>3 delegate authority to the Director of Growth and Enterprise, in consultation with the Governance, Compliance and Monitoring Officer, and the S151 Officer, to take all necessary steps to enter into legal agreements with The Mersey Forest Partnership.</p> |
| <b>Brief Description of Decision</b>                        | To accept and discharge Trees for Climate grant funding in the sum of £544,014,49 for the creation and maintenance of a woodland planting scheme on the Batherton Estate.   |
| <b>Reasons for the Decision and alternatives considered</b> | Cheshire East Council's Carbon Action Plan requires 120ha of woodland planting to be completed for the council to reach operational carbon neutrality by 2030. The planting on the  |

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|   | <p>Batherton Estate represents the final woodland creation scheme to achieve this target.</p> <p>Trees for Climate Funding is provided by DEFRA and administered by Cheshire West and Chester Council through The Mersey Forest.</p> <p>Failing to accept this grant will result in the council either needing to resile from its carbon target or to self-fund the woodland creation scheme from its own capital provision.</p> <p>The outline grant offer considered at committee was higher than the final calculated amount of £544,014.49 due to a calculating error. The grant agreement attached to this ODR is the final version and the amount is now correct. There is no change to the trees or area to be planted.</p> <p>The clauses within the grant agreement as noted below have been considered and are within the scope of the project.</p>  |
| <b>Member consultation and interests declared</b> | N/A  |
| <b>Significant Decision</b>                       | <b>NO</b>  |
| <b>Legal Implications</b>                         | <p>Legal has been provided with the terms and conditions of the Grant and has been reviewed below, noting the key points: -</p> <ul style="list-style-type: none"> <li>• Clause 2.1 – CEC are not allowed duplicate funding for a similar project with same objectives. CEC are not allowed to start any of the work before the commencement date of the offer T&amp;Cs as it won't be funded by the Grant.</li> <li>• Clause 2.2 – any changes to the declarations made in the application shall be promptly notified to the Local Community Forest. Trees planted must be maintained and managed in accordance with the UK Forestry Standard and land will remain as woodland throughout the period. All required licenses must be in place prior to the planting.</li> <li>• Clause 2.3 – any existing grant agreements must be declared. If land is an environmental stewardship or a countryside stewardship agreement the land must be removed from the agreement or provide written evidence of Natural England's consent before planting.</li> </ul> |

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|  | <ul style="list-style-type: none"> <li>• Clause 4 – any intention to relinquish the lease or tenancy of the land, CEC shall notify in advance of any such sale or transfer. Same with boundary changes. Any changes will be considered and whether the grant should be suspended, reduced, withdrawn or reclaimed all or part of the Grant. If the new landlord does not maintain the woodland, or if the woodland is removed the Local Community Forest shall reclaim the grant in full (with daily rate of interest plus 1%) plus costs.</li> <li>• Clause 5 – grant to be only paid in respect of eligible expenditure. The Funder will not be liable to pay anymore than what is agreed. The Funder can amend or remove individual planting sites to fit with available funding. No commitment to continue funding after period. Any third-party grant application for similar must be advised before application and seek consent beforehand.</li> <li>• Clause 6 – payments, CEC must complete a valid claim form within the same Financial Year and only one claim per Financial Year can be made unless agreed by the Funder.</li> <li>• Clause 7 – The Local Community Forest reserves the right to withhold, suspend, reduce, or require repayment of the Grant, in full or in part, in addition to any Costs if at any time: the Grant Recipient: breaches the Agreement; or the Grant Recipient: fails to comply with the Terms and Conditions of Grant Funding; or in the opinion of the Local Community Forest, the Grant Recipient fails to meet Woodland Creation criteria within the Establishment Period; or there is a change in circumstances affecting the Grant Recipient's eligibility to receive the Grant; or there is a change to the Land pursuant to clause 4; or any money is incorrectly paid to it either as a result of an administrative error or otherwise. If the Grant Recipient does not ensure, in the sole opinion of the Local Community Forest, successful Tree Establishment or does not maintain the Land as Woodland for the Period of Obligation, then the Local Community Forest can required the original Grant and Costs to be repaid by the Grant Recipient (interest may</li> </ul> |
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|  | <p>be applied at a daily rate equivalent to the Bank of England base rate plus 1%).</p> <ul style="list-style-type: none"> <li>• Clause 8 - The Grant Recipient shall, upon request, supply any documents, information, data, reports or written or verbal explanations which may be required by the Local Community Forest (or Authorised Representative) or any other UK public body in connection with this Agreement. The Grant Recipient agrees to take before and after photographs of each planting area and of the Funded Activities the Grant Recipient is being or have been awarded funds for, keep them for a period of seven years and make them available upon request. The Grant Recipient must give the Local Community Forest access to any financial or other records relating to the Grant and allow the Local Community Forest to take copies of documents. The Grant Recipient shall keep copies of all records for seven years from the date of our last payment to the</li> <li>• Clause 9 – CEC must allow the Funder to visit and inspect the land with a minimum of 48 hours' notice.</li> <li>• Clause 13 – The Grant Recipient shall indemnify the Local Community Forest and its Authorised Representative against all claims, demands, actions, costs, expenses, losses, damages and all other liabilities arising as a result of the Grant Recipient's negligence, actions or omissions in connection with the Agreement.</li> <li>• Clause 14 – termination may occur when breach of agreement; or failed to repay any sum on demand; or not maintaining land; reputation damage to the Funder; or acting dishonestly; or transfer, novates or assigns to Third-Party without consent; or ceases to operate; or continues with other application without consent; or death; or breach of warranties, maintenance, or acceptable standards. Termination may occur any time prior to the tree planting with written notice.</li> </ul> <p>Noting that the amount of the grant was mis-reported to committee as noted above, whilst it is not anticipated that this would have had a material affect on the decision reached, the decision taker</p> |
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|                               | <p>may wish to consult with the committee chair before taking the decision here.</p> <p>Adrian Leslie - Lawyer Contracts &amp; Procurement Team</p> <p>adrian.Leslie@cheshireeast.gov.uk<br/>2025</p>   |
| <b>Financial Implications</b> | <p><i>The detailed grant offer approved by Committee and appended to the Committee report was for £570K but the decision covered by this ODR is to accept a lower grant of £544K.</i></p> <p><i>A calculation error concerning the complexity of the relative planting conditions at Batherton has been cited as the reason for the error and subsequent reduction.</i></p> <p><i>The bulk of the reduction has arisen on the 3 year establishment phase of the project rather than the planting phase. The establishment of the forest is unpredictable and to date the Authority has little experience of doing this at scale. The costs per hectare for the establishment phase at Batherton were always the lowest of the four comparable grants for which there is detailed information. However this reduction amplifies the difference and increases the ensuing risk.</i></p> <p><i>Care and attention will need to be taken by the service to ensure that the Authority is not liable for any costs because the grant proves insufficient.</i></p> <p><i>The grant offer of up to £544K covers a period of 15 years, has payments at Year 1, Year 5 and Year 10, and includes amounts that need to be forward funded by the Authority. The grant is not index linked so careful planning will need to be given to spreading the allocation across the latter years.</i></p> <p><i>There will be a need to introduce formal policies and procedures within the service budgets to ensure that the grant is managed and drawn down appropriately and in line with the grant funding agreement.</i></p> <p><i>The key outputs include planting, establishing and maintaining trees over a 15 year period, with a minimum survival rate of 90% by the end of year 5.</i></p> |

