



# THIS SEASON'S REPORT

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BROMPTON  
CEMETERY



BUSHY  
PARK



THE GREEN  
PARK



GREENWICH  
PARK



HYDE  
PARK



KENSINGTON  
GARDENS



THE REGENT'S  
PARK...



...WITH  
PRIMROSE HILL



RICHMOND  
PARK



ST JAMES'S  
PARK



THE  
ROYAL  
PARKS

# ANNUAL REPORT AND ACCOUNTS 2006-07

THIS SEASON'S REPORT

**The Royal Parks** is an Executive Agency of The Department for Culture, Media and Sport (DCMS).

Presented to the House of Commons pursuant to section 7 of The Government Resources & Accounts Act 2000. Ordered by the House of Commons to be printed on 19th July 2007.



The 5,000 acres of the Royal Parks make a huge contribution to London's green credentials – from bio-diversity to air quality to providing an escape for Londoners and visitors alike...

## VIEW FROM THE TOP

A few words from Chief Executive, Mark Camley



The Chief Executive is responsible for the day to day management of the Agency but is accountable to the Secretary of State, who sets the policy framework and determines the financial resources each year.

We should be thankful for the foresight of previous generations for the creation and maintenance of these precious spaces. However, the heritage of our parks has not evolved, as some imagine, from just leaving the spaces to their own devices but by ensuring the continued relevance of the parks to each successive generation. Now more than ever, when the leisure choices of the public are at their greatest, we need to ensure that we don't lose our relevance. We must continue to provide our visitors with an improved experience – whether they are regular local visitors, day trippers or tourists from overseas.

That is why, over the last year, we have been working with academic institutions to understand who is visiting the parks and what they think of them. We have also been looking at the contribution we can make to the wider health agenda, using 4G technology to pilot a health programme with another academic body. We have been working with partner organisations to develop new maps and the 'St James's Park experience'.

At the same time we have continued to improve standards, with five parks achieving Green Flag accreditation last year – and all eight parks going for it this year. One of the changing trends that we are working to support is cycling. Last year, we undertook work on major routes in Hyde Park, began construction of a new cycle path in Richmond Park, and undertook feasibility studies in a number of the other parks.

Work on the Heritage Lottery Fund sponsored project at Bushy Park has begun and we will soon re-open the Water Gardens to the public for the first time in twenty years. Last year we also refurbished a number of memorials, including Buxton and the Queen Victoria Memorial. With the help of The Royal Parks Foundation and John Swire & Sons, we re-established a fountain in the lake at St James's Park. The Foundation also provided 700 new designer deckchairs across the Parks, with generous support from Bloomberg.

This year we will celebrate the 75th anniversary of Queen Mary Gardens in The Regent's Park being opened to the public. Our joint education project with the Cabinet War Rooms 'Dig for Victory' allotments will open, and the Tour de France comes to the parks. In addition, as a matter of personal pride, our new apprenticeship scheme, which will bring sustainability to our future workforce, goes live.

So I am delighted to sign off on an excellent year, and excited that during the next one we will continue to build on the best traditions of The Royal Parks and develop new ways to keep them relevant.

Mark Camley  
Chief Executive, The Royal Parks



**James Purnell** (The Secretary of State for Culture, Media and Sport) is the Minister responsible for The Royal Parks, although some responsibilities have been delegated to Minister for Culture, **Margaret Hodge**. The Secretary of State determines policy objectives, financial framework and allocation of financial resources including key targets, and also approves the Framework Document, Corporate and Business Plans for The Royal Parks. The Permanent Secretary is Accounting Officer for the Department and has designated the Chief Executive as Accounting Officer for The Royal Parks.

# WHO DOES WHAT?

## The Royal Parks' management structure

### A man for all seasons

Chief Executive Mark Camley is responsible for operational and strategic management of The Royal Parks and is directly accountable to the Secretary of State for Culture, Media and Sport and the Permanent Secretary for performance against key targets and financial management of the Agency.

### Delivering the goods

The Management Board meets monthly to consider and take decisions on the Agency's strategy and planning, finance, performance, structure and organisation, resources, risk management, health and safety issues, personnel and general management.

The Management Board's executive team are:

- **Mark Camley**, Chief Executive
- **Simon Betts**, Director of Estates
- **Wendy Shales**, Director of Strategy and Marketing (from 14th May 2007)
- **Colin Buttery**, Director of Parks and Deputy Chief Executive
- **Greg McElean**, Director of Major Projects
- **Bridget Verso**, Head of Finance (from 26th February 2007)

Non-executive directors:

- **The Hon. Apurv Bagri**
- **Andrew Fenwick**

### Sound advice

The Ministerial Advisory Board provides independent advice to the Secretary of State, Culture Minister and Chief Executive of The Royal Parks on the Agency's strategic direction, plans and performance. The Advisory Board has no line or executive responsibilities. Members are appointed by the Secretary of State and drawn from outside the Department.

Advisory Board members are:

- **Peter B Ellwood CBE**, Chairman, ICI
- **The Hon. Apurv Bagri**, Group Managing Director, Metdist Ltd
- **Professor Sir Peter Crane**, FRS Director, Royal Botanic Gardens, Kew
- **Emir Feisal FCMA**, Head of Finance, The Sunday Times
- **Ylva French**, Executive Director, The Campaign for Museums and Marketing & Communications Consultant

Attendees also include:

- **Mark Camley**, The Royal Parks
- **Dr Ingrid Samuel**, Department for Culture, Media and Sport

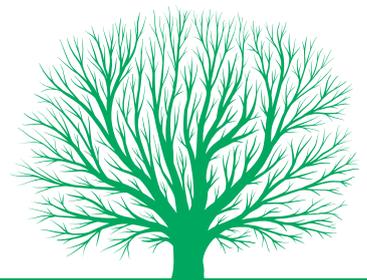


The Royal Parks Agency was established on 1 April 1993 as an Executive Agency of the Department of National Heritage, renamed in July 1997 the Department for Culture Media and Sport. The 1993 Framework Document sets out the powers and responsibilities delegated to the Agency.



The eight Royal Parks comprise Bushy Park, The Green Park, Greenwich Park, Hyde Park, Kensington Gardens, The Regent's Park with Primrose Hill, Richmond Park and St James's Park. The Royal Parks is responsible for managing all these spaces and conserving them for future generations to enjoy. Brompton Cemetery, the gardens of 10, 11 and 12 Downing Street, Victoria Tower Gardens and Grosvenor Square Gardens are also cared for by The Royal Parks (TRP).

# MANAGING THE ENVIRONMENT



## **In with the new**

The work involved in looking after and enhancing these historic landscapes is never-ending. One such task is the ongoing management of trees, from planting to old age.

This year, TRP started to use 'Arbortrack', innovative GPS-based software designed to monitor individual trees, stands or groupings of trees. Use of 'Arbortrack' will enable The Royal Parks to improve its whole approach to arboriculture by having the ability to analyse data by species and to create replanting plans. The move from a manual to an advanced digital system will quickly identify where and what needs to be done.

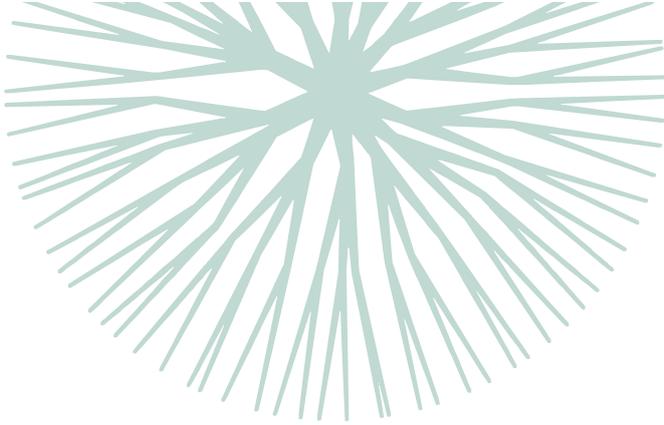
## **Weathering the storm**

No amount of planning could have avoided the devastation wrought by storms in January 2006. Bushy and Richmond Parks were the worst hit, losing 75 trees between them, including one of the largest swamp cypresses in the country and two ancient limes. Hyde and Greenwich did not emerge unscathed, losing 25 and 22 trees respectively. The final bill for clearance, replanting and repairs to walls and greenhouses is into six figures.

The Royal Parks Foundation was fast to react and immediately initiated a nationwide tree appeal. Money is still coming in following extensive coverage in The Daily Telegraph, Evening Standard and local press.

390kg

Kensington Gardens has installed recycling bins within the park for collecting glass. 390 kgs of glass was recycled in the last three months.



**Sustaining the effort**

Sustainability is central to everything TRP does. As an organisation, it aims to be seen as an exemplar within (and beyond) DCMS. Last year The Royal Parks again achieved ISO14001 – the quality benchmark for environmental management standards – across all its Parks. TRP’s Sustainability Plan, produced in 2006, and its ongoing programme of work are key to maintaining standards in this area.

For example, Kensington Gardens takes huge volumes of green waste from across the inner city parks in an extensive recycling programme. The Royal Parks now also runs a fleet of ‘green’ vehicles, making use of LPG and electric technologies.

Finally, The Royal Parks celebrated a major achievement during 2006, achieving Green Flag accreditation for five of its parks. This award is the national standard for parks and green spaces in England and Wales, a means of recognising the best in the country. As this is a benchmark of excellence for recreational green areas, it has been decided that all eight of The Royal Parks will push for full accreditation in 2007.



**Caring, sharing & best practice**

The Royal Parks is frequently asked for expert advice on the effects of drought and climate change, both of which create challenging conditions for many trees and plants in Parks across the seasons.

