



Natural Environment Board

INFORMATION PACK

NB: Certain matters for information have been marked * and will be taken without discussion, unless the Committee Clerk has been informed that a Member has questions or comments prior to the start of the meeting. These information items have been collated in a supplementary agenda pack and circulated separately.

Date: THURSDAY, 11 JULY 2024

Time: 11.00 am

Venue: COMMITTEE ROOM 2 - 2ND FLOOR WEST WING, GUILDHALL

4. ***NATURAL ENVIRONMENT DIRECTOR'S REPORT**

Report of the Executive Director for Environment.

For Information
(Pages 3 - 6)

7. ***ENVIRONMENT DEPARTMENT HIGH-LEVEL BUSINESS PLAN PROGRESS REPORT (YEAR-END 2023-24)**

For Information
(Pages 7 - 18)

8. ***REVENUE OUTTURN 2023/24**

Joint Report of the Chamberlain and the Executive Director for Environment.

For Information
(Pages 19 - 30)

10. ***CITY GARDENS UPDATE**

Report of the Executive Director for Environment.

For Information
(Pages 31 - 34)

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Committee(s): Natural Environment Board – For Information	Dated: 11 July 2024
Subject: NE Director's Update	Public
Which outcomes in the City Corporation's Corporate Plan does this proposal aim to impact directly?	2, 3, 4, 10, 11, 12
Does this proposal require extra revenue and/or capital spending?	N
If so, how much?	£
What is the source of Funding?	N/A
Has this Funding Source been agreed with the Chamberlain's Department?	Y/N N/A
Report of: Bob Roberts, Interim Executive Director Environment	For Information
Report author: Emily Brennan, Natural Environment Director	

Summary

The purpose of this report is to highlight progress made since the Natural Environment Director's appointment in June 2023 and to update Members on key pan-Division issues and initiatives including the appointment of a new Executive Director Environment.

Recommendation(s)

Members are asked to note the contents of the report.

Main Report

Background

The permanent Natural Environment Director, Emily Brennan, came into post on 5th June 2023 following a period of significant change. The Natural Environment Division was established in 2022 from the previous Open Spaces Department with the aim of being more strategic, joined-up and outward-looking. Prior to Emily's appointment there were two interim Natural Environment Directors in post and the previous Executive Director Environment, Juliemma McLoughlin, was replaced in July 2023 by Bob Roberts as Interim Executive Director Environment.

Current Position

1. **Executive Director Environment**
 - 1.1 A permanent new Executive Director for the Environment Department, Katie Stewart, will join the Corporation on 22 July 2024, replacing the Interim

Executive Director, Bob Roberts, who departs on 28 June. Katie will have induction meetings with Bob before he departs to support a smooth transition. Katie joins the Corporation from Surrey County Council where she is currently Executive Director of Environment, Infrastructure and Planning ([19](#)) "[katie stewart](#)" | [Search](#) | [LinkedIn](#)

2. Natural Environment Director Key Achievements June 2023-June 2024

Emily Brennan, the Natural Environment Director, has now been in post for a year. Key achievements include:

2.1 Strategies and governance

- 2.1.1 Building positive working relationships with Natural Environment Board Chair, Deputy Chair and other Committee Members.
- 2.1.2 Leading the development of a shared vision, mission and strategies for the Natural Environment Division.
- 2.1.3 Ensuring incorporation of Natural Environment priorities into the new Corporate Plan and good NE officer representation in the consultation process.
- 2.1.4 Supporting the appointment and induction of External Advisors to the Natural Environment Board.
- 2.1.5 Supporting the annual NEB dinner.
- 2.1.6 Supporting the review and updating of NEB Terms of Reference.

2.2 Leadership and management

- 2.2.1 Implementing TOM2 across the Natural Environment Division including redeploying all 43 staff at risk of redundancy.
- 2.2.2 Establishing strong leadership for the NE Division through site visits, engagement and relationship-building, listening to and supporting staff, tackling operational gaps and issues, establishing good internal communications, and involving staff in strategic planning.
- 2.2.3 Recruiting strong leaders and managers to the NE Division including Superintendents for NLOS and Epping Forest and the Assistant Director Charity Development.
- 2.2.4 Improving culture and performance including tackling poor performance and behaviours, working with the Business Support team and HR on recruitment, induction, training, development and workforce planning.
- 2.2.5 Building a reputation across the Corporation as an effective leader for the Natural Environment Division, including with City Surveyors, Chamberlains, Town Clerks, Remembrances and City Bridge Foundation.
- 2.2.6 Leading the implementation of a skills audit for the Division to identify and better utilise expertise and knowledge.
- 2.2.7 Leading the development of 5-year business plans for the NE Division, piloting a new, adaptable business plan template to meet the needs of the teams, the Division, and the NE charities.

2.3 Projects and programmes

- 2.3.1 Driving forward the Natural Environment Charities Review, enabling improved governance and more opportunities for income generation.
- 2.3.2 Improving NE involvement in the Operational Property Review and buildings maintenance backlog work (the 'Bow Wave').

- 2.3.3 Commissioning a Natural Capital Audit for CoL's open spaces.
- 2.3.4 Leading rescoping of the Carbon Removals Project for the open spaces (part of the Climate Action Strategy).
- 2.3.5 Tackling challenging issues e.g. deer management at Epping Forest to enable the development and implementation of effective governance and implementation.

2.4 Financial and risk management

- 2.4.1 Improving financial planning and management across the Division, delivering balanced budgets.
- 2.4.2 Ensuring risk management and reporting are done consistently across the Division, including elevating specific risks such as dangerous trees and buildings maintenance backlog to the departmental / corporate level.

