

## **Appendix 2 - Forest 1 Budget Summary**

### **Preamble**

The "Forest 1" Countryside Stewardship grant started in 2020, and is due to be completed in 2029. It will deliver surgery on over 2100 veteran trees, extensive wood pasture, grassland, heathland management as well as management of Loughton Camp.

The original delivery approach was to use in-house arborists and volunteers to deliver the majority of the work. Now in-house arborists need to focus on tree safety during 2023-4. During this time contractors will be used to deliver their work. In the situation that the in-house arborists will need to remain largely on tree safety work until 2029 a budget analysis has been done to calculate if the remainder of the work can be delivered by contractors if it needs to be; this is separate to the work that will be undertaken by volunteers.

- Expected grant income 2020-2029 = £1.747 million
- Budget spent to date = £ 330,865
- Remaining expected income = £1.416 million

### **Basis of budget calculations**

- o Indicative prices from contractors in 2023 were used to calculate costs.
- o Contracting out all the remaining 1651 veteran tree surgery works, with accompanying required creation of new pollards and minor felling in the areas of veteran tree works.
- o Contracting out the remaining wood pasture restoration works where there are works unable to be done by volunteers. It is very difficult to calculate how much the remaining wood pasture restoration works will cost. The cost of the veteran tree works would leave around c. £600,000 and based on recent contracts it is felt this should be sufficient to deliver what is required.
- o Minor additional works will include things like bracken spraying on the heathlands to reduce their smothering desirable heathland plants.

### **It is assumed**

- o Any grass cutting already delivered by contractors or in-house team will continue on the same basis and not be paid for from the grant.
- o The chipping up of volunteer brush piles will continue to be done in-house.
- o Volunteers will continue to undertake work on Forest 1 habitat areas, largely undertaken by the Epping Forest Heritage Trust and Epping Forest Conservation Volunteers.
- o All the flailing will continue to be done in-house within the Estates & Conservation Team.
- o There will continue to be no cost for collection of arisings (wood chip or timbers) from Bury Road through an ongoing relationship with a local farmer.
- o In order to ensure that in the situation where in-house arborists do not restore any capacity to deliver Forest 1 work, the calculations have been done to see if contractors could deliver all the larger-scale work for the remainder of the contract. In reality in-house arborist teams should progress on tree safety works before 2029 to allow them

to transition back to delivering part of the Forest 1 agreement; in this situation less money will be spent on contractors and any remaining grant funds will be used to contribute to staff costs within Epping Forest Local Risk.

### **Caveats & Consequences**

- Costings are based on indicative prices from 4 contractors obtained in spring 2023 so will rise over time.
- A 4% annual inflation is based on information from Tender Price Inflation (TPI) average (Oct 22) from Quantity Surveyors -Cost Consultants. Inflation could be subject to further economic instability.
- No contingency has been built in, if it is then this will need to be met from Epping Forest Local Risk.
- The income is based on all the habitat work being done and making associated grant claims.
- Staff costs are not factored in to the proposed spends as the staff required to deliver this are already employed – no new staff are required for this project, the undertaking is within the remit of existing roles.
- The increased requirement of procuring contractors and managing contracts will need to be undertaken within the Estate & Conservation Management Team.

### **Budget Summary**

	<b>Income Capital</b>
Income 2020-2029	£1,747,860
Spent to date	£330,865
<b>Remainder</b>	<b>£1,415,995</b>
Projected veteran tree spend if all done by contractors	£710,275
Projected new pollard and minor felling spend if all done by contractors	£107,408
Projected wood pasture restoration contractor work spend	£598,312
<b>Projected spend</b>	<b>£1,415,995</b>