In fact, TRP is always keen to share its expertise through dialogue with similar organisations, both in the UK and worldwide. Members of staff regularly publish papers and media articles, give interviews and make presentations at conferences and seminars. For example, one of the Park Managers recently spoke at seminars hosted by Thames Water on effective ways to manage water resources during the drought. In ways such as this, The Parks’ unrivalled knowledge base can be widely disseminated and good practice can be shared with other parks and organisations.

A twinning programme was instigated in several parks with local authorities over the year, including Birkenhead, Glasgow and the London Borough of Newham.



**68%**

In 2004 St James’s and The Green Park transported 825 cubic metres of green waste to Kensington for composting. This equates to approximately 124 tonnes of green waste, providing St James’s and The Green Park with an overall recycling rate of 68%.

Conserving the parks for future generations to enjoy is a huge undertaking. Simply keeping 5,000 acres of urban parkland stocked with healthy trees and plants is no small task in itself, and The Royal Parks has been successful in growing a number of partnerships through the year. This has led to some notable achievements...

# THE GROWING SEASON

A new **Community Wildlife Garden** has taken shape in The Regent's Park. This three-year project is a collaboration between RSPB and TRP with funding from the Heritage Lottery Fund. Currently organised with voluntary help, it will hopefully become a self-sustaining community resource wholly run by local volunteers.

Gardeners in The Regent's Park, who between them have notched up a century of dedicated service, were rewarded with top place in the **30th BALI National Landscape Awards**. The award for 'the Grounds Maintenance of Public Grounds that have free/constant public access' recognised the

high-quality upkeep of The Regent's Park, which is one of the most-visited of the Royal Parks.

The Royal Parks instigated a new **Apprenticeship programme** entitled GROW, in association with Capel Manor. Ten apprentices will be trained per year, rising to 30 apprentices by year three. Net cost after educational funding will be £1,500 per student. As well as working in London's finest parks, the lucky participants (to be recruited in summer 2007) will get paid while they learn how to become skilled gardeners. The 3-year course leads to NVQ Levels II & III in Amenity Horticulture.



37

varieties of *Delphinium Elatum* hybrids found in The Regent's Park's Delphinium bed, which was granted National Collection status in 2006.



140

The Royal Parks are a form of extended arboretum, with over 140 species of tree spread over the eight Parks. These range from the distinctive pollarded English Oaks of Richmond to the classic avenues of London Plane, Norway Maple and Lime in Kensington Gardens. Trees are the essential core of the Parks, representing a continuing historical integrity, providing homes to hundreds of insects, birds and animals as well as giving shade and shelter to human guests.



Within The Royal Parks are a number of **important veteran trees** that 'because of their great age, size or condition are of exceptional value culturally, in the landscape or for wildlife'. TRP is the lead team on the Westminster Habitat Action Plan for decaying wood and veteran trees. Greenwich Park meanwhile was successful in obtaining a grant from The Forestry Commission and Groundwork to support a veteran tree management project.

The **severe storm in January** caused significant damage across the parks with more than 100 trees blown over or damaged. Richmond Park, a leading UK site for ancient trees, escaped with no losses to its veteran oaks. It is believed this is due to recent work undertaken to stabilise them. However, the overall cost to the Parks extended beyond the expense of the clean-up. Important habitats and valuable trees were lost.

Immediately after the storms, TRP received a huge amount of support from The Royal Parks Foundation (see page 19). Among the organisations that helped was the MCC. Lord's, the famous cricket ground, and its neighbour Regent's Park both suffered storm damage. In commemoration, a new willow tree – 'the perfect present from the MCC' – was planted by the cricket pitches in the Park.



The Foundation developed a **tree sponsorship scheme** that identifies candidate trees for adoption. For example, over £8,000 has been raised for just one tree in Hyde Park. It also made a grant of £9,000 to help Greenwich Park build a nature trail and observational hide within the existing wilderness area.

As part of its commitment to conservation and biodiversity, The Royal Parks is supporting a local scheme to encourage **new growths of mistletoe** in Marble Hill Park in Richmond. In a partnership between The Royal Parks and English Heritage, which runs Marble Hill Park, selected trees will be seeded with mistletoe taken from Bushy Park, one of the best sites for mistletoe in the south of England.

In Richmond, the Park is contributing to the **protection of the Black Poplar**, one of Britain's rarest native trees. Trees from cuttings taken in the Park and grown in the nursery have been planted out in the Park and also distributed to other local landowners.

The final batch of native elm trees grown from cuttings taken from surviving trees around south and east England have been planted out during the winter. It is hoped that these will prosper, **introducing additional diversity** to tree stock from what was a populous species in the park until the 1970s.



'Never work with children or animals' is not such good advice for Royal Parks' staff, seeing as the eight Parks host several million young visitors and a huge variety of wildlife through the year. From rutting red deer to pigeon-eating pelicans, as the seasons pass, there is seldom a dull moment for the Parks' wildlife officers.



## PROTECTING WILDLIFE



During the year, funds were allocated for a Greenspace Information for Greater London (GiGL) Royal Parks Officer. This significant appointment will allow the setting up and development of a biological records management system for TRP, allowing data exchange with GiGL and partner organisations.

### **Beetles No 1 in Richmond**

Many of the Parks' flora and fauna surveys are undertaken by volunteers, with the help of TRP staff. In Richmond, the survey of the Saproxylic (decaying wood) beetle, part-sponsored by the Friends of Richmond Park and using the latest methods, resulted in a remarkable haul of 347 species, of which 138 have conservation status as either Red Data Book species or 'Nationally Notable'. This work has reconfirmed Richmond Park as one of the most important UK sites for decaying wood habitat and Saproxylic beetles.

### **Heavy horse sense**

Richmond Park will be able to show its Shire horses much more widely since TRP purchased a horse box. These are now the only working heavy horses left in London. This will enable them to travel more widely to horse shows and other outdoor events, while publicising The Royal Parks in a unique way. They have already appeared at Barnes Fair and the Weald and Downland Museum.

**Up with the lark**

Richmond's Skylark Protection Zone has been continued through the year, and surveys have indicated that this measure is having positive benefits. There is evidence that the skylark has fully occupied the initial area and is now starting to prospect out into other areas of the park where they have previously bred.

**Paradise for lepidopterists**

The Greenwich moth survey, undertaken by a consultant entomologist and funded by the Friends, yielded an extraordinary richness of species for an urban park of its size. Nationally, many types of butterflies and moths are declining, including species which until recently were regarded as common. Of the 352 moth species recently found in the Park, 23 are of conservation significance – including 8 which are current or proposed Red Data Book species – and 10 are Nationally Scarce (Notable). These impressive statistics indicate the quality of habitat within this historic site.

**Hercules makes his debut**

In Bushy Park, the deer herds saw three new additions to the family in February. A two-year-old stag and hind were introduced to the red deer herds and a new two-year-old buck was introduced to the fallow herds. All three animals have been accepted and have settled in.

Richmond also got a new stag and buck, introduced into the park from Gunton Park. The stag has been sponsored by a local estate agent and named Hercules following a competition in the local press, promoted by The Royal Parks Foundation.



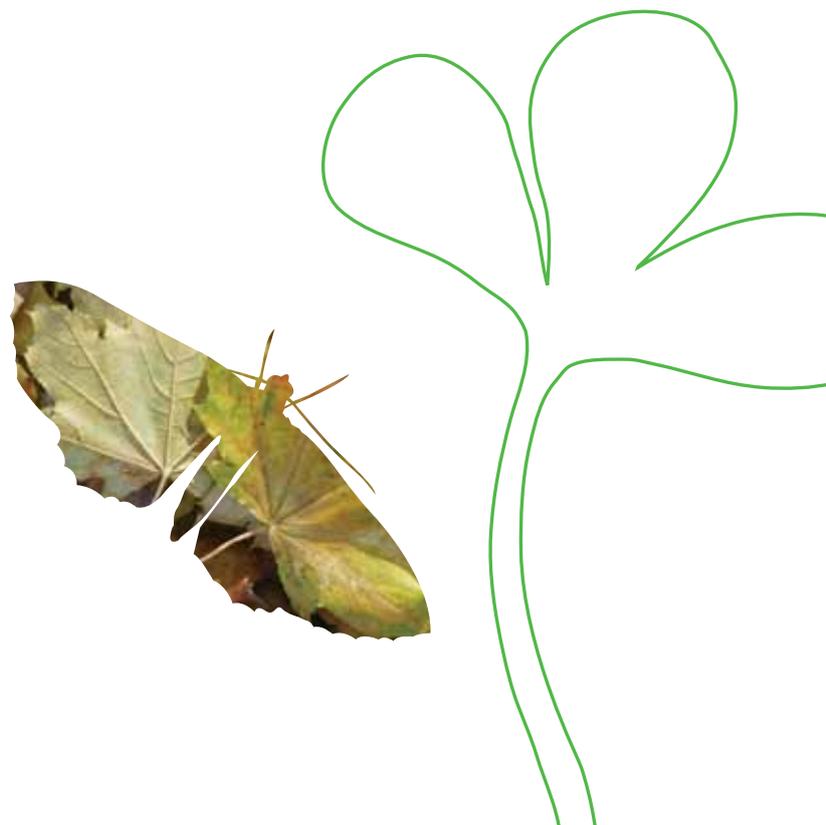
12

pairs of skylarks believed to be nesting within Richmond Park – up from just two in the late 1990s. These ground nesting birds are very vulnerable to disturbance and numbers had been declining significantly.



1992

Two Shire horses were introduced to Richmond Park in 1992, the first to work in the Park since 1952





# SPORT IN THE PARKS



All year round, the Parks double as playgrounds and sports fields, offering a wide and varied selection of sporting activities. These successfully introduce new generations to the Parks.

The Regent's Park – the largest open air sports facility in central London – comes alive daily with schoolchildren playing team sports. Each day, myriads of joggers and walkers circle Hyde Park, while Richmond Park's beautiful bridle paths are dotted with horse riders. Despite all this activity, TRP is committed to further improving the quality and range of sports and recreations for park visitors.