2.5 Communication and engagement

- 2.5.1 Championing the work of the Division internally and externally e.g. through proactive and reactive media coverage and attendance at high profile events e.g. Night of the 10,000 Personal Bests at Hampstead Heath and the West Ham Park 150th anniversary celebrations.
- 2.5.2 Launch of the Natural Capital Audit and the Natural Environment vision, mission and strategies at the NEB Dinner in January 2024, maximising impact and profile for the Division.
- 2.5.3 Continue to drive forward major projects and programmes e.g. the Carbon Removals Project and the new Parliament Hill Athletics Track.

3. Natural Environment Board Away Day 2024

- 3.1 The NEB Away Day will be held on Thursday 3 October, 8.45am -12.30 at the Guildhall followed by lunch in one of the Members' Dining Rooms.
- 3.2 The agenda will include sessions on volunteering, NE business planning and prioritisation, income generation, and the Youth Natural Environment Board.

Financial implications - None

Resource implications - None

Legal implications - None

Risk implications - None

Equalities implications – The work of the NE Director and the NE Division supports the Corporation's equality, diversity and inclusion work and all officers have an EDI objective in their start of year appraisal.

Climate implications – The work of the NE Director and NE Division supports implementation of the Corporation's Climate Action Strategy, particularly through delivery of the Carbon Removals Project.

Security implications - None

Conclusion

Excellent progress has been made in strategical and operational matters across the Natural Environment Division over the past year. The NE Director has stabilised and

grown the staff team, is leading positive culture change within the Division and is facilitating cross-team and cross-departmental working. The Interim Executive Director has provided essential guidance and support on governance processes and on communications, and is working on a smooth handover to the permanent Executive Director Environment.

A number of key strategic, pan-Division initiatives have been successfully delivered including the development of a vision, mission and strategies for the Natural Environment and the production of a Natural Capital Audit for the Corporation's open spaces.

Appendices- None

Emily Brennan

Natural Environment Director, Environment Department

T: 07599 200587

E: emily.brennan@cityoflondon.gov.uk

Committee(s)	Dated:
Natural Environment Board	11 July 2024
Subject: Environment Department high-level Business Plan 2023/24 – Progress Report (Year End, April 2023-March 2024)	Public
Which outcomes in the City Corporation’s Corporate Plan does this proposal aim to impact directly?	<ul style="list-style-type: none"> • Diverse engaged communities • Vibrant thriving destination • Providing excellent services • Flourishing public spaces • Leading sustainable environment
Does this proposal require extra revenue and/or capital spending?	No
Report of: Bob Roberts, Interim Executive Director, Environment	For Information
Report author: Joanne Hill, Environment Department	

Summary

This report provides an update on progress made by the Natural Environment Division and City Gardens towards delivery of the Environment Department’s high-level Business Plan 2023/24.

The report summarises the progress that has been made against major workstreams and performance measures during 2023/24. An update on the financial position is provided in the separate Chamberlain’s Revenue Outturn Report also presented to this Committee.

Recommendation

Members are asked to:

- Note the content of this report and its appendices.

Main Report

Background

1. The Natural Environment Board (then the Open Spaces and City Gardens Committee) approved the Environment Department’s high-level Business Plan 2023/24 on 13 February 2023. The Business Plan set out the priority strategic workstreams and key performance indicators (KPIs) for the year ahead for the Natural Environment Division and City Gardens. The high-level Plan is supported by detailed charity, service and team work plans.
2. To ensure the Natural Environment Board is kept informed, progress made against the high-level Business Plan is reported every six months. This approach

allows Members to ask questions and have a timely input into areas of particular importance to them.

Current Position

Major workstreams

3. The high-level Business Plan set out the priority workstreams that would be undertaken during 2023/24. Throughout the year, Members have been kept informed of the progress of specific workstreams by way of regular Assistant Director Update reports and/or separate detailed reports. An overall summary of progress is presented at Appendix 1.

Performance Measures

4. Ten Key Performance Indicators were identified in the high-level Business Plan. These measures are monitored to assess performance against targets and the progression of key workstreams. Details of performance to the end of March 2024 is provided at Appendix 1.

Awards/Achievements

5. City Gardens: Friends of City Gardens achieved GLA Rewilding Funding for Bunhill Fields.
6. The Learning Team expanded work with new youth and community groups, including: Family Action UK; Wanderers of Colour; Transition Kentish Town; and City of London Early Help Team.
7. The Learning Team led a holiday learning project to extend the reach of City of London cultural opportunities to those who may not otherwise access them. Evaluation showed a 28% increase in feelings of confidence to explore our spaces.

Corporate & Strategic Implications

Strategic implications – The monitoring of key workstreams and performance measures links to the achievement of the aims and outcomes set out in the Corporate Plan.

Financial Implications – Financial implications are addressed in the separate Chamberlain’s Revenue Outturn report.

Resource implications – Recruitment to vacant posts across the service areas continued throughout the year and is now progressing well.

Risk implications - Risks to achieving the objectives set out in the Business Plan are identified and managed in accordance with the City of London Risk Management

Framework. Risk Registers are reported to the Natural Environment Board and the Charity Management Committees quarterly.

Climate implications – The Climate Action Strategy is supported by a range of workstreams being undertaken by the Natural Environment Division and City Gardens. Progress against these is regularly reported to Members.

Charity implications - Many of the Natural Environment sites are registered charities. Any decisions must be taken in the best interests of the relevant charity.

