

<b>Committee(s):</b>	<b>Date(s):</b>	<b>Item no.</b>
Epping Forest and Commons Committee	6 July 2015	
<b>Subject:</b> Revenue Outturn 2014/15 – Epping Forest	<b>Public</b>	
<b>Report of:</b> The Chamberlain and the Director of Open Spaces	<b>For Information</b>	

### Summary

This report compares the revenue outturn for the services overseen by your Committee in 2014/15 with the final agreed budget for the year. In total, there was a better than budget position of £201,000 for the services overseen by your Committee compared with the final agreed budget for the year as set out below.

	<b>Final Agreed Budget</b> <b>£000</b>	<b>Outturn</b> <b>£000</b>	<b>Increase/ (Decrease)</b> <b>£000</b>
<b>Local Risk</b>			
Director of Open Spaces	2,691	2,612	(79)
City Surveyor	1,053	905	(148)
<b>Central Risk</b>	546	559	13
<b>Recharges</b>	985	998	13
<b>Total</b>	<b>5,275</b>	<b>5,074</b>	<b>(201)</b>

The Director's better than budget position of £79,000 (Local Risk) has been aggregated with budget variations on services overseen by other committees, which produces an overall better than budget position of £846,000 (Local Risk) across all Open Spaces. It is proposed to carry forward £437,000 of this underspend. These requests will be considered by the Chamberlain in consultation with the Chairman and Deputy Chairman of the Resource Allocation Sub Committee.

The City Surveyor's £148,000 underspend is mainly due to re-phasing of the additional works programme over its 3 year life, expenditure has been planned for later years. In the tables, figures in brackets indicate income or in hand balances, increases in income or decreases in expenditure.

### **Recommendations**

It is recommended that this revenue outturn report for 2014/15 and the consequential implications for the 2015/16 budget are noted.

## **Main Report**

### **Budget Position for 2014/15**

1. The 2014/15 latest approved budget for the services overseen by your Committee received in November 2014 was £4.770M. This budget was endorsed by the Court of Common Council in March 2015 and subsequently updated for approved adjustments. Movement of the original Local Risk budget to the final agreed budget is provided in Appendix A.

### **Revenue Outturn 2014/15**

2. Actual net expenditure for your Committee's services during 2014/15 totalled £5.074M, an underspend of £201,000 compared with the final agreed budget.
3. A summary comparison with the final agreed budget for the year is tabulated below. In the tables, figures in brackets indicate income or in hand balances, increases in income or decreases in expenditure.

Epping Forest  
Comparison of 2014/15 Revenue Outturn with Final Agreed Budget

	Final Agreed Budget £000	Revenue Outturn £000	Variation Increase/ (Decrease) £000	
<b>LOCAL RISK</b>				
<b>Director of Open Spaces</b>				
Epping Forest	2,665	2,526	(139)	a
Epping - CBT	0	0	0	
HLF - Branching Out Project	7	10	3	
Chingford Golf Course	(76)	(12)	64	b
Wanstead Flats	123	130	7	
Woodredon & Warlies	(28)	(42)	(14)	
<b>Total Director of Open Spaces Local Risk</b>	<b>2,691</b>	<b>2,612</b>	<b>(79)</b>	
<b>City Surveyor</b>				
City Surveyors Local Risk	257	359	102	
Additional Works Programme	796	546	(250)	
<b>Total City Surveyor Local Risk</b>	<b>1,053</b>	<b>905</b>	<b>(148)</b>	c
<b>TOTAL LOCAL RISK</b>	<b>3,744</b>	<b>3,517</b>	<b>(227)</b>	
<b>CENTRAL RISK</b>				
Epping Forest	518	531	13	
Wanstead Flats	28	28	0	
<b>TOTAL CENTRAL RISK</b>	<b>546</b>	<b>559</b>	<b>13</b>	
<b>RECHARGES</b>				
Insurance	71	89	18	
Support Services	433	394	(39)	
Surveyor's Employee Recharge	234	243	9	
I. S. Recharge	81	102	21	
Recharges Within Fund (Directorate & Corporate Dem Core)	152	142	(10)	
Recharges to other Funds (Woodredon & Warlies)	14	28	14	
<b>TOTAL RECHARGES</b>	<b>985</b>	<b>998</b>	<b>13</b>	
<b>OVERALL TOTAL</b>	<b>5,275</b>	<b>5,074</b>	<b>(201)</b>	