**FOOTBALL** The Hub, the sports centre in The Regent's Park, launched The Hub FC. Following the success of The Hub's Saturday morning football coaching sessions, under 10 and under 12 girls now play as a team on a regular basis in a local league.

**POWER KITING** This is growing fast in Richmond Park. Enthusiasts are pulled along by a large kite while sitting in a buggy or standing on a landboard. It is taught by qualified instructors year-round in specified grassy spaces, so ensuring no adverse impact on wildlife, the environment and other users.

**MINI TENNIS** As part of Will to Win Tennis, children were encouraged to try out the new mini tennis courts in Hyde and Regent's Parks for free. The scheme, run in association with the Middlesex Lawn Tennis Association and tennis operator Will to Win, closely involved local primary schools from which children were selected to receive free coaching.



## 150,000

The Hub in The Regent's Park is a flagship outdoor leisure venue in central London, with over 150,000 sport users, from all ages, genders and ethnic groups.





The Regent's Park is the biggest open air sports space in inner London, with more than forty football pitches and facilities for tennis, golf, cricket, softball, rugby, rounders, hockey, running and netball.

**TENNIS** The Parks' tennis courts offer low-cost 'pay and play' facilities for all ages, along with a coaching and development programme. TRP also runs a number of tennis festivals and camps throughout the year.

**SMALL-SIDED FOOTBALL** As part of its aim of getting more people involved in sport, TRP has submitted a planning application to build a new sports facility in The Regent's Park. If permission is granted, this will create all-weather pitches for small-sided football, mini hockey and touch rugby for the local community. The proposed development is in partnership with Goals Soccer Centres.

**GOLF** Richmond Park already hosts one of the best 'pay and play' golf courses in the south east. The long-term management contract was put out to tender during the year and was won by Glendale Golf.

Their proposals for the redevelopment of Richmond Park Golf Course include a new clubhouse, upgrade of the courses, 20-bay driving range, practice facilities and better access. The plans aim to broaden access to golf in Richmond Park while integrating the courses into the landscape of the Park. The planning application will be submitted in summer 2007.



## WHEEL MEET AGAIN

Pedal power is growing in London – and TRP is working hard to promote cycling both as a sustainable means of transport and a leisure activity in the Parks.

Last year saw construction of major cycle routes in Hyde Park and work begin on a new path in Richmond Park, while cycling feasibility studies were undertaken in a number of other parks. Funding was secured from Transport for London (TfL) to review and develop cycling provision. Work on an updated Cycling Policy commenced, looking at the surrounding issues and opportunities. Hyde Park is a major commuter cycle route, and the challenges this poses are being considered.

In Richmond, a new cycling and pedestrian link between Ham Gate and Petersham Gate has been designed. TfL funding was awarded via the London Borough of Richmond-upon-Thames and construction began at year end. Benefits include reducing erosion on the steeper slopes, improvement of emergency access, and access through Petersham Gate and into the playground. Additional cycle racks have been installed at Pembroke Lodge, also funded by TfL.

During 2007, further surveys and cycle route trials will be undertaken in other Parks.



# BUILDING FOR THE PAST AND THE FUTURE

The Royal Parks contain a unique variety of buildings, statues and monuments, making them not just open spaces but palace precincts, open air art and sculpture galleries, memorial gardens...

One of Britain's best-known monuments, the Queen Victoria Memorial, in front of Buckingham Palace, was one of several monuments refurbished during the year. The fountain is being repaired as part of a 3-year programme. The many tourists who admire this monument whilst watching the Changing of The Guard are unaware that the underground pumping system and electrical controls have also been renewed.

In early 2007, the famous lake in St James's Park was brought back to life by its newly-restored fountain. The Swire Fountain is now spouting for the first time this millennium. Lit by energy-efficient spotlights, it forms a stunning centrepiece. Besides its visual impact, the fountain keeps the lake healthy by oxygenating the water.



## **Buxton is beautiful**

To celebrate the 200th anniversary of the abolition of slavery, The Royal Parks, working with Black British Heritage and English Heritage, undertook the restoration of the Buxton Memorial. Sited in Victoria Tower Gardens, this monument commemorates Buxton, Wilberforce and the other activists who ended the slave trade. The major restoration, costing some £90,000, was undertaken by specialist contractors, Taylor Pearce.

## **We will remember them...**

October 2006 saw the opening of the stunning BALL memorial at Clive Steps in St James's Park. The UK Bali Bombing Victims' Group expressed its gratitude to DCMS, The Royal Parks and others for their help in providing 'a beautiful and fitting public and permanent memorial'. Unveiled by HRH The Prince of Wales and the Duchess of Cornwall, it was the result of three years' planning, in which the Park Manager played a major part.

A site just off Lovers' Walk in Hyde Park has been chosen as the location for a memorial to the victims of the 7/7 London bombings in 2005. The Royal Parks will manage this sensitive project and take responsibility for the memorial's upkeep.



## 2004

Inn The Park was opened in 2004, replacing the famous Cake House. It was designed as an environmentally friendly building offering stunning views of the famous lake and the historic skyline of Whitehall.



550

The Diana, Princess of Wales Memorial Fountain consists of 550 stone sections, each weighing at least a tonne. Each piece has a unique shape and texture, controlling how the water runs over it in order to create different sounds and visual effects.

#### Flushed with success

The Parks picked up a number of awards during the year. For instance, the toilet facilities at The Hub in The Regent's Park were entered for the Loo of the Year Award and won 5 stars, meaning they go forward to the National Awards.

The Diana Princess of Wales Memorial Fountain won a special award for 'Design & Technology Innovation in Stone'. The media has not always been kind to it but the public have voted with their feet (more often than not dangled in the water). Over 1.5m visitors have come to its tranquil environs since May 2005; up to 5000 people visit per day.

#### Maximising assets

The Royal Parks 'Better Buildings' Programme was set up to ensure good use is made of buildings within the parks. The lodges – of which there are more than 50 – were a priority. It was decided they should be rented out on the open market, a first for The Royal Parks. Prince of Wales West in Hyde Park was refurbished and created much interest in the property pages.

In Greenwich Park, St Mary's Café was not fulfilling its potential. With financial support from concessionaire Caper Green, the café was re-landscaped and a plant-sales area created. Recent sales figures show a marked increase in visitors.

The Royal Ballet School in Richmond Park has been subject to an ongoing refurbishment programme. The Grade I-listed façade was hidden from view, but the construction of new ornamental gates now opens the vista to public view for the first time in decades.

#### Headless in Hyde

Occasionally the parks suffer from vandalism, requiring unscheduled works. In March, the statue of 'Little Nell' was found decapitated in Hyde Park. To the relief of park staff, the missing part was swiftly located in The Dell and the statue has now been repaired.



# ALL THE PARK'S A STAGE...



Events once again were pivotal to Park activities with a wide variety of sporting and cultural events raising The Parks' profile on the international stage. As well as giving enjoyment to literally millions of people, last year's events benefited a number of charities, both large and small, by some £9 million. TRP is proud of the part it plays in this fundraising.



Events are also crucial to the economic wellbeing of the Parks. This year, commercial event income topped £2 million for the first time (12% over target) while the range of events was probably greater than ever. There was nothing quite as challenging as last year's Live8 concerts, but the new Licensing Act meant that six parks needed to obtain Premises Licences. TRP leads the way in obtaining such licences for public open spaces.

#### **Scaled-up theatre**

As well as perennial favourites such as Moonwalk and the London Marathon, some remarkable one-off events took place. In May 2006, St James's Park (already known for spectaculars such as Trooping The Colour) saw the arrival of a 42ft high mechanical elephant weighing 40 tonnes. Created by a French theatre company, it brought street theatre to the Park with the show *The Sultan's Elephant*, based on a story by Jules Verne. The performance featured a 35ft 'little girl' whose exploits included taking a bus tour of the capital and walking in the park. An estimated half million visitors came to be entertained.

#### **World-class cycling stars**

Large crowds also attended the 2006 Tour of Britain and Bikefest. Around 25,000 people were in St James's Park in glorious weather to see World Champion Tom Boonen of Belgium win the Tour's final stage which had commenced in Greenwich Park. Throughout the day a programme of races took place on a circuit in St James's Park – an ideal rehearsal for the Tour de France in summer 2007 which will also pass through St James's Park, and Hyde Park.

#### **Relocating No 10 to Duck Island**

November saw a very different event in St James's Park. RIBA's exhibition, *The Green Wing*, challenged school children to design a sustainable home for the Prime Minister. The students chose Duck Island as the site for their environmentally-friendly 'No.10' and, through their project, found out how good design can reduce our impact on the environment. Visitors to the exhibition which made its debut at the Labour Party Conference included the Secretary of State, Tessa Jowell.



**Crafts, cemeteries and dance**

Many smaller events successfully brought local people into Royal Parks. Bushy Park's Chestnut Sunday attracted around 8,000 visitors who came to see displays of agricultural crafts, classic cars, bikes and military vehicles. Brompton Cemetery's popular open day raised the profile of this unique location, while the launch of the 'Miss Potter' film is expected to highlight its association with author Beatrix Potter.

A joint project with the Rambert Dance Company brought dancers, teachers, musicians, young people and wildlife experts together in The Regent's Park. All participants were enormously enthusiastic about this 'Outside' project and it is hoped that this will be the start of more 'dancing in the park'.

**Location, location, location**

All the Parks are much in demand for filming. The central parks are most popular for features and TV dramas, while Richmond is favourite for still photography. During 2006, a new TRP filming policy introduced new systems, standardised charges and achieved greater openness. This was followed by the appointment of TRP's first Filming Manager. Find out more at [www.royalparks.org.uk](http://www.royalparks.org.uk).