Appendices

Appendix 1 – Progress against key workstreams

Appendix 2 – Progress against key performance indicators

Contact

Joanne Hill, Business Planning and Compliance Manager, Environment Department

T: 020 7332 1301

E: Joanne.Hill@cityoflondon.gov.uk

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Progress against key workstreams 2023-24
1 April 2023 – 31 March 2024

Ref:	Workstream	Progress 2023-24
1.	Refine the elements of the Natural Environment Charity Review for approval, working with the Comptroller and City Solicitor and the Corporate Charity Review Group to ensure each charity is fit for purpose.	<ul style="list-style-type: none"> • The NECR is a transformation project seeking improvements to the NE charities that will facilitate changes ensuring the charities can operate in a self-determining and financially secure way into the future. • Between July 2023 and March 2024, the NECR identified, via a cross departmental officer Task and Finish group highlighting 22 areas of improvement for the charities. • In this period 14 workstreams were completed, with 8 still in progress which will inform or relate to further planned work. • During the scoping phase, more systematic areas of challenge were identified which would require further funding and expertise. • Since March 2024 the NECR has moved into development phase, further expanding the issues and potential solutions to those fundamental problems for the charities uncovered during scoping.
2.	Embed the transformation plans for Phase Two of the Target Operating Model.	<ul style="list-style-type: none"> • Phase Two of the Target Operating Model has been implemented across the Natural Environment Division. All staff at risk of redundancy have been redeployed and the majority of the vacancies have been filled or are currently being recruited to. • A series of workshops for NE Division staff will be held in June and July to give officers the opportunity to feed back what is working well, what isn't working well and where there are staffing gaps and/or overlaps. This feedback will be reviewed by the NE Leadership Team who will make recommendations accordingly.
3.	Ensure the safety of our buildings and assets by collaborating with the City Surveyor's Department on the Operational Property Review to prioritise and carry out essential repairs and maintenance.	<ul style="list-style-type: none"> • The Corporation has approved funding to address the significant maintenance backlog, including of the Natural Environment Division's built assets. Officers are working closely with colleagues in the City Surveyor's Department (CSD) formally assess, allocate and prioritise the funding allocated to the Environment Department to areas of most need. • A condition survey of high-priority lodges was undertaken and work is underway to feed back the findings and prioritise work internally and with CSD.

Ref:	Workstream	Progress 2023-24
		<ul style="list-style-type: none"> • A full review of Natural Environment assets is underway. The outcome will be the compilation of a comprehensive, accurate asset register which will enable us to identify ownership of our assets. • A Charity Asset Officer is under recruitment as part of the Natural Environment Charity Review (NECR) to ensure assets are recorded correctly and consistently. Value and condition may form part of that project. • Officers also continue to seek alternative funding or other opportunities to enable repair and maintenance works to be undertaken outside the Cyclical Works Programme (CWP).
4.	Further develop, and commence implementation of, the core Natural Environment strategies in line with Corporate strategies.	<ul style="list-style-type: none"> • The four Natural Environment Strategies have been finalised, were launched at the Natural Environment Board Dinner in January 2023 have been shared on our public-facing website. These strategies are being implemented through the development and delivery of business plans for each Charity; a new business plan template has been produced which enables recording of which of the 4 strategies each project/workstream contributes to.
5.	Continue to progress the Carbon Removals project.	<ul style="list-style-type: none"> • The project was rescoped in autumn 2023 and approved by Policy and Resources Committee in January 2024: delivery of the rescoped project is now underway. • Late in 2023 consultants began to prepare details on the new added element of the project: “Basine protection”, i.e. protecting our habitats’ carbon sequestration capacity. This work is expected to complete between April and August 2024. • The process to recruit a new Carbon Removal Project Manager commenced in March 2024.
6.	Develop income generating activities and continue to investigate further opportunities for funding.	<ul style="list-style-type: none"> • The Assistant Director Charities and Development is leading on analysis of extant income streams and priority rating of new or extended funding sources for the Natural Environment charities. This will support the developing Charity Review and Fundraising Strategy. • At the North London Open Spaces (NLOS), recruitment for a Head of Development and Partnerships will proceed in April 2024; the new postholder will then recruit a Business Development Officer. • NLOS officers are exploring the ability to partner with third-party providers to expand the filming and wedding offer and associated income; and have set goals to increase commercial event income during FY' 2024-25.

Ref:	Workstream	Progress 2023-24
7.	Review digitalisation of services to achieve efficiency gains.	<ul style="list-style-type: none"> • North London Open Spaces is procuring/building a replacement booking system for swimming operations. This will simplify the existing system, improve customer experience, and minimise overhead costs. • Other developments under consideration include a new online platform for the Constabulary to capture and analyse data; and a system to streamline the administration of commercial dog walking licences on Hampstead Heath.
8.	Develop Gift Aid system for the Natural Environment Charities.	<ul style="list-style-type: none"> • Hampstead Heath Charity and Highgate Wood and Queen's Park Charity are able to receive Gift Aid if donations are made through Just Giving which is able to collect Gift Aid on the charities' behalf from HMRC. Once the new Head of Development and Partnerships has been appointed, the scheme will be extended to West Ham Park. • Epping Forest has completed registration for Gift Aid and is embedding this functionality into the existing CRM system for donations and other income streams where applicable.
9.	Support the development of volunteer skills, networks and confidence, and improve volunteer wellbeing.	<ul style="list-style-type: none"> • It is recognised that much of this work is undertaken by third party/partner organisations. • North London Open Spaces is in the process of renewing the agreement with Heath Hands, which delivers numerous and voluminous benefits such as a varied programme of walks, talks, training workshops and social events runs throughout the year. • West Ham Park has an ongoing commitment to work with volunteers via the Friends of West Ham Park.
10.	Epping Forest: complete the Countryside Stewardship Scheme application for remaining Forest Buffer Lands and Wanstead Park.	<ul style="list-style-type: none"> • During the year, work focussed on submitting a Countryside Stewardship Scheme application for the second half of Epping Forest. • The plan for Copped Hall was clarified. • An application for the Buffer Lands is still planned and will proceed when resources are available to do so. • Initial work needs to be carried out on the Wanstead Park project before a CSS application can be made.
11.	Work with local partners on the inclusion of Burnham Beeches and Stoke Common within an extended Chilterns Area of Outstanding Natural Beauty (AONB).	<ul style="list-style-type: none"> • Chilterns Area of Outstanding Natural Beauty has not yet made any progress with its boundary review.