\* See paragraph 7

## Local Risk Carry Forward to 2015/16

4. Chief Officers can generally request underspends of up to 10% or £500,000 (whichever is the lesser) of the final agreed local risk budget to be carried forward, so long as the underspending is not fortuitous and the resources are required for a planned purpose. Such requests are subject to the approval of the Chamberlain in consultation with the Chairman and Deputy Chairman of the Resources Allocation Sub Committee.
5. Overspends are carried forward in full and are met from the agreed 2015/16 budgets.
6. The Director's better than budget position of £79,000 (Local Risk) has been aggregated with budget variations on services overseen by other committees which produce an overall better than budget position of £846,000 (Local Risk) of which £437,000 has been submitted for a carry forward as outlined below:
  - i) £35,000 for the Installation of heat exchange equipment to recycle waste heat at the Cemetery.
  - ii) The Directorate require £30,000 Specialist consultancy for user questionnaires and analysis which aligns with the Open Spaces Learning Programme as part of Service Based Review, £25,000 for a Business Analyst to undertake work in support of the Sports Programme (part of the SBR), £25,000 for the engagement of a specialist consultant to undertake an options appraisal to consider operating models and market potential for sports provision which is part of the Service Based Review sports programme, and a further £95,000 as a contribution to partly fill a shortfall in the budget which was previously met centrally and currently awaiting the outcome of a CBT funding application.
  - iii) £32,000 for the engagement of a temporary para-legal Wayleave Officer to update Oracle R12 and secure income as part of the Service Based Review is required by Epping Forest.
  - iv) Further to an approved business case £16,000 is required to replace a vehicle for the Hampstead Heath Constabulary, which was ordered during 2014/15 but not supplied before year end.
  - v) £75,000 is required by Epping Forest for a specialist Tractor/Crane designed to increase productivity of wood chipping and reduce health & safety liabilities from RSI and Hand/Arm vibration. The business case was approved in 2014/15 but the supply is still awaited. A further £40,000 is required for landlord responsibilities to improve wiring, flooring etc ahead of Additional Works Programme investment following a recommendation by Environmental Health (L.B.Waltham Forest).

vi) £24,000 is required by Queens Park for new play equipment partly funded by community donations.

vii) £40,000 is required by West Ham Park for an 'invest to save' project as part of the Service Based Review to undertake improvements to vacant lodges to bring them up to a suitable standard for letting. Combined income will off-set carry forward after 2 years and aligns with the Corporate Asset Realisation Programme.

### **Reasons for Significant Variations**

7. a) The £139,000 underspend at Epping Forest is due to a decrease in expenditure (£86,000) through vacancies and an undelivered tractor (a carry forward has been requested for this), and an increase in income (£53,000) mainly due to an excess in Rental Income, part of the underspend was planned to address the shortfall in income at Chingford as mentioned in the next paragraph.
- b) The £64,000 decrease at Chingford Golf Course is due to an increase in expenditure (£28,000) mainly within employees, and a decrease in income (£36,000) from Golf fees which is due to the club not performing well, there are revised schemes being implemented to redress this.
- c) The £148,000 underspend within the City Surveyor is mainly due to the re-phasing of the Additional Works Programme over its 3 year life (expenditure has been planned for later years), and the volume of quoted works and out of scope works meant there was an overspend on the BRM contract.

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## Appendix A

	<b>£000</b>
<b>Original Local Risk Budget (Director of Open Spaces &amp; City Surveyor)</b>	<b>3,921</b>
<b>Director of Open Spaces</b>	
Employees - Majority of reductions relate to Forest Operations, Football development Officer, and CBT	(198)
Other adjustments - Combination of small increases in Premises and Transport related expenditure, and a small reduction in Transfer to Reserve (Grazing) and Supplies & Services expenditure.	(35)
Income - Decrease in income, the majority of which relates to the reduction in HLF and CBT funding.	195
<b>City Surveyor</b>	
City Surveyor local risk changes are due to re-phasing of the Additional Works Programmes as the 14/15 original includes the full value of the 14/15 programme which is then smoothed out for revised estimates	(139)
<b>Final Agreed Local Risk Budget (Director of Open Spaces &amp; City Surveyor)</b>	<b>3,744</b>