Well-known TV programmes filmed in the parks included Bad Girls, Spooks and East Enders while feature films included Brick Lane and 28 Weeks Later.

In November, scenes were filmed for Neighbours. Park staff earned the thanks of the freezing Australian soap stars by supplying hot water bottles.



29m+

More than 29 million visitors flock to The Royal Parks each year. A major survey of visitor numbers in the Parks will be completed in autumn 2007.

A major restoration project has begun in Bushy Park, funded by the Heritage Lottery Fund. This is a major project for the Park that will culminate in the reinstatement of the early 18th century water gardens.



# THE RENAISSANCE OF BUSHY

The final result will be that the park will be more accessible with better eating facilities, improved wildlife habitats, and new exhibition and visitor centres. All in all, this project heralds an exciting time for Bushy and its very dedicated supporters.

The Heritage Lottery Fund awarded the Royal Parks £4.5 million towards implementation of the project, which will be completed in phases. A lot of the work is already underway. The Royal Parks is looking to raise £3 million for this project, with the help of The Royal Parks Foundation.

- 700 new trees were planted throughout the park over the winter of 2006-7
- Some initial tree surgery was undertaken in autumn 2006; much of the waste wood arising from this has been kept on site to create additional wildlife habitats
- The restoration of the Woodland Gardens (Pheasantry) has begun, with new pathways laid and fences repaired

- At the rear of the Pheasantry, a new amphitheatre has been created behind a temporary rabbit-proof fence to allow it to settle and seed.

Finally, facilities are being significantly improved for the gardening volunteers; for instance, through the provision of changing facilities. The volunteers and the Friends of Bushy Park have played a very important role in progressing this project and a number of companies have generously sponsored various aspects of it.

The local Twickenham Museum prepared an exhibition dedicated to the Water Gardens renovation and the Bushy Park Restoration Programme. The exhibition will run for three months from April 2007 with display materials funded by TRP.



## 2007

Bushy Park was famous during the 18th Century for its Water Gardens, which are to be restored in 2007/8. Bushy's beautiful and secluded Woodland Garden is certainly worth a visit.

# LIFE-LONG LEARNING



TRP provides a huge range of learning opportunities for all ages and abilities. Themes include history, horticulture and landscape, wildlife, the environment and sustainability, arts, crafts and architecture.

Each year, a wide variety of groups – from schoolchildren and enthusiasts to adults with learning or mobility difficulties – head to the Parks to take part in educational activities. The 'Discovery' programme, for instance, includes National Curriculum-linked activities for primary and secondary schools.

This year, the 100-year old Lookout, hub of Hyde Park's Environmental Education Centre, had an 'accessibility' makeover including ramped access, a disabled loo, boardwalks around the wildlife pond and wheelchair-friendly paths. These will ensure improved access for future school visits – last year, more than 50 groups passed through the Centre.

fascinating history. The aim is to develop a centre of excellence, providing access to parks and open spaces for people with special needs.

### Green young fingers

In the Flower Gardens in Greenwich, local children donned gardening gloves to plant a flower bed designed by youngsters aged 3-11. The budding landscape designers worked with Greenwich Park Managers on design. After the winner was selected, TRP helped the children choose suitable flower varieties for the soil and climate, and keep the project within budget. All discovered what fun it is to get hands dirty planting!

### Richmond for all

In Richmond Park, TRP works with The Holly Lodge Centre, a charity that wants everyone, no matter what their ability or background, to be able to enjoy and learn about Richmond Park, including its wildlife and



Bushy is home to Water Voles. They are a priority conservation species under the UK Bio-Diversity Action Plan.



### Invaluable volunteers

Many of the events that take place in The Royal Parks simply would not happen without the help of a band of volunteers whose amazing range of skills enables them to undertake a multitude of activities – anything from individual ecological research to running a class or guiding a walk.

The Royal Parks ran a 14-week volunteers' training course in Bushy Park. Participants attended one day each week, learning about environmental games, working with children, orienteering, sustainability, trees and more.

This project came about through working with the John Lewis Golden Jubilee Trust programme. A secondee from John Lewis in Kingston has been helping TRP to develop the Bushy Park Rangers Membership Scheme. A 12-month programme of activities was put together for the Rangers, and the volunteer training programme developed – a prime example of the Parks successfully building links with local business.

# SUPPORTING PARTNERSHIPS



Richmond Park is recycling paper, cans and glass, separated at source from Lodges' refuse, and Park residents will be offered subsidised composting bins to be obtained from the local council.

Few of The Royal Parks successes could be achieved without the dedication and commitment of its contractors, supporters and friends. This page highlights some examples of successful partnership activity.

Whether a major contractor providing quality services, a corporate benefactor financing an otherwise unfeasible project, or simply an individual freely giving a few hours of their time and expertise, each of TRP's partners makes a vital contribution to the Parks'.

## Growing people

The Royal Parks' team of employees are one of its prime assets. A wide-ranging programme of staff development has been instigated, ensuring that staff at all levels are motivated and involved. This programme also extends beyond TRP's own employees to contractors. For example, Enterprise Plc showed their commitment to training and development by putting staff through NVQ and RHS courses.

## Reaching out further

In practice, TRP's commitment to training extends further still. A week-long project was hosted with the Prince's Trust, wherein a group of 'hard to reach' young people was given the opportunity to gain skills and experience in a variety of land-based jobs. Several of the participants have gone on to obtain full-time employment. This project involved considerable input from Parks' staff, as well as the support of TRP contractors.

Another partnership with the Probation Service and the MPS Payback initiative has resulted in a team of offenders serving their Community Service Orders in the parks, working one day a week. This group has enthusiastically tackled projects such as footpath refurbishment, tree crate repairs,

security fencing and vegetation removal, all of which would not otherwise have been carried out.

## Digging to win

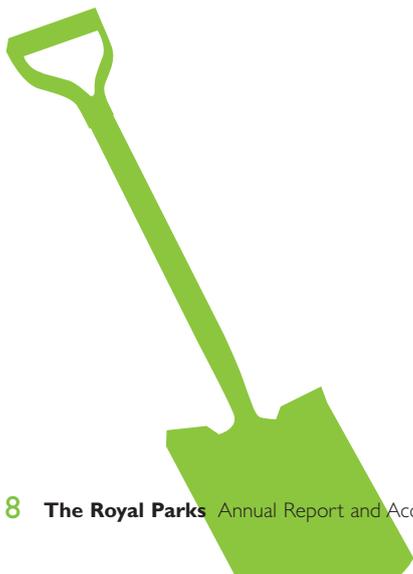
Working in partnership with the Churchill Museum and Cabinet War Rooms (CMCWR) and the Department for Education and Skills, TRP has begun to develop a project entitled 'Dig for Victory'. This involves the creation of two allotments in St James's Park – one an authentic World War II allotment, the other a modern one – with the aim of teaching children about sustainability and healthy eating. A supporting exhibition will open in the Museum in early summer 2007. The Park also worked in partnership with CMCWR on a number of education activities.

## Experience St James's

The St. James's Park Experience project involves working closely with other visitor attractions in the Park's vicinity, to deliver an attractive 'package' of things to do and see for visitors.

## Going green

Environmental sustainability is of prime importance to The Royal Parks. Hence, in the new maintenance contracts, it insisted on 'green fleet' management. TRP's facilities management partner, Enterprise Plc, invested around £300,000 in battery-powered vans in order to secure the contract. This means vital maintenance work and estate management around Royal Parks is now carried out in almost silent and 'zero emission' vehicles.



## DECKCHAIR DREAMS



### The Royal Parks Foundation's first public art project

Visitors were treated to a uniquely colourful spectacle last summer when The Royal Parks Foundation launched a stunning range of designer deckchairs in the Parks, created by 25 celebrities from the worlds of food, fashion, music, architecture and art. Contributors included Paul Smith, Mario Testino, Yoko Ono, Sir Peter Blake, Ken Russell, Alexander McQueen, Richard Rogers, Damien Hirst and Heston Blumenthal.

With help from illustrator Quentin Blake and his life-size 'purple lady' created specially for the occasion, the deckchairs were unveiled

on a sunny summer's day along the Serpentine beach in Hyde Park. Seven hundred deckchairs were then added to the Park's traditional green and white striped collection, so visitors can relax comfortably on works of art.

The project raised over £50,000 which helped build the new nature trail in Greenwich Park and a treetop viewing hide, allowing pupils from 18 local schools to study wildlife up close. Thanks to fresh sponsorship from Bloomberg, the Foundation will be exhibiting 25 new deckchair designs during summer 2007.



### With a little help from...

All Parks are fortunate in having active Friends Groups. These voluntary organisations are very energetic in their support of the Parks, frequently undertaking fund-raising, profile-raising, educational and lobbying activities. Many also give active practical help, such as manning information points, assisting with research and organising activities in the Parks. Their work as volunteers is invaluable.

# 1,400

There are over 1,400 deckchairs in the Royal Parks: Hyde (500); St James's (245); Green (222); Regent's (243); Kensington (193). They are available from May to September every year and are dressed in the traditional green and white striped canvas.

# BEHIND THE SCENES



The Royal Parks appoint staff on the basis of fair and open competition and in accordance with guidelines set out in the Civil Service Commissioner's Recruitment Code. This year, after external recruitment campaigns, the following new appointments were made:

Grade	Appointments	% Women	% Minorities
Grade I (Administration)	3	66.6	33.3
Grade II (Executive)	2	100	0
Grade III (Executive)	1	100	0
Grade IV (Non-Board Member)	1	100	0

A programme of leadership training took place, a skills audit was undertaken and the new appraisal system was put into practice. A very successful staff conference, which all employees were encouraged to attend, was arranged in September 2006.

### Health and safety

This section follows the guidance issued by the Health and Safety Commission (HMSO) on health and safety information in annual reports.

