

City of London Corporation Committee Report

Committee(s): Epping Forest and Commons Committee	Dated: 29/06/2026
Subject: Revenue Outturn 2025/26 – Epping Forest	Public report: For Information
This proposal: • 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:	Clem Harcourt, Chamberlain's Department

Summary

This report compares the revenue outturn for the services for Epping Forest charity (charity registration number: 232990) in 2025/26 with the final budget for the year.

Overall, there was an overspend of £36k for the charity compared with the final budget for the year as set out below. This amounts to 0.4% of the final net expenditure budget for 2025/26.

	Final Budget	Outturn	Variation (Better)/Worse
	£000	£000	£000
Local Risk			
Executive Director Environment	4,061	4,061	0
City Surveyor	1,996	2,047	51
Total Local Risk	6,057	6,108	51
Central Risk	681	655	(26)
Recharges	2,197	2,208	11
Total Net Expenditure	8,935	8,971	36

Explanations for significant budget variances with the final budget are detailed in the report in paragraphs 8 to 9 and in Appendix 2.

The Executive Director Environment had an overall nil variance on her local risk budget (excluding City Surveyor) for activities relating to Epping Forest. Members should note that following a change to the charity's funding model from 2025/26, Epping Forest is now able to carry forward surpluses from its local risk budget into the charity's unrestricted free reserves. The charity had an operational surplus on its local risk budget of £422k for 2025/26, largely attributable to savings in employment costs and additional income generated from both car parking and golfing fees. This surplus has therefore increased the balance on Epping Forest's unrestricted free reserves available to the charity to £995k.

The Executive Director Environment also had a net local risk underspend totalling £1.686m on activities overseen by other Committees within her remit, primarily relating to City Fund services. The Executive Director Environment is proposing that £66k of her maximum eligible local risk underspend be carried forward into 2026/27, none of which relates to Epping Forest.

Recommendation(s)

- Note the report.

Main Report

Introduction

1. This report sets out the revenue outturn for Epping Forest charity (charity registration number: 232990) for 2025/26 and compares the outturn with the final budget for the year.
2. Members should be aware that the report has been prepared using the City's standard financial reporting conventions. However, from the 2026/27 financial year, please note that the charity will be moving to a charity-style format for financial reporting.

Budget Position for 2025/26

3. The 2025/26 original budget for Epping Forest (received in January 2025) was £8.794m net expenditure. This budget was endorsed by the Court of Common Council in March 2025 and was subsequently updated for approved net increases of £141k, resulting in a final net expenditure budget of £8.935m. This movement is primarily explained by the following:
 - £191k transfer of staffing budgets from the Natural Environment Directorate for business services staff effective from July 2025;
 - £124k central contingency funding to cover the cost of apprenticeships at Epping Forest during 2025/26;
 - £113k funding to cover the additional costs of the July 2024 pay award and increases in employer national insurance contributions from 2025/26;
 - £92k Supplementary Revenue Project (SRP) funding for the Carbon Removals Phase 4 project;

- (£224k) re-phasing of projects falling under the Cyclical Works Programme (CWP) managed by City Surveyors;
 - (£103k) saving from costs of Natural Environment Learning team no longer being recharged to the charity; and
 - (£57k) net reduction in other recharges primarily relating to the Natural Environment Directorate.
4. A reconciliation between the original budget and the final budget is shown in Appendix 1.

Revenue Outturn 2025/26

5. Actual net expenditure for Epping Forest during 2025/26 totalled £8.971m, an overspend of £36k compared with the final net expenditure budget of £8.935m, after transferring an operational surplus transfer in local risk of £422k. This resulted in an overspend of just 0.4%.
6. A summary comparison with the final budget for the year is tabulated below. In the tables, brackets are used to denote income, decreases in expenditure, or increases in income. Please note that this is in line with the convention used in financial reporting across the organisation. Please also be aware that only significant variances (generally those greater than £50k) are commented on.
7. A more detailed comparison with the final budget can be found in Appendix 2.

