

City of London Corporation Committee Report

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| Committee(s): West Ham Park | Dated: 29/01/2026 |
| Subject: Revenue and Capital Budgets – 2026/27 – West Ham Park | Public report: For Decision |
| This proposal: <ul style="list-style-type: none">• delivers Corporate Plan 2024-29 outcomes• provides statutory duties | Providing Excellent Services Flourishing Public Spaces |
| Does this proposal require extra revenue and/or capital spending? | No |
| If so, how much? | £0 |
| What is the source of Funding? | N/A |
| Has this Funding Source been agreed with the Chamberlain's Department? | N/A |
| Report of: | Executive Director Environment Chamberlain |
| Report author: | Niranjan Shanmuganathan, Chamberlain's Department |

Summary

This report presents for approval the revenue and capital budgets for West Ham Park charity (charity registration no: 206948) for 2026/27, for subsequent submission to Finance Committee.

The proposed draft revenue budgets for 2026/27 for West Ham Park amounts to £2.640m net expenditure. This represents an increase of £310k compared with the budget for 2025/26 of £2.330m.

The proposed budget for 2026/27 has been prepared within the resource envelope (core grant) allocated to each Chief Officer by Resource Allocation Sub-Committee, including an inflationary increase of 3% as well as contingency funding provided relating to the pay award effective from July 2024 and increases in employer's national insurance. The charity's core grant for 2026/27 also includes funding for the transfer of support services staff at West Ham Park whose costs were previously met by the Directorate.

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.

The report also reframes the proposed budget to show net expenditure as grant funding from City's Estate for 2026/27 which is broken down according to the individual elements of the grant (Core Grant, City Surveyor Works, Corporate Recharges and Support Services and Central Risk Expenditure). In addition, the

appendices include a summarised version of the budget for the charity set out in the format of the Statement of Financial Activities (SOFA) in line with best practice for the financial reporting of charities. Further details on proposed Grant Funding Model principles and arrangements are presented to Members for discussion and endorsement in the Natural Environment Charities Review – Grant Funding Model Principles paper.

Recommendation(s)

Members are asked to:

- i) note the latest revenue budget for West Ham Park charity for 2025/26;
- ii) review and approve the proposed draft revenue budget for 2026/27 for West Ham Park charity for submission for approval by the Finance Committee, noting the contingency held by Finance Committee, agreed at its meeting on 13th January, and that the core funding will be reviewed based on the business case to be submitted by the Natural Environment Division;
- iii) review and approve capital and supplementary revenue project budgets for West Ham Park for 2026/27 for submission for approval by the Finance Committee; and
- iv) agree that amendments for 2025/26 and 2026/27 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 depreciation during budget setting be delegated to the Chamberlain in consultation with the Executive Director Environment.

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 West Ham Park which is a registered charity funded from City's Estate. The charity is run at no cost to the communities that its serve and are currently funded principally by the City, together with donations, sponsorship, grants and trading income.
2. This report sets out the latest budget for 2025/26 and the proposed revenue budget for 2026/27 for West Ham 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 and include budgets managed by the Executive Director Environment as well as by the City Surveyor specifically for repairs and maintenance and the Cyclical Works Programme (CWP);
 - **Central Risk Budgets** – 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; 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. Please note that City Corporation reporting convention (see Table 1) uses brackets to denote income, decreases in expenditure, or increases in income. However, where charity style reporting has been introduced in this paper (Table 2 and appendices), the convention is to show both income and expenditure without brackets, which are instead used to denote deficits or adverse variances. Only significant variances (generally those greater than £50k) have been commented on and are referenced in Appendix 1.
4. For 2026/27, budgets include:
 - a 3% uplift for inflation as a cash limit to charity budgets;
 - contingency funding to cover increased costs associated with the pay award to staff effective from July 2024 and increases in national insurance;
 - transfer of staffing budgets;
 - a clear distinction between local risk, central risk, and recharge budgets; and
 - responsibility for budgetary control placed on departmental Chief Officers.
5. 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 2024/25 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 Chamberlain in consultation with the Executive Director Environment.
6. Each of the Natural Environment Charities has been targeted to achieve unrestricted operational breakeven within the budget envelope. However, further to concerns raised by Members across the NE Charities as to the adequacy of funding to deliver baseline core operational activities safely and in line with statutory compliance, an additional ask has been made for 1) a baseline enhancement, and 2) an allocation of transformational funding to enable future income generation, address asset replacement priorities and build free reserves to support a successful transition to the Grant Funding Model. Finance Committee (13 January 2026) has approved a contingency to be held by Finance Committee for 2026/27, with funding proposals to be agreed under delegated authority, subject to business case (supported by a health and safety review and workforce efficiency review), by the Chamberlain and Executive Director of Environment in consultation with the Chair and Deputy Chair of the Finance Committee. Provisional numbers provided in relation to the West Ham Park charity comprise 1) an additional £100,000 baseline funding to support safe operations, and 2) one-off funding of £110k in relation to outline planning for the

WHP nursery site; and £139k to provide one month of free reserves.

