

Committee(s)	Dated:
Hampstead Heath, Highgate Wood and Queen's Park Committee	04/02/2025
Subject: Budget Estimates 2025/26 – Highgate Wood & Queen's Park Charity	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 the funding source been agreed with the Chamberlain's Department?	N/A
Report of: The Chamberlain Executive Director Environment	For Decision
Report Author: Niranjan Shanmuganathan, Chamberlain's Department	

Summary

This report presents for approval the revenue budgets for Highgate Wood & Queen's Park charity for 2025/26, for subsequent submission to Finance Committee.

Overall, the charity's proposed revenue budget for 2025/26 totals (£2.093m) net expenditure, an increase of (£227k) compared to the 2024/25 original budget of (£1.866m).

The proposed budget for 2025/26 has been prepared within the resource envelope allocated to each Chief Officer by Resource Allocation Sub-Committee, including an inflationary increase of 2%.

The resource envelope must be adhered to, as failure to do so will impact Finance Committee's ability to set a balanced budget for the year ahead.

Members may wish to note that unlike in previous years, two separate reports will now be submitted to your Committee requesting approval of revenue and capital budgets for 2025/26, one for Highgate Wood & Queen's Park charity and a separate report relating to Hampstead Heath charity.

Recommendation

Members are asked to:

- i) note the latest revenue budget for Highgate Wood & Queen's Park charity for 2024/25;
- ii) review and approve the proposed revenue budget for 2025/26 for Highgate Wood & Queen's Park for submission for approval by the Finance Committee; and

- iii) agree that amendments for 2024/25 and 2025/26 budgets arising from changes to recharges & support services or for any further implications arising from corporate contracts, energy price increases, changes to the Cyclical Works Programme (CWP) and capital charges during budget setting be delegated to the Town Clerk in consultation with the Chairman and Deputy Chairman.

Main Report

Introduction

1. The City of London Corporation owns and manages almost 11,000 acres of historic and natural Open Spaces for public recreation and enjoyment. This includes Highgate Wood & Queen's Park which is a registered charity funded from City's Estate. The charity is run at no cost to the communities that it serves and is currently funded principally by the City, together with donations, sponsorship, grants and trading income.
2. This report sets out the latest budget for 2024/25 and the proposed revenue and capital budgets for 2025/26 for Highgate Wood & Queen's Park charity and under the control of the Executive Director Environment, analysed between:
 - **Local Risk Budgets** - these are budgets deemed to be largely within the Chief Officer's control;
 - **Central Risk Budgets (including capital charges)** – these are budgets comprising specific items where a Chief Officer manages the underlying service, but where the eventual financial outturn can be strongly influenced by external factors outside of his/her control or are budgets of a corporate nature (e.g. interest on balances and rent incomes from investment properties); and
 - **Recharges & Support Services** - these cover budgets for services provided by one activity to another. The control of these costs is exercised at the point where the expenditure or income first arises as local or central risk.
3. In the various tables, income, increases in income, and reductions in expenditure are shown as positive balances, whereas brackets will be used to denote expenditure, increases in expenditure, or shortfalls in income. Only significant variances (generally those greater than £30k) have been commented on and are referenced in the relevant table in Appendix 1.
4. The latest budget for 2024/25 and provisional original budget for 2025/26 for Highgate Wood & Queen's Park, is summarised in Table 1 below and further analysed by risk and Chief Officer in Appendix 1
5. The overall proposed 2025/26 budget for Highgate Wood & Queen's Park, which includes the Executive Director Environment's relevant operating budgets (local risk and central risk) and recharges & support services budgets, plus the City Surveyor's CWP and building repairs & maintenance budget is (£2.093m) net expenditure. This is an increase of (£227k) when compared with the 2024/25 original budget of (£1.866m) net expenditure.