Table 1: Comparison between 2025/26 Revenue Outturn and Final Budget – Epping Forest

	Original Budget	Final Budget	Outturn	Variation (Better)/ Worse	Para Ref
	£000	£000	£000	£000	
Local Risk					
Executive Director Environment	3,628	4,061	4,061	0	8
City Surveyor	2,220	1,996	2,047	51	9
Total Local Risk	5,848	6,057	6,108	51	
Central Risk	589	681	655	(26)	
Recharges	2,357	2,197	2,208	11	
Total	8,794	8,935	8,971	36	

Reasons for Significant Variations

8. As shown in Table 1, the charity's overall local risk budget for 2025/26 within the control of the Executive Director Environment had a nil variance for the year. However, Members should note that the charity had an operational surplus on its local risk budget for 2025/26 of £422k. This surplus can primarily be explained by an underspend on employment costs as a result of vacant posts during the year as well as additional income generated from car parking and golfing fees in 2025/26 compared with budget. Please note that following a change in the City's financial regulations, Epping Forest may retain any surpluses on its local risk budget for use by the charity in future years. Therefore, the surplus for 2025/26 has been transferred to the charity's unrestricted (free) reserves resulting in free reserves available to the charity amounting to £995k as at 31 March 2026. Further information regarding the charity's local risk variances for 2025/26 can also be found in Appendix 2.
9. The £51k overspend on budgets managed by the City Surveyor is largely explained by £94k additional expenditure incurred on the CWP compared to budget. This is attributable to the rephasing of a range of CWP projects during 2025/26 as part of the backlog of works managed by the City Surveyor. Expenditure on CWP projects in 2025/26 included costs incurred on the refurbishment of lodges as well as works taking place at both The Temple and Great Gregories. Please note that the CWP does not form part of the City Surveyor's local risk budget, and any variances will be carried over to 2026/27. Under the governance of the programme, variances on budgets are adjusted for the life of the programme to allow for the completion of works which can span multiple financial years. The overall net overspend for the City Surveyor included (£43k) savings on the corporate Integrated Facilities Management contract.

Local Risk and Central Risk Carry Forward to 2026/27

10. Chief Officers can generally request underspends of up to 10% or £500,000 (whichever is the lesser) of the final local risk budget to be carried forward, so long as the underspending is not fortuitous and the resources were for a planned purpose that was prevented from happening during the year. Such requests are subject to the approval of the Chamberlain in consultation with the Chairman and Deputy Chairman of Resources Allocation Sub Committee. In accordance with Financial Regulations, any local risk overspends are currently carried forward in full and are met from the agreed 2026/27 budgets.
11. The Executive Director Environment had a nil net local risk variance on activities relating to Epping Forest. The Executive Director Environment also had a net local risk underspend totalling £1.686m on activities relating to other services within her remit. Members should note that this underspend is primarily attributable to the Executive Director Environment's City Fund services. The Executive Director Environment is proposing that £66,000 of her maximum eligible underspend of £500,000 be carried forward, none of which relates to activities at Epping Forest. As stated at paragraph 8, any underspend on the charity's local risk budget can now be retained locally and is available to spend by the charity in future years.

Charity Reserve Funds

12. Members may wish to be aware that details of 2025/26 closing balances for the various reserve funds held by Epping Forest charity may be found in the separate 'Charity Funds and Reserves Summary & Reserves Policy Proposal – Epping Forest' report being presented to your Committee.

Corporate & Strategic Implications

Strategic implications – none

Financial implications – none

Resource implications – none

Legal implications – none

Risk implications – none

Equalities implications – none

Climate implications – none

Security implications – none

Conclusion

13. This report presents the revenue outturn position for 2025/26 for Epping Forest for Members to note.

Appendices

- Appendix 1 – Movement between 2025/26 Original Budget and 2025/26 Final Budget – Epping Forest
- Appendix 2 – Comparison between 2025/26 Revenue Outturn and Budget - Epping Forest

Clem Harcourt

Finance Business Partner (Natural Environment)
Chamberlain's Department – Financial Services

T: 020 7332 1363

E: Clem.Harcourt@cityoflondon.gov.uk