The Royal Parks is committed to the health, safety and welfare of its staff and all those involved in TRP activities, and to an effective health and safety (H&S) management system. The Health and Safety Executive has produced a guide on best practice in successful health and safety management (HSG65) which is used as a template.

H&S policy and procedures are available to all staff, with responsibility for day-to-day activity resting with the Chief Executive and senior management team. They receive quarterly reports and approve the annual H&S strategy which sets the targets for the year. Key targets for 2006-07 – which were all met – were:

- To introduce a procedure on managing vehicle safety and to ensure it is undertaken
- To amend procedure on fire to reflect the new regulations coming into effect in autumn and ensure it is undertaken
- To amend procedure on noise to reflect new regulations coming into effect in autumn

During the period, with an average staff number of 100, there were no accidents to members of staff which needed to be reported to the HSE under RIDDOR. There were no fatalities. No enforcement notices were served, nor were there any convictions for health and safety offences.

The key health and safety targets for 2007-08 are:

- To clarify and update procedures on Health and Safety training
- To implement the non smoking Regulations coming into effect in the summer.



## CORPORATE OBJECTIVES AND PERFORMANCE TARGETS

The Royal Parks has the following as its objectives and performance targets:

<b>OBJECTIVE 1</b>		To protect and enhance our 'world class' natural park environment for the enjoyment of families, children and visitors	
Key performance targets:	1a	To establish an international benchmarking strategy for parks	Achieved
	1b	To gain Green Flag status for 5 parks	Achieved
<b>OBJECTIVE 2</b>		To understand and respond to the needs of our audiences, reflecting diversity of needs and use; enriching lives and enhancing access to culture and sport	
Key performance targets:	2a	To maintain visitor satisfaction levels above 85%	Achieved
	2b	To establish a value-based metric base line	No longer relevant <sup>1</sup>
<b>OBJECTIVE 3</b>		To work with other organisations and volunteers to deliver clear education, health, sport and participation offers	
Key performance targets:	3a	To publish an education strategy, including targets	Achieved
	3b	To publish a health strategy, including targets <sup>2</sup>	Not met
<b>OBJECTIVE 4</b>		To conserve and enhance the historic built environment of the Royal Parks	
Key performance targets:	4a	To undertake two heritage restoration projects <sup>3</sup>	Achieved
<b>OBJECTIVE 5</b>		To deliver greater value for money for the taxpayer through increased income generation and reduced dependency on vote funding	
Key performance targets:	5a	To raise an income of £7m <sup>4</sup>	Achieved
<b>OBJECTIVE 6</b>		To demonstrate organisational excellence	
Key performance targets:	6a	To deliver £1.676m efficiencies	Achieved
	6b	To complete research on visitor interaction facilities <sup>5</sup>	Achieved

1 Following one year's market research, it was found this target was no longer necessary.

2 Developing health framework which will bring together relevant elements of sports and education strategies. Sport England targets for Hub met; health pilot with Lancaster University developed.

3 Swire Fountain and Buxton Memorial.

4 £9.385m achieved

5 Consultation on Bushy Centre complete.

# LOOKING AHEAD

The Royal Parks purpose is: 'To manage the Royal Parks effectively and efficiently; balancing the responsibility to conserve and enhance these unique environments with creative policies to encourage access and to increase opportunities for enjoyment, education, entertainment and healthy recreation.'

The Royal Parks' key objectives for the coming year are:

- To protect and enhance our 'world class' natural park environment for the enjoyment of families, children and visitors
- To understand and respond to the needs of our audiences, reflecting diversity of needs and use; enriching lives and enhancing access to culture and sport;
- To work with other organisations and volunteers to deliver clear education, health, sport and participation offers;
- To conserve and enhance the historic built environment of the Royal Parks;
- To deliver greater value for money for the taxpayer through increased income generation and reduced dependency on vote funding and to demonstrate organisational excellence.

#### Opportunities and challenges

**TOUR DE FRANCE 2007** The Royal Parks will provide a spectacular backdrop for the most prestigious cycling event in the world. Hyde Park, The Green Park and St James's Park have been chosen as the venue for the 8km Prologue of Le Grand Départ. The Royal Parks is working with Transport for London and other partners to ensure that some 500,000 spectators enjoy the Tour from a Park vantage point.

**BUSHY'S RESTORATION** The major restoration project of The Water Gardens, funded by the HLF, will transform this area of the Park. The Royal Parks and The Royal Parks Foundation will focus efforts on raising matching funding to ensure that work on this unique project proceeds apace.

**SPORT FOR ALL** Government believes sport has a large part to play in building stronger, safer communities, strengthening the economy, developing the skills and improving health. With this in mind, The Royal Parks plans to improve access to sporting facilities in all Parks. Two planning applications (for small-sided sports pitches in The Regent's Park and for improved golfing facilities in Richmond) will be lodged during 2007.

**GOING FOR OLYMPIC GOLD** The 2012 Olympics will transform London and The Royal Parks is fortunate to have the opportunity to be so closely involved. This will introduce the Parks to a whole new audience and to raise the public profile of the parks locally, nationally and internationally. As the diving board became the iconic symbol of the Barcelona Games, so it is the aim of The Royal Parks to provide the iconic views of the 2012 Games.



# ACCOUNTS 2006-07

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## ACCOUNTS DIRECTION

The accounts have been prepared under a direction issued by HM Treasury in accordance with section 7(2) of the Government Resources and Accounts Act 2000.

## DESCRIPTION OF THE BUSINESS

### HISTORY OF THE ROYAL PARKS

On 1st April 1993, The Royal Parks was established as an Executive Agency of the Department of National Heritage, now the Department for Culture, Media and Sport (DCMS). It is fully accountable to Parliament through the Secretary of State for Culture, Media and Sport who sets the Agency's policy framework and key performance targets and determines its level of resources each year.

### STATUTORY BACKGROUND

The Royal Parks cares for the following parks: St James's, The Green, Hyde, The Regent's, Greenwich, Richmond, Bushy and Kensington Gardens which are managed by the Secretary of State for Culture, Media and Sport on behalf of the Queen. The Royal Parks form part of the hereditary lands owned by the Sovereign in right of the Crown. Various monarchs enclosed the Parks during the fourteenth to seventeenth centuries, primarily for hunting or as parkland gardens. By virtue of the 1851 Crown Lands Act the Crown transferred the duties and the Parks to the Commission of Works and Buildings and The Royal Parks are now the responsibility of the DCMS. The Royal Parks has responsibility for all London's Royal Parks except Hampton Court Park, which is the responsibility of Historic Royal Palaces.

The Royal Parks is also responsible for managing and policing, in conjunction with the Metropolitan Police Service (MPS), Brompton Cemetery, Victoria Tower Gardens, and Grosvenor Square Gardens and maintaining nos. 10, 11 and 12 Downing Street Gardens, Canning Green, St Margaret's Church Green, Poets' Green and the Longford River (except in Hampton Court Home Park).

### AIMS AND OBJECTIVES

The Royal Parks aims and corporate objectives are set out on page 21.

## KEY PERFORMANCE TARGETS

Key performance targets are set by DCMS and are formally reviewed quarterly by the Management Board. Details of the financial targets set for The Royal Parks by the Secretary of State and the achievement against those targets are at Note 20 to the Accounts. Details of other performance targets and achievements are noted on page 21 of the Report.

## DEVELOPMENT AND PERFORMANCE IN THE CURRENT YEAR

### REVIEW OF ACTIVITIES

The Chief Executive's foreword on page 2 and the review of the year on pages 3-20 of the Report, look over activities for the year ended 31 March 2007.

Future developments are outlined in 'Looking Ahead' on page 22 of the Report. Further details of future developments and plans are contained in The Royal Parks Corporate Plan.

### RESOURCES

The Agency is funded via the DCMS Supply Estimate, Request for Resource 1. Royal Parks allocation for 2006-07 was a Net Resource budget of £25.812m (of which £2.571m was non-cash) plus £1.88m Capital. The Royal Parks are allowed to utilise Resource Appropriations in Aid (A in A) income up to £3.856m, which increases gross Resource budget to £31.548m.

This resource budget was reduced during the year by £7.7m via the DCMS Supplementary Funding Agreement to reflect the transfer of policing costs to the Metropolitan Police Service (MPS). Income (excluding notional income) in 2006-07 was £9.330m, which is an increase of £1.222m (15.1 percent) over £8.108m achieved in 2005-06.

The difference between Net Expenditure in 2006-07 and 2005-06 is directly related to the transfer of the Royal Parks Constabulary (RPC) to the Metropolitan Police Service (MPS), completed on 8th May 2006. Cost reductions were realised in staff and programme costs, whilst the estimated shortfall in Police Pension Scheme following the transfer was supplemented by a further £0.40m. Final valuation for the pension costs will be determined in July 2007. In addition, Depreciation and Notional charges increased as a result of further investment into fixed assets.

### FIXED ASSETS

During 2006-07 The Regent's Park developed the drainage and irrigation systems of the Sports Pitches, including the installation of a Borehole to improve the sustainability of the ground throughout the year. This development work will be continued into the new financial year and will be extended to provide water to other areas of the park.

### STRATEGIC RISKS

The aim of risk management is to understand the risks that will impact our ability to deliver the Corporate Plan and ensure that the necessary mitigating actions are taken to limit risk and optimise our ability to deliver.

The Management Board has identified key areas of risk and is introducing new reports and processes to underpin effective risk management. This will be embedded at all levels within the organisation. Our risk management reports will contain risk assessment (impact and probability) and highlight mitigation actions and management of residual risk. Long-term strategic risks will be reviewed alongside short-term operational risks, prioritising appropriately to ensure that risks are captured and managed effectively to minimise escalation of impact or probability. The key corporate risks are contained in The Royal Parks Corporate Plan.