Table 1 - Highgate Wood & Queen's Park	Original Budget 2024/25 £000	Latest Budget 2024/25 £000	Original Budget 2025/26 £000	Movement 2024/25 OR to 2025/26 OR £000
Local Risk	(1,355)	(1,397)	(1,383)	(28)
City Surveyor Repairs & Mte	(107)	(107)	(108)	(1)
Cyclical Works Programme (CWP)	(33)	(315)	(101)	(68)
Central Risk	2	2	(10)	(12)
Recharges & Support Services	(373)	(398)	(491)	(118)
Total Net Expenditure	(1,866)	(2,215)	(2,093)	(227)

Latest Revenue Budget for 2024/25

6. Overall, the 2024/25 latest budget for Highgate Wood & Queen's Park is net expenditure of (£2.215m) as at December 2024, a net increase of (£349k) compared to the 2024/25 original budget of (£1.866m) net expenditure. The reasons for this budget increase are:
- (£282k) re-phasing of CWP projects at Highgate Wood & Queen's Park managed by the City Surveyor. Please note that the CWP does not form part of the City Surveyor's local risk budget and is a programme of works over multiple financial years, with variances carried over to future years. The carry-over of unspent balances is reported to Projects and Procurement Sub-Committee;
 - (£37k) agreed carry forward from 2023/24 for safety play surface installation at the play area;
 - (£5k) increase in local risk funding from central contingency to support energy pressures.

Proposed Revenue budget for 2025/26

7. The proposed 2025/26 budget is net expenditure of (£2.093m), an increase of (£227k) compared to the 2024/25 original budget. Detail of the movement between 2024/25 original budget and 2025/26 original budget is set out in Appendix 2.
8. For 2025/26 budgets include:
- a 2% uplift for inflation as a cash limit to Chief Officers' budgets;
 - a clear distinction between local risk, central risk, and recharge budgets; and
 - responsibility for budgetary control placed on departmental Chief Officers.
 - apply.

9. The resulting resource envelope must be adhered to, as failure to do so will impact Finance Committee's ability to set Council Tax rates for the year ahead and the requirement in law for the City to set a balanced budget.
10. The budget has been prepared within the resource envelope allocated to the Executive Director Environment, with the following assumption:
 - Support Services budgets reflect the attribution and cost of central departments. All support services are based on time spent or use of services and were reviewed during 2023/24 with the method of apportionment updated to reflect the latest up to date corporate information. However, the full budgets for these departments have not yet been finalised, so further changes to these budgets may be required. Members are asked to agree that the decision as to the changes required to these budgets are delegated to the Town Clerk in consultation with the Chairman and Deputy Chairman.
11. Appendix 1 provides details on budget movements between the 2024/25 original budget and the 2025/26 proposed budget. Overall, there is an increase in net expenditure of (£227k). The main reasons for this net expenditure increase are:
 - (£98k) projected increase in recharges from corporate departments to reflect the attribution and cost of central departments following a review of recharges during 2023/24. This resulted in the method of apportionment being updated to reflect the latest up to date corporate information;
 - (£69k) increase to the newly agreed programme for CWP works;
 - (£30k) increase in professional fees to carry out Tree Safety Audit and the Café retender, along with supporting new uniforms, and equipment and materials to replace fencing surrounding the farm at Queens Park;

Staffing Statement

12. Analysis of the movement in staff related costs are shown in Table 2 below:

Table 2 - Staffing statement	Original Budget 2024/25		Latest Budget 2024/25		Original Budget 2025/26	
	Staffing	Estimated	Staffing	Estimated	Staffing	Estimated
	Full-time	Cost	Full-time	Cost	Full-time	Cost
	Equivalent	£000	Equivalent	£000	Equivalent	£000
Highgate Wood & Queen's Park	25.22	(1,304)	25.22	(1,304)	24.98	(1,305)

Cyclical Works Programme

13. Table 3 below details the budgets held and proposed for the City Surveyor's CWP and building repairs & maintenance:

Table 3 – CWP & City Surveyor Local Risk Highgate Wood & Queen's Park	Original Budget 2024/25 £'000s	Latest Budget 2024/25 £000's	Original Budget 2025/26 £'000
Cyclical Works Programme (CWP)	(33)	(315)	(101)
Planned & Reactive Work – Breakdown & Servicing (City Surveyor Local Risk)	(107)	(107)	(108)
Total CWP and City Surveyor – Highgate Wood & Queen's Park	(140)	(422)	(209)

Conclusion

14. This report presents the Revenue budget estimates for 2025/26 for Highgate Wood & Queen's Park charity for Members to consider and approve.

Appendices

- Appendix 1 – Charity Summary Budget – by Risk and Chief Officer
- Appendix 2 – Movement Between 2024/25 Original Budget and 2025/26 Original Budget – Highgate Wood & Queen's Park

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