Ref:	Workstream	Progress 2023-24
12.	Continue to work closely with stakeholders on the Burnham Beeches landscape scale habitat management programme.	<ul style="list-style-type: none"> • Partnership meetings continued to be held during the year, with a draft Memorandum of Understanding circulated for development in 2024/25.
13.	The Burnham Beeches Team will work with Buckinghamshire Borough Council to deliver the agreed Strategic Access Management and Monitoring program; and with Slough Borough Council to deliver Section 106 agreements	<ul style="list-style-type: none"> • An annual report of activity has been produced and circulated to partners. • Our Community Engagement Rangers are having a positive impact, and development of essential monitoring systems was established in 2023/24. • Developer contributions to deliver the SAMMs collected by Buckinghamshire Borough Council have been transferred to the City of London.
14.	Continue to provide learning programmes for schools and for children with special educational needs which build wellbeing and nature connection.	<ul style="list-style-type: none"> • During the 2023-24 the Learning Programme engaged audiences across Hampstead Heath (including Parliament Hill Fields and Golders Hill Park), Highgate Wood, Epping Forest (including Barn Hoppitt and Wanstead Flats), and West Ham Park, with a total of 40,000 participants. • 88% of participants reported feeling 'connected' or 'very connected' to nature after taking part. • A detailed update on the Learning Programme's performance during 2023-24 was presented to the Natural Environment Board in May 2024.
15.	City Gardens Deliver the Biodiversity Action Plan; deliver improvement schemes along biodiversity routes as part of the Climate Adaptation Strategy; develop a Climate-resilient planting catalogue; and deliver a street tree development programme under the Woodland Creation Accelerator Fund.	<ul style="list-style-type: none"> • The Biodiversity Action Plan progressed during 2023-24 with actions and target dates reviewed. • The Biodiversity Partnership Group was reformed with the aim of fostering a network of external organisations who can collaborate and support one another to deliver the Biodiversity Action Plan. The Group has since formed three subgroups made up of City of London officers and external organisations, to focus on: <ul style="list-style-type: none"> ○ Communications: identify opportunities to engage with City community to raise awareness of the BAP and support biodiversity in the Square Mile. ○ Pollinators in the City: develop guidance on supporting pollinators in the built environment by enabling a biodiversity partnership working group. ○ Biological Recording in City: increase understanding of biodiversity in the Square Mile through systematic surveys and species recording.

Ref:	Workstream	Progress 2023-24
		<ul style="list-style-type: none"> • A plant species list has been produced and is being employed in new projects. The list will be reviewed and improved annually as lessons are learnt. We will also share the list with external partners and ask for their feedback.
16.	<p>City Gardens Replace the City Gardens Team's existing diesel fleet with fully electric vehicles.</p>	<ul style="list-style-type: none"> • The first of the new electric vehicles has been delivered and is now in use. • There has been a delay with the build of the remaining electric vehicles, but these are expected to be delivered before summer 2024.

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**Progress against Key Performance Indicators
1 April 2023 – 31 March 2024**

↑	The annual performance of this indicator is on or above target .
↓	The annual performance of this indicator is below target .

Performance Measure	Performance 2022-23 (full-year result)	Target 2023-24	Performance mid-year 2023-24 (Apr-Sep 2023)	Performance 2023-24 (full year result)
Retain our Green Heritage Site Accreditation.	13 Awards	13 Awards	13 Awards ↑	13 Awards ↑
Retain our Green Flag Awards.	14 Awards	14 Awards	14 Awards ↑	14 Awards ↑
Number of volunteer work hours.	N/A <i>Comparable data for 2022/23 is not available</i>	N/A baseline to be set in 2023/24	The Commons: 7,816 Epping Forest: 3,166 HH, QP & HW: 8,841 West Ham Park: 921 Keats House: 352 Total: 21,906	The Commons: 19,445 Epping Forest: 13,346 HH, QP & HW: 14,706 West Ham Park: 2,565 Keats House: 1,065 Total: 51,127
Number of Ranger days spent interacting with visitors in Burnham Beeches with regards to SAMM commitments and Section 106 agreements.	N/A <i>New measure for 2023/24</i>	>100 days by year end	N/A, annual measure	102 days ↑
Number of visitors to Keats House.	5,149	> 5,149	4,206	7,338 ↑