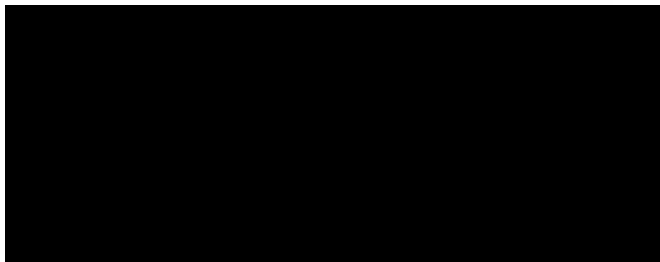
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|  | <p><i>The grant is recoverable in full if the trees have not been adequately maintained.</i></p> <p><i>The Authority has determined that the cost of planting and establishing the trees i.e. the first 5 years is capital. Supplementary estimates as appropriate would need to be processed.</i></p> <p><i>The grant is payable in 3 instalments:</i></p> <ol style="list-style-type: none"> <li><i>1. 70% by 31 May 2026 (£381K)</i></li> <li><i>2. 20% by 31 December 2031 (£109K)</i></li> <li><i>3. 10% by 31 March 2036 (£54K)</i></li> </ol> <p><i>Final inspection to verify outputs would be up to 31 March 2041.</i></p> <p><i>The first grant drawdown aims to cover the planting, project management and much of the establishment and maintenance costs, with subsequent drawdowns covering the general maintenance costs.</i></p> <p><i>The Council will need to determine the best way of delivering the annual maintenance portion of the contract (whether in-house or procured) and how the grant should be treated as deferred income to cover the later years. Given the importance of being able to demonstrably prove tree maintenance across the Authority there is a potential opportunity to enhance what is currently provided internally.</i></p> <p><i>Finance notes the £23K project management costs built into the grant. These could be used to offset the cost of staff that are currently funded from prudential borrowing. If these costs are not earmarked to cover Authority costs then they will need to be covered via existing budgets.</i></p> <p><i>Benchmarking of the itemised costs should be undertaken to ensure that they are reasonable and adequate. In particular, the 3 years of maintenance following planting should be closely scrutinised to establish if the stock losses envisaged are realistic given the experience of other schemes that are further ahead of Batherton.</i></p> <p><i>Thought should be given to how a contractor is procured to carry out the planting and establishment of the trees, particularly with respect to the budget. Ultimately the Council will be held accountable for the delivery of the output so it may</i></p> |
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|  | <p><i>be prudent to have a contract which is flexible to allow for unforeseen circumstances. Whilst savings are to be returned to the funder, under spends in one area can be used to pay for over spends in other items or years.</i></p> <p><i>Consideration will need to be given to other service budgets that may be affected by the planning of the circa 42K trees. Insurance and public liability is an obvious example but there may be a need to create access roads/paths and provide secure storage compounds and welfare facilities. Public access may also need to be safely maintained which will add costs and may even necessitate additional staff. There should be linkage with Environment from the perspective of green waste and recycling of materials to identify synergies and efficiencies.</i></p> <p><i>Aaron Lecroy, Principal Accountant, 14/07/2025</i></p> |
| <b>Confidential/Exempt Information</b> | N/A  |
| <b>Background Papers</b>               | Grant agreement attached   |

### Consultee

**Janet Witowski – Acting Governance, Compliance and Monitoring Officer**

Signed



Dated 29 07 2025

### Consultee

**Ashely Hughes – Executive Director of Resources, Section 151 Officer**

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**Signed**

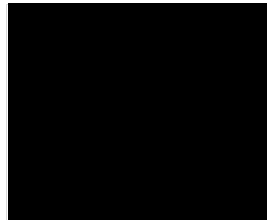


**Dated 26 08 2025**

**Decision Taker**

**Peter Skates – Director of Growth and Enterprise**

**Signed**



**Dated 28<sup>th</sup> August 2025**