

## Appendix 2

### 2024/25 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
<b>Local Risk</b>					
<b>Executive Director, Environment</b>					
Natural Environment Board	3,447	3,532	3,648	116	1
West Ham Park	636	719	718	(1)	
Epping Forest	3,557	3,585	3,585	0	
The Commons	1,728	1,838	1,785	(53)	2
Hampstead Heath, Highgate Wood & Queen's Park	4,332	4,637	4,583	(54)	3
	<b>13,700</b>	<b>14,311</b>	<b>14,319</b>	<b>8</b>	
<b>City Surveyor</b>					
Natural Environment Board	306	507	576	69	4
West Ham Park	116	157	280	123	5
Epping Forest	452	1,216	1,492	276	6
The Commons	446	995	1,076	81	7
Hampstead Heath, Highgate Wood & Queens Park	963	2,260	2,794	534	8
	<b>2,283</b>	<b>5,135</b>	<b>6,218</b>	<b>1,083</b>	
<b>Total Local Risk</b>	<b>15,983</b>	<b>19,446</b>	<b>20,537</b>	<b>1,091</b>	
<b>Central Risk</b>					
Natural Environment Board	20	22	12	(10)	
West Ham Park	9	9	92	83	9
Epping Forest	421	455	519	64	10
The Commons	53	55	108	53	11
Hampstead Heath, Highgate Wood & Queens Park	(2,279)	(2,279)	(970)	1,309	12
<b>Total Central Risk</b>	<b>(1,776)</b>	<b>(1,738)</b>	<b>(239)</b>	<b>1,499</b>	
<b>Recharges</b>					
Natural Environment Board	(1,286)	(903)	(793)	110	13
West Ham Park	421	403	395	(8)	
Epping Forest	1,839	2,312	2,268	(44)	
The Commons	608	627	604	(23)	
Hampstead Heath, Highgate Wood & Queens Park	2,340	2,329	2,247	(82)	14
<b>Total Recharges</b>	<b>3,922</b>	<b>4,768</b>	<b>4,721</b>	<b>(47)</b>	
<b>Total Net Expenditure</b>	<b>18,129</b>	<b>22,476</b>	<b>25,019</b>	<b>2,543</b>	

## Reasons for Significant Variances

1. £116k overspend explained by additional repairs and maintenance costs incurred at the City's Open Spaces managed by the Highways Division. This was on top of increased equipment and materials purchases as well as an overspend on employment costs at City Gardens following the late notification of a staffing budget adjustment accumulated from previous years. The overspend was partly mitigated by an underspend on the Directorate with the Director's contingency budget not being fully utilised.
2. (£53k) underspend explained by additional income from filming projects at Burnham Beeches as well as increased grant income received from the Rural Payments Agency. This was in addition to an underspend on employment costs due to staff vacancies.
3. (£54k) underspend attributable to the local risk budget at Hampstead Heath. This was partly explained by an underspend on staffing costs largely due to a vacancy for the Head of Business Development post which was not recruited during 2024/25.
4. £69k overspend on budgets managed by the City Surveyor primarily explained by rephasing of projects falling under the Cyclical Works Programme (CWP). This included additional expenditure incurred on wall repairs at Bunhill Fields and works taking place at St. Bride Churchyard during 2024/25.
5. £123k overspend largely due to a £95k adverse variance on CWP projects at West Ham Park due to the rephasing of projects. This included works at Atcost Barn to carry out roof repairs and the replacement of windows and bollards.
6. £276k adverse variance on budgets overseen by the City Surveyor at Epping Forest largely explained by the re-phasing of CWP projects with additional expenditure incurred on a range of projects including the High Beech Visitors Study Centre diesel pipeline, works at The Grotto and window replacements at residential lodges.
7. £81k overspend at The Commons explained by the increased cost of the corporate building, repairs and maintenance contract at West Wickham and Coulsdon Commons as well as additional cleaning costs incurred by all Commons charities. The overspend was partly offset by the rephasing of CWP projects at both Ashted Common and Coulsdon Common.
8. £534k adverse variance explained by the rephasing of various CWP projects including works at the Queen's Park Bothy to carry out repairs and replacement to the fencing and boilers, phase 2 of the photovoltaic installation at Hampstead Heath, drainage overhaul and works at Hampstead Heath and works to improve the shower and kitchen facilities at Kenwood Ladies Pond. The overspend also included additional costs incurred on the corporate building repairs and maintenance contract as a result of extra spend required for various works at Queen's Park.

9. £83k overspend on central risk expenditure at West Ham Park attributable to depreciation expenses on the playground following the completion of the capital project in 2023/24. This was in addition to increased external audit fees incurred on the audit of the 2023/24 West Ham Park charity accounts.
10. £64k overspend on central risk budgets at Epping Forest explained by additional depreciation expenses incurred following increased capital expenditure in the previous financial year. This was on top of an increase in charity audit fees being incurred.
11. £53k overspend largely attributable to additional audit fees being incurred by The Commons charities with additional time required auditing the previous year's accounts of the Commons charities.
12. £1.309m adverse variance primarily relates to reduced investment income compared to budget at Hampstead Heath. This was due to the budget for 2024/25 being calculated based on a set formula calculating the maximum contribution available to transfer to the Hampstead Heath Trust Fund as laid out in the London Government Reorganisation Order 1989. The budget for 2025/26 has been reviewed and is based on a realistic budget target that can be achieved through investment returns by considering whether a shortfall adjustment is needed to the maximum contribution achieved by the Hampstead Heath Trust. Additionally, the central risk overspend was caused by increased depreciation incurred following the completion of the athletic track resurfacing and swimming facility improvement capital projects at Hampstead Heath as well as increased fees incurred on the audit of the previous year's charity accounts.
13. £110k adverse variance largely explained by an underspend on the Natural Environment Directorate's budget resulting in reduced income from recharges to other sections of the Natural Environment Division.
14. (£82k) favourable variance attributable to reduced recharges from the Natural Environment Directorate with an underspend on the Directorate leading to the recharges incurred by the charities being less than budgeted.