Performance Measure	Performance 2022-23 (full-year result)	Target 2023-24	Performance mid-year 2023-24 (Apr-Sep 2023)	Performance 2023-24 (full year result)
Number of visitors to The Queens Elizabeth's Hunting Lodge (QEHL) and the Temple at Epping Forest.	QEHL: 10,644 The Temple: N/A <i>Comparable data for 2022/23 is not available</i>	QEHL: >10,644 The Temple: N/A baseline to be set in 2023/24	QEHL: 7,041 Temple: 617	QEHL: 10,572 ↓ Temple: 930
Number of visitors recorded at the Bathing Ponds and Lido at Hampstead Heath.	N/A <i>Comparable data for 2022/23 is not available</i>	N/A baseline to be set in 2023/24	Lido: 181,372 Ponds: 280,137 Total: 461,509	Lido: 249,238 Ponds: 375,835 Total: 625,073 *1
Self-reported perception of wellbeing by Learning Programme participants.	12%	Positive result	9% ↑	10% ↑
Progress toward achieving net zero (carbon) (improvement against baseline).	-16.2 kilo tonnes CO2e	-16.2 kilo tonnes CO2e	-16.2kt CO2e ↑	-16.2kt CO2e ↑
Health and safety accident investigations completed within 21 days.	85%	85% (Corporate target)	87% ↑	82% ↓*2

*1 Swimming visitor figures are based on the number of ticket sale transactions rather than the number of individual tickets, i.e. transactions for multiple tickets are counted as one. Figures are lower for the second half of the year due to seasonal fluctuations in the autumn/winter.

*2 The result for this KPI is for the whole of the Environment Department; figures are not available at a more granular level. Health and safety incidents did not meet the target across the department in 2023-24. All staff have been reminded of the importance of completing accident investigations within 21 days, and a new improved reporting system due to be introduced corporately, should improve future performance.

Agenda Item 8

Committee(s)	Dated:
Natural Environment Board	11 July 2024
Subject: Revenue Outturn 2023/24 – Natural Environment Board	Public
Which outcomes in the City Corporation’s Corporate Plan does this proposal aim to impact directly?	n/a
Does this proposal require extra revenue and/or capital spending?	No
If so, how much?	n/a
What is the source of Funding?	n/a
Has this Funding Source been agreed with the Chamberlain’s Department?	n/a
Report of: Chamberlain Interim Executive Director Environment	For Information
Report author: Clem Harcourt – Chamberlain’s Department	

Summary

This report compares the revenue outturn for the services overseen by your Board in 2023/24 with the final budget for the year. In total, there was an adverse budget position of (£246k) for the services overseen by your Board compared with the final budget for the year as set out in the table below.

The Natural Environment Board is the strategic overarching committee for the entire Natural Environment Division and whilst this report details the 2023/24 revenue outturn position for the Natural Environment Directorate, Learning Programme, City Gardens and Bunhill Fields (see table below), the report also provides a summary of the revenue outturn for all of the sections within the Natural Environment Division (excluding Keats House and The Monument which are reported to the Culture, Heritage and Libraries Committee) as provided in Appendix 2.

	Final Budget	Revenue Outturn	Variation Better/ (Worse)
	£000	£000	£000
Local Risk			
Interim Executive Director Environment	(2,597)	(2,674)	(77)
City Surveyor	(82)	(259)	(177)
Total Local Risk	(2,679)	(2,933)	(254)
Central Risk	(104)	(88)	16
Recharges	691	683	(8)
Total Net Expenditure	(2,092)	(2,338)	(246)

Explanations for significant budget variances are detailed in paragraphs 5 to 8.

The Interim Executive Director Environment had an overall local risk overspend of (£77k) (excluding City Surveyor) for activities overseen by your Board. The Interim Executive Director Environment also had net a local risk underspend totalling £114k on activities overseen by other Committees within his remit, after adjusting for unspent carry forwards from 2022/23. The Interim Executive Director Environment is proposing that £37k be carried forward into 2024/25, none of which relate to your Board. A request has also been made to carry forward £2k in unspent Transformation Fund monies into 2024/25.

Recommendation(s)

Note the report and the proposed carry forward of Transformation Fund underspending into 2024/25.

Main Report

Budget Position for 2023/24

1. The 2023/24 original budget for services overseen by your Board (received in December 2022) was (£1.893m) net expenditure. This budget was endorsed by the Court of Common Council in March 2023 and subsequently updated for approved net increases of (£199k) resulting in a final budget for 2023/24 of (£2.092m) net expenditure. This is explained by the following budget movements:
 - (£173k) increase in your Board's local risk resource base following implementation of the second phase of the Target Operating Model (TOM2) within the Natural Environment Division;
 - (£89k) net increase in local risk budgets following contingency funding provided for cost of living pay increases to staff and centrally funded apprenticeships during 2023/24;
 - (£84k) central risk Transformation Fund monies to support the Operational Property Review within the Natural Environment Division and the IT Transformation project at City Gardens;
 - (£60k) local risk carry forward funding from 2022/23 to support the Biodiversity Action Plan at City Gardens;
 - (£29k) net increase in other budgets primarily attributable to additional recharges largely explained by increased recharges from the Cleansing Services section to City Gardens; and
 - £236k transfer of Directorate contingency funding to support initiatives in other sections of the Natural Environment Division.

2. A reconciliation between the original budget and the final budget for 2023/24 is provided in Appendix 1.

Revenue Outturn 2023/24

3. Actual net expenditure for your Board's services during 2023/24 totalled (£2.338m), an adverse budget variance of (£246k) compared with the final budget of (£2.092m) net expenditure.
4. A summary comparison with the final agreed budget for the year is tabulated below. In the tables, income, increases in income and reductions in expenditure are shown as positive balances, whereas brackets are used to denote expenditure, increases in expenditure, or shortfalls in income. Only significant variances (generally those greater than £50k) are commented on.

