

City of London Corporation Committee Report

Committee(s): Hampstead Heath Consultative Committee – For Information Natural Environment Board – For Information West Ham Park Committee – For Information Hampstead Heath, Highgate Wood & Queen's Park Committee – For Information Epping Forest & Commons Committee – For Information	Dated: 17/06/2025 03/07/2025 03/07/2025 16/06/2025 17/07/2025
Subject: Natural Environment Charity Review – Update on Fundraising Workstreams	Public report: For Information
This proposal: <ul style="list-style-type: none"> • delivers Corporate Plan 2024-29 outcomes • provides business enabling functions 	Leading Sustainable Environment
Does this proposal require extra revenue and/or capital spending?	No
If so, how much?	
What is the source of Funding?	
Has this Funding Source been agreed with the Chamberlain's Department?	
Report of: The Executive Director of Environment and the Chamberlain	Katie Stewart Caroline Al-Beyerty
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Summary

A key deliverable of the Natural Environment Charity Review (NECR) is the enabling of enhanced income generation and fundraising across the eight Natural Environment Charities, in order to grow and support the delivery of their objectives.

During 2024 reports were brought to Management Committees which provided analysis of existing income types at these charities and identified potential for growth. This report details progress since then and next stages of this workplan and is being brought for information as part of the commitment to keep Members up to date on the work of the Review.

Recommendation(s)

Having regard to the CoLC's trustee responsibilities for the eight Natural Environment charities and in that case being satisfied that it is in the best interests of each relevant charity and its beneficiaries, Members are asked to:

- Note the report.
- Note the two planned briefing sessions for all interested Members on Biodiversity Net Gain potential at Natural Environment sites, and fundraising opportunities and resourcing for the NE Charities.

Main Report

Background

1. The NECR is a wide-ranging review of the eight Natural Environment Charities across four main themes: Governance, Funding Model, Assets and Income Generation. This report summarises and updates on recent work exploring the fundraising element of the Income Generation workstream.
2. The eight Natural Environment Charities and their registered charity numbers are:
 - a) Ashtead Common (1051510)
 - b) Burnham Beeches & Stoke Common (232987)
 - c) Coulsdon and Other Commons (232988-1)
 - d) Epping Forest (232990)
 - e) Hampstead Heath (803392)
 - f) Highgate Wood and Queen's Park Kilburn (232986)
 - g) West Ham Park (206948)
 - h) West Wickham Common and Spring Park Wood (232988)
3. During 2024 reports were brought to the Management Committees of these charities with details of existing income streams including the amounts of deficit funding provided to each by the City of London Corporation (CoLC), based on Local Risk elements only of each charities' accounts. "Local Risk" is the term used internally for budget under direct management of Superintendents, spent on local staff and the site. Other corporate costs of supporting the charities, central risk and capital funding were excluded for this exercise. A high-level commentary on each existing funding stream was provided and potential for additional fundraising / income generation was estimated, including identifying likely opportunities for growth, resource required and perceived risks.
4. On 13th February 2025, Policy and Resources Committee approved a change in the funding model for these charities, moving from deficit funding to a grant funding model. This decision is considered a key step to enabling some of these income streams and supporting corresponding growth of these charities.

5. Previous reports have acknowledged that the CoLC has not previously had the necessary internal expertise to further develop and realise fundraising potential and to properly assess likely growth and timescales. The Natural Environment Charity Review has therefore utilised some of its funding to engage external consultants to further develop this work.

Current Position

Fundraising

6. In April 2025 fundraising consultants 'The Transform Partnership' were engaged. Further details of the scope of their work follows in this report.

Biodiversity Net Gain

7. Recent changes to national planning regulations require developers to deliver Biodiversity Net Gain (BNG) as part of their development in certain circumstances. BNG is a mechanism for funding the creation and improvement of natural habitats and aims to ensure that development has a measurably positive impact ('net gain') on biodiversity, compared to what was there before development. Where enhancements cannot be achieved on site, or nearby, there is the possibility of developers purchasing units from land managers to provide such improvements on their behalf.
8. Many sites that are assets of the NE Charities (owned by the CoLC in its charity capacity), or are owned by the CoLC in its corporate capacity but managed in complement to the activities of those Charities (some of which was previously referred to as 'buffer land' or 'pink land' but which is now collectively referred to as 'complementary land') have significant potential to provide such biodiversity enhancement schemes and therefore may have value for marketing and management of BNG units.
9. BNG processes and markets are emergent across the UK, and this is currently a highly specialised area. Following a competitive tender exercise Mott MacDonald was engaged to provide analysis for BNG potential across all NE Charity and complementary land parcels, and that survey was completed in May 2025.