### KEY RELATIONSHIPS WITH STAKEHOLDERS THAT MAY AFFECT THE ROYAL PARKS LONG TERM POSITION

The Royal Parks Foundation fundraises for The Royal Parks, particularly for matched funding for major projects, which are partially Lottery funded. Without continuing support from the Foundation such projects may not proceed. As a registered charity, The Royal Parks Foundation can reclaim, from the Inland Revenue, an extra 28p for every £1 given by income tax payers under the Gift Aid scheme.

### FINANCIAL POSITION OF THE ROYAL PARKS

The Metropolitan Police Service (MPS) took on responsibility for policing the Royal Parks on 1 April 2004, and there has been a co-policing arrangement since that date. The full legislative merger was completed on 8 May 2006. The policing is now funded by the Home Office. The accounts show an Exceptional Item of £0.40m, an estimate of the remaining shortfall between the amount available from the Principal Civil Service Pension Scheme and the amount required by the Police Pension Scheme to cover

service credits for all Royal Parks Constabulary officers transferring to the MPS. The Government Actuarial Department (GAD) expect to finalise the remaining funding required in July 2007.

### POLICY AND ACHIEVEMENT OF POLICY ON SOCIAL AND COMMUNITY ISSUES

Details of social and community issues are in the 'Supporting partnerships' section of the Report.

### POLICY AND ACHIEVEMENT OF POLICY ON EMPLOYEES

The Royal Parks' policy is that 'all eligible persons shall have an equal opportunity for employment and advancement within the Agency on the basis of their ability, performance and aptitude for the work. There shall be no discrimination on the grounds of an individual's nationality, sex, race, colour, ethnic origin, religion, sexual orientation, marital status or disability'.

Page 20 of the Report provides further information on Human Resources performance during the year.

The Royal Parks considers it very important that employees understand the operations, aims and objectives of the Agency. The Management Board holds its monthly meetings at the various Park locations, and has an open forum for half an hour to provide staff with an opportunity to raise issues with the Board. The Chief Executive visits all Park locations on a regular basis. All staff have access to the Framework Document and have the opportunity to input to the Corporate Plan.

Management bulletins and Health and Safety newsletters are produced to update staff on developments and best practice in these areas. Staff are encouraged to contribute articles for these publications.

### PENSIONS

Details of pension arrangements are at notes 3.1 and 3.3.

### POLICY AND ACHIEVEMENT OF POLICY ON ENVIRONMENTAL MATTERS

The Royal Parks is committed to reducing its impact on the environment, and has successfully retained ISO 14001. More information is contained in the 'Managing the Environment' section of the Report.

### MANAGEMENT BOARD

Two non-executive Directors, Andrew Fenwick representing The Royal Parks Foundation (also Chairman of The Royal Parks Audit Committee) and Apurv Bagri representing The Royal Parks Advisory Board, were appointed with effect from 2003-04. The non-executives receive no remuneration for their role. The names and roles of the executive Management Board members are shown in the Remuneration Report. The latter are paid employees of The Royal Parks, appointed under Civil Service Management Code conditions, and all Parks and sections are represented on the Board, which meets once a month.

### THE ROYAL PARKS ADVISORY BOARD

The names of the Advisory Board members are noted on page 3 of the Report. The Royal Parks does not pay fees to the Advisory Board members.

### REGISTER OF INTERESTS

The Royal Parks maintains Registers of Interests for the Advisory Board and the Management Board, which is made available on request at The Royal Parks Headquarters.

### CREDITOR PAYMENT POLICY

The Agency aims to settle all valid invoices within 30 days of receipt (as specified in the CBI code). During 2006-07 the Agency paid 96 per cent of invoices within this timescale (2005-06 94.9 per cent).

### AUDITOR

The accounts are audited by the Comptroller and Auditor General in accordance with The Government Resources and Accounts Act 2000.

### ACCOUNTING OFFICER

So far as the Accounting Officer is aware, there is no relevant audit information of which the entity's auditors are unaware, and the Accounting Officer has taken all the steps that he ought to have taken to make himself aware of any relevant audit information and to establish that the entity's auditors are aware of that information.



**MARK CAMLEY, CHIEF EXECUTIVE**  
11th July, 2007

# REMUNERATION REPORT

The Royal Parks does not have a Remuneration Committee. The Chief Executive's pay is determined by the arrangements for the Senior Civil Service (SCS), whilst other senior managers' pay is determined as part of the annual pay remit process. Settlement of the latter is negotiated with the Trade Unions.

DCMS is responsible for recruitment and employment of the Chief Executive and all matters relating to his salary are dealt with in accordance with its policies and procedures.

Other senior managers, below SCS, are paid employees of The Royal Parks, under the Civil Service Management Code conditions.

Contracts of appointment are open-ended and the notice period is between 1 and 3 months. There are no special terms for early termination of contracts, although the terms and conditions of the Principal Civil Service Pension Scheme (PCSPS) apply in respect of early retirement and severance. Details can be found at [www.civilservice-pensions.gov.uk](http://www.civilservice-pensions.gov.uk).

The performance appraisal system, called the Appraisal Development Report (ADR), is based on the assessment of individual achievement against current objectives. Appraisals are carried out at 6 monthly intervals with informal meetings as required, and an annual performance assessment is used as a basis for awarding performance-related pay.

The Agency is subject to public sector pay policy and takes into account the directives on pay and related matters issued by the Treasury. We currently set aside 0.005% of total salary costs for non consolidated rewards.

The following sections provide details of the remuneration and pension interests of the Chief Executive and Management Board members of The Royal Parks.

The figures in this Remuneration Report have been audited.

## a) Remuneration

	2006-07	2005-06
	Salary £000	Salary £000
Mark Camley Chief Executive	90-95	65-70 (full year equivalent 80-85)
Bernadette Kenny Interim Chief Executive (from 24 January 2005 to 8 May 2005)	N/A	15-20 (full year equivalent 95-100)
Colin Buttery Director of Parks (from 25 April 2005)	60-65	55-60 (full year equivalent 60-65)
Mike Fitt Director of Parks (to 7 October 2005)	N/A	25-30 (full year equivalent 55-60)
Anne Moore Director of Resources and Business Planning (to March 16 2007 )	55-60	50-55
Simon Betts Director of Estates	55-60	50-55
Greg McErlean Director of Major Projects	55-60	55-60
Jo Brigham Director of Marketing and Strategy (to 20 April 2007)	60-65	10-15 (full year equivalent 60-65)
Bridget Verso Head of Finance (from 26 February 2007)	0-5 (full year equivalent 45-50)	N/A

**SALARY**

'Salary' includes gross salary; performance pay or bonuses; and any allowance or payment to the extent that it is subject to UK taxation.

**BENEFITS IN KIND**

None of the staff opposite received benefits in kind.

**b) Pension benefits**

	Real increase in Pension and related lump sum at age 60	Accrued Pension at age 60 at 31/3/07 and related lump sum	CETV at 31/3/06	CETV at 31/3/07	Employee contributions and transfers in	Real increase in CETV
	£000	£000	£000	£000	£000	£000
Mark Camley Chief Executive	0-2.5 lump sum 2.5-5	20-25 lump sum 65-70	284	307	0-2.5	19
Colin Buttery Director of Parks	0-2.5 lump sum 0	15-20 lump sum 0	231	240	0-2.5	4
Anne Moore Director of Resources and Business Planning (to 16 March 2007)	0-2.5 lump sum 0-2.5	10-15 lump sum 35-40	167	172	0-2.5	4
Simon Betts Director of Estates	0-2.5 lump sum 0-2.5	5-10 lump sum 20-25	132	155	0-2.5	16
Greg McErlean Director of Major Projects	0-2.5 lump sum 0	0-5 lump sum 0	18	30	0-2.5	11
Jo Brigham Director of Marketing and Strategy	0-2.5 lump sum 0-2.5	5-10 lump sum 20-25	95	111	0-2.5	9

A Cash Equivalent Transfer Value (CETV) is the actuarially assessed capitalised value of the pension scheme benefits accrued by a member at a particular point in time. The benefits valued are the member's accrued benefits and any contingent spouse's pension payable from the scheme. A CETV is a payment made by a pension scheme or arrangement to secure pension benefits in another pension scheme or arrangement when the member leaves a scheme and chooses to transfer the benefits accrued in their former scheme. The pension figures shown relate to the benefits that the individual has accrued as a consequence of their total membership of the pension scheme, not just their service in a senior capacity to which disclosure applies. The CETV figures, and from 2003-04 the other pension details, include the value of any pension benefit in another scheme or arrangement which the individual has transferred to the Civil Service Pension (CSP) arrangements and for which the CS Vote has received a transfer payment commensurate to the additional pension liabilities being assumed. They also include any additional pension benefit accrued to the member as a result of their purchasing additional years of pension service in the scheme at their own cost. CETVs are calculated within the guidelines and framework prescribed by the Institute and Faculty of Actuaries.

Please note that the factors used to calculate the CETV were revised on 1 April 2005 on the advice of the Scheme Actuary.

**REAL INCREASE IN CETV**

This reflects the increase in CETV effectively funded by the employer. It takes account of the increase in accrued pension due to inflation, contributions paid by the employee (including the value of any benefits transferred from another pension scheme or arrangement) and uses common market valuation factors for the start and end of the period.

# STATEMENT ON INTERNAL CONTROL

## SCOPE OF RESPONSIBILITY

As Accounting Officer for The Royal Parks, I have responsibility for maintaining a sound system of internal control that supports the achievement of the DCMS and The Royal Parks' policies, aims and objectives, whilst safeguarding the public funds and departmental assets for which I am personally responsible, in accordance with the responsibilities assigned to me in Government Accounting.

I am responsible to the Secretary of State for Culture, Media and Sport and accountable to Parliament for The Royal Parks' operations and performance. The Royal Parks is managed by a Management Board, which I chair. All Directors in the senior management team are on the Board, which also has two non-executive members.