Natural Environment Board
Comparison of 2023/24 Revenue Outturn with Final Budget

	Original Budget £000	Final Budget £000	Revenue Outturn £000	Better (Worse) £000	Para
LOCAL RISK					
Interim Executive Director Environment City Gardens	(1,354)	(1,409)	(1,406)	3	
Bunhill Fields	(108)	(116)	(108)	8	
Directorate	(679)	(638)	(742)	(104)	5
Learning Programme	(370)	(434)	(418)	16	
Total Net Expenditure	(2,511)	(2,597)	(2,674)	(77)	
City Surveyors Local Risk (Repairs and Maintenance)	(45)	(42)	(22)	20	
City Surveyors (Cyclical Works Programme)	(40)	(40)	(237)	(197)	6
TOTAL LOCAL RISK	(2,596)	(2,679)	(2,933)	(254)	
CENTRAL RISK					
City Gardens	(20)	(24)	(3)	21	
Directorate	0	(80)	(85)	(5)	
TOTAL CENTRAL RISK	(20)	(104)	(88)	16	
RECHARGES					
Insurance	(20)	(20)	(20)	0	
Admin Buildings	(98)	(98)	(15)	83	
Support Services	(360)	(360)	(359)	1	
Surveyor's Employee Recharge	(62)	(62)	(64)	(2)	
IT Recharges	(62)	(62)	(124)	(62)	
Film Liaison Staff Costs	0	(3)	(4)	(1)	
Capital Charges	(27)	(27)	(29)	(2)	
Recharges Within Fund (Directorate, Democratic Core, & Learning)	2,176	2,139	2,142	3	
Recharges Across Fund (Directorate Recharges)	(824)	(816)	(844)	(28)	
TOTAL RECHARGES	723	691	683	(8)	7, 8
OVERALL TOTAL NET EXP	(1,893)	(2,092)	(2,338)	(246)	

Reasons for Significant Variations

- The (£104k) overspend for the Directorate was largely due to agency costs being required to provide additional HR and health and safety support to the Natural Environment Division following implementation of the TOM2 restructure. This was in addition to extra internal legal fees being incurred during 2023/24 to support the work of the Natural Environment Division. The overspend on the Directorate was partly offset by the contingency budget not being fully utilised.

6. The (£197k) adverse variance within the Cyclical Works Programme (CWP) was largely due to re-phasing of the delivery of CWP projects over the life cycle of the programme relating to conservation works on the Bunhill Fields Burial Grounds project. The CWP is a three-year rolling programme reported to the Projects and Procurement Sub Committee quarterly, where the City Surveyor will report on financial performance and phasing of the projects. Under the governance of the programme, variances on budgets are adjusted for the life of the programme to allow for the completion of works which span multiple financial years.
7. Net recharges for your Board were (£8k) overspent overall compared with the final budget for 2023/24. This is largely due to increased IT recharges (£62k) due to additional costs incurred by the IT Division and higher than budgeted recharges from the Environment Department's Directorate (£28k). The net overspend on recharges was partly offset by £83k reduced cost of administrative buildings being lower than originally anticipated.
8. During 2023/24, a review of central support services recharges was carried out. This involved updating the basis of apportionment for all recharges following the TOM and Governance Review along with trying to make them more transparent and fairer across all services. The updated basis has led to several variations to the original budget across committees, but overall total recharges have remained within the total original envelope. City Fund Original Budget (£29.9m) vs Outturn (£27.9m), and City's Estate Original Budget (£24.2m) vs Outturn (£22.9m). Consultation has been held with areas where recharges are funded from local reserves, i.e. HRA and Police, any variation/increase in costs across other services are met from the deficit funding and have no effect on front-line services. The full review has not yet been formally approved by Members as work is ongoing as how the new basis will affect 2024/25 budgets. Once the review is fully adopted, the 2024/25 budget will be reviewed and updated where necessary and the paper on the review made available.

Local Risk Carry Forward to 2024/25

9. 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 were for a planned purpose that was prevented from happening during the year. Such requests are subject to the approval of the Chamberlain in consultation with the Chairman and Deputy Chairman of the Resources Allocation Sub Committee. In accordance with Financial Regulations, any overall Departmental overspends are carried forward in full and are met from the agreed 2024/25 budgets.
10. The Interim Executive Director Environment had a local risk overspend of (£77k) on the activities overseen by your Board. The Interim Executive Director also had a net local risk underspend totalling £114k on activities overseen by other Committees within his remit, after adjusting for unspent carry forwards from 2022/23. The Interim Executive Director Environment is proposing that his maximum eligible underspend of £37k be carried forward, none of which relates to activities overseen by your Board.

11. Please also note that a request has been made to carry forward £2k in unspent central risk Transformation Fund monies relating to the IT Transformation project at City Gardens into 2024/25.

Natural Environment Division Revenue Outturn – 2023/24

12. Appendix 2 provides a summary of the outturn for the whole Natural Environment Division and City Gardens for 2023/24 which is analysed between the different sections of the Division and provides explanations for significant variances above £50k. Appendix 2 shows total net expenditure of (£19.122m) for 2023/24 for the Natural Environment Division, amounting to an overspend of (£1.894m) compared to the final net expenditure budget of (£17.228m). Please note that the summary excludes the outturn position for both Keats House and The Monument which are reported separately to the Culture, Heritage and Libraries committee. Further detail will be provided in the various outturn reports to the individual Natural Environment service committees.