Proposals

Fundraising

10. The Transform Partnership will be meeting with key officers and members over the coming weeks in order to complete their research and provide a report covering:
 - a) Advice on fundraising team development and strategy;
 - b) Fundraising potential analysis across all sites, identifying viable income streams and estimating financial targets;

- c) Identifying how to allocate fundraising efforts strategically, given some charities have greater income generation potential than others;
- d) Defining the structure, roles, salaries, and responsibilities for a permanent fundraising team within the Natural Environment Division;
- e) Creating a headline income generation plan across key income streams for each Charity to support sustainable, long-term fundraising operations beyond the consultancy period;
- f) Developing a fundraising policy framework to underpin fundraising efforts;
- g) Ensuring that fundraising aligns with CoLC's financial and operational goals;
- h) Further analysis of the NE Charities and their current and future fundraising and commercial income generation work;
- i) Development of written content to support fundraising bids for each charity, including history, USP, ambitions and donor opportunities;
- j) Testing of case statement narratives with key senior stakeholders and funding prospects
- k) Recommendations including resource and policy needs, roadmaps and timelines and tried and tested cases for support, establishing useful content for fundraising pitches and proposals.

11. It is expected that this report will be presented by The Transform Partnership to all Members in a recorded session by end October 2025 allowing discussion and questions on their findings.

Biodiversity Net Gain

12. Mott MacDonald have completed their research into BNG potential and have presented draft findings to key officers involved with their research. Notes and observations have been made back to them for incorporation into their finalised report.

13. It is proposed that Mott MacDonald team are invited to present their findings to all interested Members in a recorded session on the background and potential for BNG income generation at NE sites. Officers are working with Mott MacDonald to schedule this session ahead of the summer recess.

14. It is important to note that there may be many potential uses for complementary land parcels, some of which may be conflicting and some of which may be synergic. This prioritisation of these options is out of the scope of this report but is being addressed through other workstreams, including but not limited to development of a Complementary Land Policy and a Complementary Land Use Assessment.

Key Data

15. Financial data informing the fundraising analysis was previously provided to Members in a report entitled 'Natural Environment Charities – Income Analysis and Priorities' which went to the NE Committees in summer 2024.

Corporate & Strategic Implications

Strategic implications – These workstreams support Corporate Plan 2024-2029 outcomes particularly in Leading Sustainable Environment and Dynamic Economic Growth.

Financial implications – Costs for fundraising consultants and Biodiversity Net Gain analysis have been met by the Natural Environment Charity Review budget. The fundraising report will make recommendations for investment in skilled resource to support further fundraising efforts at the charities in the future but that is not included in this report.

Resource implications - The fundraising report will make recommendations for investment in skilled resource to support further fundraising efforts at the charities in the future but that is not included in this report.

Legal implications - As described in paragraph 2 of this report, the eight Natural Environment charities in scope of the matters contained in this report are all registered charities. The CoLC has various duties and obligations as a charity trustee including to only act in the best interests of the charity concerned.

Charity trustees have a duty to act reasonably and safeguard the resources of a charity, and would be expected to maximise opportunities to generate income by seeking funding from a variety of appropriate sources where possible. The CoLC may, therefore, explore fundraising opportunities (either from third parties or from income generating opportunities on the open spaces themselves), within the parameters of the respective governing documents of each of the NE Charities. As particular fundraising or BNG projects are developed in greater detail, they will need to be assessed against the governing documents and objects of the relevant charities. For all sites, including complementary land, relevant projects will need to be assessed against the capacity in which the land is held, any restrictions on land use that may operate on those sites due to, for example, restrictive covenants on their titles, and broader relevant considerations such as conservation designations.

Risk implications – Risks are captured and monitored as part of the wider NECR and within the risk registers maintained by department. This project is not considered to present further risks not already considered.

Equalities implications – Equalities implications will be assessed, as appropriate, in relation to any proposed actions and projects arising out of the income generation workstream.

Climate implications – The Natural Environment Charities and their associated complementary land and assets are essential to achieving corporate Carbon Action Strategy goals and other environmental objectives.

Security implications - None

Conclusion

16. Work on the fundraising workstream of the NECR continues. Assessment of potential for income through Biodiversity Net Gain across the charities and their associated complementary land has been assessed and will be presented to interested members at a dedicated session soon. Fundraising consultants have

been engaged and will present to members on their conclusions and recommendations in October 2025.

Appendices

- None

Background Papers

17. "Natural Environment Charities – Income Analysis and Priorities" received by Natural Environment Management Committees from May to July 2024.

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