## THE PURPOSE OF THE SYSTEM OF INTERNAL CONTROL

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of Departmental and The Royal Parks' policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in The Royal Parks for the year ended 31 March 2007 and up to the date of approval of the annual report and accounts, and accords with Treasury guidance.

## CAPACITY TO HANDLE RISK

The Management Board approves The Royal Parks' risk management policy, which clearly states that responsibility for adequate risk management arrangements rests with the Management Board and myself. All 'business units' (i.e. Parks and HQ sections) are required to produce and monitor risk registers as part of the annual business planning process. The Royal Parks is in the process of developing a Business Continuity Plan in conjunction with the DCMS, with the aim of having a Plan in place by the autumn of 2007. However, at present there is a risk that if IT systems failed that The Royal Parks would not be in a position to operate effectively in the short term.

We continue to review and improve our risk management procedures. Following an Internal Audit review of these procedures, we are updating the overall risk management policy.

## THE RISK AND CONTROL FRAMEWORK

All risk management is aligned to the corporate aims, objectives and priorities as outlined above. For 2006-07 these were the five Corporate Plan objectives and connected key targets, which in turn reflected the DCMS's Public Service Agreement objectives and targets. Risk analysis forms part of the strategic planning, business planning and investment/project appraisal procedures. Managers and staff at all levels have a responsibility to identify, evaluate and manage risks, and are equipped to do so through risk training and relevant guidance. However, Internal Audit again identified the need for more formal risk training and guidance to be made available to staff. This will be further developed and rolled out during 2007-08.

Based on an analysis of the identified risks, a summary risk register is produced, which is monitored and reviewed by the Management Board.

## REVIEW OF EFFECTIVENESS

As Accounting Officer, I have responsibility for reviewing the effectiveness of the system of internal control. My review of the effectiveness of the system of internal control is informed by the work of the internal auditors and the executive managers within The Royal Parks who have responsibility for the development and maintenance of the internal control framework, and comments made by the external auditors in their management letter and other reports. The Board and the Audit Committee have advised me on the implications of the result of my review of the effectiveness of the system of internal control and a plan to address weaknesses and ensure continuous improvement of the system is in place. During 2007/8, a detailed examination of the procedures and controls will be undertaken and actioned.

The Royal Parks has an internal audit function, which operates to Government Internal Audit Standards. They submit regular reports to the Audit Committee, including a report from the Head of Internal Audit giving an independent opinion on the adequacy and effectiveness of The Royal Parks' system of internal control together with recommendations for improvement.

The Audit Committee meetings, which are chaired by a non-executive Management Board member, include reports on the effectiveness of the internal control system.

Each Director has completed an Assurance Report confirming that they have carried out a range of responsibilities, which provides me with comfort that policies and procedures are being adhered to. These reports cover risk management and controls, actions on audit reports and effective management of financial and non-financial resources, incorporating specific guidelines issued by Finance, Personnel, Procurement, Health & Safety, IT and Policy and Strategy (including Records Management). Performance against Corporate Plan targets is measured and reviewed quarterly by the Management Board. In addition, I have regular meetings with each Director to review progress in their areas of responsibility against their business plan targets and, following Internal Assurance recommendations, additional assurance is included in Directors' reports.



**MARK CAMLEY, CHIEF EXECUTIVE**

11th July, 2007

## STATEMENT OF CHIEF EXECUTIVE'S RESPONSIBILITIES

Under Section 7(2) of the Government Resources and Accounts Act 2000, HM Treasury has directed The Royal Parks to prepare a statement of accounts for each financial year in the form and on the basis set out in the Resource Accounting Manual. The accounts are prepared on an accruals basis and must give a true and fair view of the organisation's state of affairs at the year-end and of its income and expenditure, recognised gains and losses and cash flows for the financial year.

In preparing the accounts the organisation is required to:

- Observe the accounts direction issued by the Treasury, including the relevant accounting and disclosure requirements, and apply suitable accounting policies on a consistent basis;
- Make judgements and estimates on a reasonable basis;
- State whether applicable accounting standards have been followed, and disclose and explain any material departures in the financial statements;
- Prepare the financial statements on the going concern basis, unless it is inappropriate to presume that The Royal Parks will continue in operation.

The Accounting Officer for the Department for Culture, Media and Sport has designated the Chief Executive of The Royal Parks as the Accounting Officer for the Agency. His relevant responsibilities as Accounting Officer, including responsibility for the propriety and regularity of the public finances and for keeping the proper records, are set out in the Accounting Officers' Memorandum, issued by the Treasury and published in Government Accounting.



**MARK CAMLEY, CHIEF EXECUTIVE**

11th July, 2007

# THE CERTIFICATE AND REPORT OF THE COMPTROLLER AND AUDITOR GENERAL TO THE HOUSE OF COMMONS

I certify that I have audited the financial statements of the Royal Parks Agency for the year ended 31 March 2007 under the Government Resources and Accounts Act 2000. These comprise the Net Expenditure Account and Statement of Recognised Gains and Losses, the Balance Sheet, the Cashflow Statement and the related notes. These financial statements have been prepared under the accounting policies set out within them. I have also audited the information in the Remuneration Report that is described in that report as having been audited.

## RESPECTIVE RESPONSIBILITIES OF THE AGENCY, THE CHIEF EXECUTIVE AND AUDITOR

The Agency and Chief Executive, as Accounting Officer, are responsible for preparing the Annual Report, which includes the Remuneration Report, and the financial statements in accordance with the Government Resources and Accounts Act 2000 and HM Treasury directions made thereunder and for ensuring the regularity of financial transactions. These responsibilities are set out in the Statement of Chief Executives's Responsibilities.

My responsibility is to audit the financial statements and the part of the Remuneration Report to be audited in accordance with relevant legal and regulatory requirements, and with International Standards on Auditing (UK and Ireland).

I report to you my opinion as to whether the financial statements give a true and fair view and whether the financial statements and the part of the Remuneration Report to be audited have been properly prepared in accordance with HM Treasury directions issued under the Government Resources and Accounts Act 2000. I report to you whether, in my opinion, certain information given in the management commentary and Remuneration Report, is consistent with the financial statements. I also report whether in all material respects the expenditure and income have been applied to the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

In addition, I report to you if the Agency has not kept proper accounting records, if I have not received all the information and explanations I require for my audit, or if information specified by HM Treasury regarding remuneration and other transactions is not disclosed.

I review whether the Statement on Internal Control reflects the Agency's compliance with HM Treasury's guidance, and I report if it does not. I am not required to consider whether this statement covers all risks and controls, or to form an opinion on the effectiveness of the Agency's corporate governance procedures or its risk and control procedures.

I read the other information contained in the Annual Report and consider whether it is consistent with the audited financial statements. I consider the implications for my report if I become aware of any apparent misstatements or material inconsistencies with the financial statements. My responsibilities do not extend to any other information.

## BASIS OF AUDIT OPINION

I conducted my audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. My audit includes examination, on a test basis, of evidence relevant to the amounts, disclosures and regularity of financial transactions included in the financial statements and the part of the Remuneration Report to be audited. It also includes an assessment of the significant estimates and judgments made by the Agency and Chief Executive in the preparation of the financial statements, and of whether the accounting policies are most appropriate to the Agency's circumstances, consistently applied and adequately disclosed.

I planned and performed my audit so as to obtain all the information and explanations which I considered necessary in order to provide me with sufficient evidence to give reasonable assurance that the financial statements and the part of the Remuneration Report to be audited are free from material misstatement, whether caused by fraud or error; and that in all material respects the expenditure and income have been applied to the purposes intended by Parliament and the financial transactions conform to the authorities which govern them. In forming my opinion I also evaluated the overall adequacy of the presentation of information in the financial statements and the part of the Remuneration Report to be audited.

## OPINIONS

### AUDIT OPINION

In my opinion:

- the financial statements give a true and fair view, in accordance with the Government Resources and Accounts Act 2000 and directions made thereunder by HM Treasury, of the state of the Agency's affairs as at 31 March 2007, and of the net expenditure, recognised gains and losses and cashflows for the year then ended;
- the financial statements and the part of the Remuneration Report to be audited have been properly prepared in accordance with HM Treasury directions issued under the Government Resources and Accounts Act 2000; and
- The information given within the management commentary and the Remuneration Report, is consistent with the financial statements.

### AUDIT OPINION ON REGULARITY

In my opinion, in all material respects, the expenditure and income have been applied to the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

I have no observations to make on these financial statements.

## JOHN BOURN

Comptroller  
and Auditor General  
17th July, 2007

## NATIONAL AUDIT OFFICE

157-197 Buckingham Palace Road  
Victoria  
London SW1W 9SP

## NET EXPENDITURE ACCOUNT

For the year ended 31 March 2007

	Note	2006-2007 Continuing operations £000	2005-2006 Continuing operations £000
<b>Expenditure</b>			
Staff costs	3	4,303	6,304
Depreciation	7	1,922	1,708
Notional charges	5	1,417	1,350
Programme costs	4	20,970	27,184
<b>Total expenditure</b>		<b>28,612</b>	<b>36,546</b>
Exceptional Item	3.3c	400	2,600
<b>Gross expenditure</b>		<b>29,012</b>	<b>39,146</b>
Less income	6	9,385	8,156
<b>Net expenditure</b>	16	<b>19,627</b>	<b>30,990</b>

(Representing the net departmental cost of The Royal Parks)

## STATEMENT OF RECOGNISED GAINS AND LOSSES

For the year ended 31 March 2007

	Note	2006-07 £000	2005-06 £000
Unrealised surplus on the revaluation of fixed assets	14	5,227	2,630
Receipt of donated assets	15	0	237
<b>Recognised gains and losses for the financial year</b>		<b>5,227</b>	<b>2,867</b>

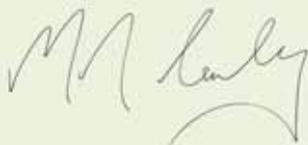
The notes on pages 34 to 42 form an integral part of these accounts.