7. Members should note that for 2026/27, the format of the budgets for the charity has been reviewed. The proposed draft budget for 2026/27 has been set out in the format of a summarised Statement of Financial Activities (SOFA) to enable West Ham Park to comply with the best practice for the financial reporting of charities, reframing the City's funding as grant funding (subject to formal approval of the grant funding principles and arrangements). A copy of the SOFA can be found in Appendix 1.
8. The overall proposed 2026/27 draft budget for West Ham Park, which includes the charity'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 £2.640m net expenditure. This is an increase of £310k when compared with the 2025/26 budget of £2.330m net expenditure.
9. The latest budget for 2025/26 and provisional draft budget for 2026/27 for the charity is summarised in Table 1 below and further analysed in the charity's SOFA in Appendix 1.

| Table 1 - West Ham Park (City / deficit funding report style) | Total Budget 2025/26 £000 | Total Budget 2026/27 £000 | Movement 2025/26 Budget to 2026/27 Budget £000 |
|--|------------------------------------|------------------------------------|--|
| Local Risk | 628 | 759 | 131 |
| City Surveyors - Repairs & Maintenance | 120 | 125 | 5 |
| Cyclical Works Programme (CWP) | 978 | 1,162 | 184 |
| Central Risk (inc. Depreciation / Investment income) | 83 | 66 | (17) |
| Recharges & Support Services | 521 | 413 | (108) |
| Capital and Projects | 0 | 115 | 115 |
| Total Net Expenditure | 2,330 | 2,640 | 310 |
| Depreciation (shown as Funds movement) | (84) | (67) | 17 |
| Investment income (shown as Self-Generated Income) | 1 | 1 | 0 |
| Total Grant Funding | 2,247 | 2,574 | 327 |

| Table 2 - West Ham Park (Charity / grant funding report style) | Total Budget 2025/26 £000 | Total Budget 2026/27 £000 | Unrestricted Budget 2026/27 £000 | Restricted Budget 2026/27 £000 | Variance F/(A) 2025/26 to 2026/27 £000 |
|---|------------------------------------|------------------------------------|---|---|---|
| Core Grant (Local Risk) | 628 | 759 | 759 | 0 | 131 |
| Additional Grant | 1,619 | 1,700 | 1,700 | 0 | 81 |
| Capital / Projects | 0 | 115 | 0 | 115 | 115 |
| Total Grant Funding | 2,247 | 2,574 | 2,459 | 115 | 327 |
| Self-Generated Income | 331 | 375 | 375 | 0 | 44 |
| Total Income | 2,578 | 2,949 | 2,834 | 115 | 371 |
| Local Risk Expenditure | 1,067 | 1,134 | 1,134 | 0 | (67) |
| Central Risk Expenditure (excl. Depreciation) | 0 | 0 | 0 | 0 | 0 |
| City Surveyors - Repairs & Maintenance | 120 | 125 | 125 | 0 | (5) |
| Cyclical Works Programme (CWP) | 978 | 1,162 | 1,162 | 0 | (184) |
| Recharges & Support Services | 521 | 413 | 413 | 0 | 108 |
| Total Expenditure | 2,686 | 2,834 | 2,834 | 0 | 148 |
| Surplus / (Deficit) | (108) | 115 | 0 | 115 | 223 |

Proposed Draft Revenue budget for 2026/27

10. The proposed 2026/27 draft budget is net expenditure of £2.640m an increase of £310k compared to the 2025/26 budget for the charity of £2.330m.