Conclusion

13. This report presents the revenue outturn position for 2023/24 for the Natural Environment Board for Members to note.

Appendices

- Appendix 1 - Movement between 2023/24 Original Budget and 2023/24 Final Budget
- Appendix 2 – Natural Environment Division – Summary Revenue Outturn – 2023/24

Clem Harcourt

Finance Business Partner (Natural Environment)
Chamberlain's, Financial Services Division

E: Clem.Harcourt@cityoflondon.gov.uk

Appendix 1 - Movement between 2023/24 Original Budget and 2023/24 Final Budget

Natural Environment Board	£000
Original Budget (All Risks)	(1,893)
Original Net Local Risk Budget (Interim Executive Director Environment & City Surveyor)	(2,596)
Interim Executive Director Environment	
Adjustments to resource base following second phase of Target Operating Model (TOM2) within Natural Environment Division	(173)
Contingency funding provided for pay award and centrally funded apprenticeships	(89)
Carry forward funding from 2022/23 local risk underspends to support Biodiversity Action Plan at City Gardens	(60)
Contingency funding covering staff redundancy payments	(40)
Central funding for increased energy prices at City Gardens	(9)
Allocation of Directorate contingency budgets to support initiatives across the Natural Environment Division	236
Local risk funding for implementation of irrigation system to support Finsbury Circus Reinstatement capital project	49
City Surveyor	
Savings on Integrated Facilities Management (IFM) following implementation of new contract	3
Final Net Local Risk Budget	(2,679)
Central Risk	
Original Central Risk Budget (Interim Executive Director Environment)	(20)
Transformation Fund monies to support work around Operational Property Review within Natural Environment Division	(80)
Carry forward of unspent Transformation Fund budget to support IT Transformation at City Gardens	(4)
Final Central Risk Budget	(104)
Recharges	
Original Recharges Budget	723
Re-apportionment of costs recharged from Directorate and Learning Team to other sections of Natural Environment Division	106
Reduced recharges from Environment Department Directorate	8
Increased Cleansing Services recharges to City Gardens	(143)

2023/24 Film Liaison team recharges to support filming activities at City Gardens	(3)
Final Recharges Budget	691
Final Budget (All Risks)	(2,092)

2023/24 Revenue Outturn Summary for Natural Environment Division

Summary of Natural Environment Division	Original Budget £000	Final Budget £000	Revenue Outturn £000	Better/ (Worse) £000	Para
Local Risk					
Interim Executive Director, Environment					
Natural Environment Board	(2,511)	(2,597)	(2,674)	(77)	1
West Ham Park	(639)	(658)	(636)	22	
Epping Forest	(2,534)	(3,248)	(3,248)	0	
The Commons	(1,471)	(1,635)	(1,638)	(3)	
Hampstead Heath, Highgate Wood & Queen's Park	(4,948)	(4,612)	(4,374)	238	2
	(12,103)	(12,750)	(12,570)	180	
City Surveyor					
Natural Environment Board	(85)	(82)	(259)	(177)	3
West Ham Park	(65)	(109)	(146)	(37)	
Epping Forest	(896)	(971)	(524)	447	4
The Commons	(159)	(156)	(249)	(93)	5
Hampstead Heath, Highgate Wood & Queens Park	(757)	(774)	(1,377)	(603)	6
	(1,962)	(2,092)	(2,555)	(463)	
Total Local Risk	(14,065)	(14,842)	(15,125)	(283)	
Central Risk					
Natural Environment Board	(20)	(104)	(88)	16	
West Ham Park	(25)	(25)	(33)	(8)	
Epping Forest	(444)	(521)	(511)	10	
The Commons	(50)	(56)	(74)	(18)	
Hampstead Heath, Highgate Wood & Queens Park	2,039	2,037	885	(1,152)	7
Total Central Risk	1,500	1,331	179	(1,152)	
Recharges					
Natural Environment Board	723	691	683	(8)	
West Ham Park	(404)	(394)	(433)	(39)	
Epping Forest	(1,448)	(1,598)	(1,841)	(243)	8
The Commons	(480)	(485)	(535)	(50)	9
Hampstead Heath, Highgate Wood & Queens Park	(1,982)	(1,931)	(2,050)	(119)	10
Total Recharges	(3,591)	(3,717)	(4,176)	(459)	
Total Net Expenditure	(16,156)	(17,228)	(19,122)	(1,894)	

Reasons for Significant Variances

1. The (£77k) adverse variance is primarily explained by an overspend on the Directorate's budget as a result of agency costs being required to provide additional HR and health and safety support following implementation of a staffing restructure within the Natural Environment Division. This was in addition to extra internal legal fees being incurred.
2. The £238k underspend is largely attributable to savings in employment costs as a result of staffing vacancies being held whilst a staffing restructure was undertaken. The underspend can also be explained by additional income generated from tennis and car parking as well as from the Ponds and Lido swimming facilities at Hampstead Heath.
3. The (£177k) adverse variance largely relates to the Cyclical Works Programme (CWP) due to the re-phasing of CWP projects over the life cycle of the programme for conservation works at Bunhill Fields Burial Grounds.
4. The £447k underspend can predominantly be explained by the re-phasing of works falling under the CWP at Epping Forest for a range of various projects including works relating to the Copped Hall Estate.
5. The overspend of (£93k) at The Commons is attributable to the re-phasing of CWP projects at Burnham Beeches. This is in addition to extra expenditure incurred on the corporate contract for building repairs and maintenance and cleaning at both West Wickham & Coulsdon Commons and Ashted Common.
6. The (£603k) adverse variance is explained by the re-phasing of projects falling under the CWP such as works at Sandy Heath and the upgrade of the electrical system at Highgate Wood. This was on top of additional expenditure incurred on reactive works at the Lido at Hampstead Heath.
7. The (£1.152m) adverse variance is predominantly attributable to reduced investment and dividend income generated from the Hampstead Heath Trust compared with budget as a result of a lower yield generated from dividends. This was attributable to the level of inflation and interest rates during 2023/24 which had an impact on corporate earnings. In addition, strategic adjustments were made to the Trust's portfolio during 2023/24 in order to support the long-term growth of the portfolio which has resulted in lower income from dividends being achieved in the short-term.
8. Total net recharges were (£243k) higher than budgeted at Epping Forest. This can be explained by additional IT recharges as well as increased recharges from corporate departments following a review of the apportionment bases used to calculate central support recharges.
9. The (£50k) overspend is largely explained by additional recharges from the IT Division at Burnham Beeches, West Wickham & Coulsdon Commons and Ashted Common.