11. Appendix 1 provides details on budget movements between the 2025/26 budget and the 2026/27 proposed draft budget. Overall, there is an increase in net expenditure of £310k. The main reasons for this net expenditure increase are:
 - £189k increase in budgets for CWP projects managed by the City Surveyor relating to the agreed programme for the CWP backlog of works;

- £131k additional staffing costs. This is explained by additional costs budgeted for 2026/27 relating to the transfer of support services staff who were previously charged to the Directorate;
- £115k in capital expenditure relating to the replacement of the boiler in the changing room and replacement of the roof at the vehicle shed
- (£108k) net reduction in recharges and support services which is attributable to a decrease in recharges from the Directorate following a transfer of support services staffing costs to West Ham Park local risk budget

Staffing Statement

12. Analysis of the movement in staff related costs are shown in Table 3 below:

Table 3 – Staffing Statement

| Budget 2025/26 | | Budget 2026/27 | |
|-------------------------------------|----------------------------|-------------------------------------|----------------------------|
| Staffing Full-time Equivalent | Estimated Cost £'000 | Staffing Full-time Equivalent | Estimated Cost £'000 |
| 12.84 | 766 | 15.12 | 871 |

Cyclical Works Programme

13. Table 4 below details the budgets held and proposed for the City Surveyor's CWP (please refer to the project list on Appendix 3 for details) and building repairs & maintenance:

| Table 4 – CWP & City Surveyor Local Risk West Ham Park | Budget 2025/26 £'000s | Budget 2026/27 £'000 |
|--|--------------------------------------|-------------------------------------|
| Cyclical Works Programme (CWP) | 978 | 1,162 |
| Planned & Reactive Work – Breakdown & Servicing (City Surveyor Local Risk) | 107 | 111 |
| Cleaning (City Surveyor Local Risk) | 13 | 14 |
| Total CWP and City Surveyor | 1,098 | 1,287 |

Grant Funding from City's Estate

14. Please note that as part of the move to the Grant Funding model, the charity's total proposed grant funding from City's Estate amounts to £2.459m for 2026/27, an increase of £212k (9.43%) compared with the 2025/26 budget. A reconciliation

setting out how the grant has been calculated for 2026/27 can be found in Appendix 2. The grant from City's Estate is comprised of the following elements:

- Core Grant (Local Risk) - £759k – an increase of £131k (20.86%)
- Additional Grant (City Surveyor Works) - £1.287m – an increase of £189k (17.21%)
- Additional Grant – Recharges and Support Services - £413k, a reduction of £108k (20.73%)

15. Please note that the grant does not include funding for depreciation as funding for any capital expenditure has previously been provided to the charity relating to the total purchase price of assets in the year that the expenditure took place. Depreciation is however funded from the charity's designated reserve held for tangible fixed assets with the £67k depreciation budgeted for 2026/27 as shown in Appendix 1 being funded from this reserve.

Draft Capital and Supplementary Revenue Project budgets for 2026/27

16. The latest estimated costs of the current approved Capital and Supplementary Revenue Projects are summarised below in Table 5:

Table 5 – West Ham Park Draft Capital and Supplementary Revenue Project budgets - 2026/27

| Service | Project | Exp. Pre 01/04/25 £'000 | 2025/26 £'000 | 2026/27 £'000 | 2027/28 £'000 | Later Years £'000 | Total £'000 |
|----------------------------|----------------------------|----------------------------|------------------|------------------|------------------|----------------------|----------------|
| West Ham Park | West Ham Park Boiler Room | | | 60 | | | 60 |
| West Ham Park | West Ham Park Vehicle Shed | | | 55 | - | | 55 |
| TOTAL WEST HAM PARK | | 0 | 0 | 115 | 0 | 0 | 115 |

17. The latest Capital and Supplementary Revenue Project forecast expenditure on approved schemes will be presented to the Court of Common Council for formal approval in March 2026.

Corporate & Strategic Implications

Strategic implications – none

Financial implications – none

Resource implications – none

Legal implications – none

Risk implications – the net local risk budget (core unrestricted grant) has been set at a level which will make it challenging to breakeven in 2026/27 (and in future years) without calling

on reserves. This may therefore negatively impact delivery of core operations where additional cost savings and/or additional income are not achieved.

Equalities implications – none

Climate implications – none

Security implications – none

Conclusion

18. This report presents the proposed draft revenue and capital budgets for 2026/27 for West Ham Park charity for Members to consider and approve.

Appendices

- Appendix 1 – Statement of Financial Activities (SOFA) – West Ham Park
- Appendix 2 – Movement between 2025/26 and 2026/27 City's Estate Grant – West Ham Park
- Appendix 3 – West Ham Park CWP 2026/27 Project List

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