- 10.** There was a (£119k) overspend in the net cost of recharges which can largely be explained by additional recharges from the IT Division as well as increased structural maintenance recharges from the District Surveyor to Hampstead Heath.

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Committee:	Date:
Natural Environment Board	11 July 2024
Subject: City Gardens Update	Public
Which outcomes in the City Corporation’s Corporate Plan does this proposal aim to impact directly?	1)Diverse Engaged Communities 2)Leading Sustainable Environment 3)Providing Excellent services 5)Vibrant Thriving Destination 6)Flourishing Public Spaces
Does this proposal require extra revenue and/or capital spending?	N/A
If so, how much?	N/A
What is the source of Funding?	N/A
Has this Funding Source been agreed with the Chamberlain’s Department?	N/A
Report of: Bob Roberts, Interim Executive Director Environment	For Information
Report author: Jake Tibbetts, City Gardens Manager	

Summary

This report provides an update to Members of the Natural Environment Boards on current management and operational activities across the City Gardens section.

Recommendation

Members are asked to:

- Note the report

Main Report

Personnel

1. City Gardens are currently recruiting for a new Team Leader, the Keeper Role and three gardeners.

Procurement

2. At the time of writing tenders had been received for both the tree works contract and the design and consultation for the playground at Tower Hill Gardens.

Operational Activities

3. **Tower Hill Gardens:** A public consultation exercise on the new playground will which will feed into the design will take place over the summer. Members will have the opportunity to comment on the proposed designs at a later committee.
4. **Friends of City Gardens:** The FoCG are progressing with delivering the rewilding works at Bunhill Fields, this includes :
 - the establishment of new shade beds
 - enhanced woodland habitat through planting native plants and ferns
 - improving habitat for ground nesting bees
 - improved grass areas through introducing wildflower species
 - planting of new trees
 - increased biodiversity of planting across the site
 - delivering outdoor learning sessions for young adults, local children, residents and workers via ecology, integration boards and guided walks
 - A number of corporate volunteer events have also been delivered
5. **Bunhill Fields:** Works has started on making safe a leaning wall in the north western part of the site. Parkguard are attending site more regularly to focus on encouraging responsible dog ownership, this will continue until the new keeper is in post.
6. **Business Improvement Districts:** A programme of sporting and cultural events are being planned in conjunction with the BIDS in a number of City Gardens Sites. These include:
 - Yoga and Yogalates in Christchurch Greyfriars
 - Bollywood dance in Postmans Park
 - Bootcamp in Barbers Sugeons
 - Table cricket in conjunction with The Lords Taverners in Christchurch Greyfriars
 - Outdoor screening of sporting events and films at Seething Lane
7. The open mic sessions that were being planned in Aldgate Square will not be proceeding in their original format, however, the Aldgate BID will be hosting four Aldgate Sounds live music sessions on evenings throughout August.

8. A meeting between City Gardens and representatives from all of the BIDs was held to consider how to deliver a full programme of events in City Garden sites over the course of next year.
9. City Gardens are in advanced contractual discussions with the EC bid to fund an additional Gardener for the EC area, this gardener will focus on raising the quality of key sites.

Project Updates

10. Current projects
 - 1 Cheapside/ Sunken Gardens; the planting is complete, the final hard landscaping works are due to be finished within the next few weeks.
 - Jubilee Gardens – A climate resilient scheme that will feature a relative high volume of new trees for the size of the site. This scheme is on site and it is intended that planting will take place in October
 - Moorgate London Wall – a redesign of the area around the oldest Oak tree in the Square Mile, will be delivered this winter
11. **Finsbury Circus:** Maylim, the main contractor, took occupation of the site 20th November 2023.
 - I) Physical works Completed since last update:
 - Paving installed to SE & NE
 - Soakage trenches dug in North & South of Lawn (outside LUL Zone)
 - Lawn Planters dug and filled with sub-soil to East & West Lawn
 - LuL Zone de-compacted
 - Park Office & Yard relocation design agreed
 - II) Works planned for coming month:
 - Updated Method Statement to be issued (Tree works Arboriculturist)
 - Updated Levels design & drawings to be issued
 - Install foundation for Park Office & Yard
 - Installation of paving in Outer Perimeter Pathway
 - III) Works have been delayed slightly during the current period. The tree roots in the area of the planned office and in some locations of the path network have proven to be higher in depth and more extensive than anticipated. This has meant there has had to be a redesign to parts of the paths and the office location to ensure that the impact of the development on the trees' health is as small as possible. The programme is therefore delayed slightly with completion date likely in early 2025. A site visit for NEB members around Finsbury Circus is being planned for September, this will be circulated shortly. Official opening, attended by the Lord Mayor being planned for early Summer 2025 .

- IV) City Gardens are developing the Finsbury Circus Events Policy, this will be completed by the time the gardens open, the first draft will be presented to committee at a October NEB.

Events

12. London in Bloom judging is taking place in the City on the 3rd July.
13. The members tour took place on the 12th June. Members were taken to a range of City Gardens to see meet a range of staff from the team, to hear about projects, challenges and innovation within the Team.

Jake Tibbetts

City Gardens Manager

E: jake.tibbetts@cityoflondon.gov.uk