# BALANCE SHEET

As at 31 March 2007

	Note	2006-07 £000	2005-06 £000
<b>Fixed assets</b>			
Tangible fixed assets	7	47,069	43,361
<b>Current assets</b>			
Stocks	1f	17	11
Debtors	8	2,735	2,544
Cash at bank and in hand	9	1,043	1
		<b>3,795</b>	<b>2,566</b>
<b>Current liabilities</b>			
Creditors (due within one year)	10	(4,810)	(4,629)
Balance at Office of Paymaster General	9	-	(70)
		<b>(4,810)</b>	<b>(4,699)</b>
<b>Net current liabilities</b>		(1,015)	(2,143)
<b>Total assets less current liabilities</b>		46,054	41,218
Provision for pension transfer costs	3.3c	(400)	(2,600)
Provision for liabilities and charges	12, 13	(426)	(373)
<b>Total assets less current liabilities</b>		<b>45,228</b>	<b>38,245</b>
<b>Taxpayers' equity:</b>			
Revaluation reserve	14	14,882	10,549
Donated asset reserve	15	2,614	2,669
General fund	16	27,732	25,027
		<b>45,228</b>	<b>38,245</b>

The notes on pages 34 to 42 form an integral part of these accounts. These accounts are authorised for issue.



**MARK CAMLEY, CHIEF EXECUTIVE**  
11th July, 2007

## CASH FLOW STATEMENT

For the year ended 31 March 2007

	Note	2006-07 £000	2005-06 £000
<b>Net cash outflow from operating activities</b>		(18,500)	(24,971)
<b>Net parliamentary cash funding received</b>	16	20,021	26,371
<b>Capital expenditure and financial investment</b>			
Purchase of tangible fixed assets	7	(409)	(1,703)
Income for donated asset	7	-	237
Proceeds of disposal of fixed assets		-	-
		<b>1,112</b>	<b>(66)</b>
<b>Analysis of changes in cash balances</b>			
Increase/(decrease) in cash held	<b>9</b>	<b>1,112</b>	<b>(66)</b>
<b>Reconciliation of operating cash flow to net expenditure</b>			
Net expenditure for the year		(19,627)	(30,990)
Depreciation	7	1,922	1,708
Loss on disposal of assets	7	6	3
Notional charges	5	1,417	1,350
Early retirement costs	12	(64)	193
Pension transfer provision	3.3c	400	2,600
Provision for other liabilities	13	(2,483)	180
Increase in stocks		(6)	(11)
(Increase)/decrease in debtors		(191)	207
(Increase)/decrease in creditors		181	(163)
Notional Income	6	(55)	(48)
<b>Net cash outflow from operations</b>		<b>(18,500)</b>	<b>(24,971)</b>

The notes on pages 34 to 42 form an integral part of these accounts.

# NOTES TO THE ACCOUNTS

For the year ended 31 March 2007

## I. STATEMENT OF ACCOUNTING POLICIES

The financial statements have been prepared in accordance with the Government Financial Reporting Manual issued by HM Treasury. The particular accounting policies adopted by The Royal Parks are described below. They have been applied consistently in dealing with items considered material in relation to the accounts.

### a Basis of Accounting

The accounts are prepared under the historic cost convention modified to account for the revaluation of fixed assets, and stocks where material, at their value to the business by reference to their current costs.

### b Fixed Assets

Most of The Royal Parks land and historic/heritage assets other than buildings are given nil value. Expenditure on assets, which became an integral part of the land, is written off in the year of expenditure. However, buildings, the legal title of which remains with the Sovereign, are treated as owned by The Royal Parks and are included in fixed assets. Lodges, within the Parks, that are used as dwelling places, are valued based on terms of occupation, or replacement cost, if this is lower. Specialised Park Buildings are valued using the 'depreciated replacement cost' method whilst other Park Buildings are valued at 'open market value for existing use'.

Some of The Royal Parks properties were acquired subsequent to the 1851 Act and are held in the name of the Secretary of State. These properties are included in the Accounts at their 'open market value for existing use'.

Buildings are subject to revaluation under a rolling 5-year programme, the values are the lower of replacement cost and recoverable amount, which for The Royal Parks is the value in use based on actual rents, rather than market rents.

2007 was the first year of the second 5-year rolling programme, with 20 per cent of properties by value subject to physical revaluation, in accordance with the Royal Institute of Chartered Surveyors (RICS) Appraisal and Valuation Manual. In addition, dwellings were revalued on the basis of actual rents receivable and properties physically revalued between 2002-03 and 2005-06 were revalued by a factor advised by the valuers. The net result of this was an increase in Gross Current Replacement Cost of £7.033m and a decrease in Net Current Replacement Cost of £5.227m, which has been accounted for directly through the Revaluation Reserve.

Assets in the course of construction are included in the balance sheet at their cost to The Royal Parks.

Plant and machinery, and fixtures, fittings, tools and equipment are valued at current replacement cost.

The minimum level for capitalisation as an individual or grouped fixed asset is £2,000.

### c Donated Assets (including those funded by Lottery Grants)

Assets donated by third parties, either by gift of the asset or by way of funds to buy the asset are capitalised at current value on receipt. Donated assets are revalued, depreciated and subject to impairment in the same way as other assets. Revaluations are taken to the donated asset reserve. Each year, an amount equal to the depreciation charge on the asset and any impairment is released from the donated asset reserve to the Net Expenditure Account.

### d Depreciation

Depreciation is provided on all fixed assets, other than freehold land, at rates calculated to write-off the cost or valuation, to the estimated residual value, of each asset on a straight line method over its estimated useful life. Lives are normally as follows:

- Buildings including dwellings: up to 100 years
- Plant and machinery: 5 to 10 years
- Fixtures, Fittings, Tools and Equipment: 3 to 20 years.

### e Leases

Where The Royal Parks grants an operating lease on a property it is valued taking in consideration the terms of the lease and any dilapidations. Reference is made to the lease in Note 7 to the Accounts.

### f Stocks

The Royal Parks holds stocks of items, including its own publications, which are predominately, used as promotional material, although a limited number are sold. Publications are valued at nil given the limited number of sales, but other stock for resale is valued at the lower of cost and net realisable value.

### g Income

All income is shown net of value added tax.

Residential, Commercial and Utility licence fees are accounted for as income in the period when they are due for payment rather than being allocated over the whole period to which they relate.

All other income is accounted for in the period(s) to which it relates.

### h Pension Costs

Pension benefits are provided by the Principal Civil Service Pension arrangements. The rate of the employer's contribution is determined by the Government Actuary and advised by the Treasury and contributions are charged to the Net Expenditure Account.

### i Early Departure Costs

The Royal Parks is required to meet the additional cost of benefits beyond the normal Principal Civil Service Pension Scheme benefits in respect of employees who retire early or are made redundant. The agency provides in full for these costs when the early retirement or redundancy programme has been announced and is binding on the Agency.

#### j Derivatives

FRS 13, Derivatives and other financial instruments, requires an entity to disclose details of various risks that they are exposed to in respect of financial derivatives. As permitted by FRS 13, debtors and creditors, which mature within twelve months of the Balance Sheet date, have been omitted from this note. The majority of funding for The Royal Parks comes from a grant from DCMS, which is taken directly to Reserves (Note 16). In 2006-07 net cash funding of £20,021,000 was received from DCMS. £9.385m was generated from operations. Given that 68 per cent of income is from a DCMS grant the Parks are not subject to a material liquidity risk. (Comparable figures for 2005-06 were £26,371,000, £8.156m and 76 per cent).

The Royal Parks has an Office of Paymaster General account and does not hold any other cash balance except petty cash. Its bank balances are cleared every week to DCMS. It does not have any finance leases or loans, and as a result it is not subject to interest rate risk. The Royal Parks has no dealings with foreign currency and is not subject to currency fluctuation risk.

## 2. RELATED PARTY TRANSACTIONS

The Department for Culture, Media and Sport (DCMS) is regarded as a related party. During the year The Royal Parks had material transactions with the Department as disclosed in these accounts (see Note 16). In addition, The Royal Parks received grants from Active England, Sport England, Football Foundation, DFES, and Heritage Lottery Fund, and income for services provided to Historic Royal Palaces, entities for which the DCMS is regarded as parent. There were no material transactions with other entities for which the DCMS is regarded as parent neither has The Royal Parks had material transactions with London Zoo, nor with any other Government Departments and other central government bodies. The Royal Parks Foundation is regarded as a related party and during the year The Royal Parks received £20,895 from the Foundation. In addition, The Foundation has raised and is holding reserves and pledges amounting to £451,000 towards the restoration of Bushy Park, plus funds in excess of £100,000 relating to other projects. The Royal Parks incurred expenditure directly relating to activities of The Foundation, totalling £1,612, for minor administrative expenses.

None of the board members, key managerial staff or other related parties has undertaken any material transactions with The Royal Parks during the year.

## 3. STAFF NUMBERS AND RELATED COSTS

### 3.1 Staff costs for the year were as follows:

	2006-07 £000	2005-06 £000
Wages and salaries	3,065	4,062
Social Security costs	248	343
Other pension costs	569	717
Early departure costs (see Note 12)	421	1,182
<b>Total</b>	<b>4,303</b>	<b>6,304</b>

The Principal Civil Service Pension Scheme (**PCSPS**) is an unfunded multi-employer defined benefit scheme that prepares its own scheme statements, but The Royal Parks is unable to identify its share of the underlying assets and liabilities. The Scheme Actuary (Hewitt Bacon Woodrow) valued the scheme as at 31 March 2003. You can find details in the resource accounts of the Cabinet Office: Civil Superannuation ([www.civilservice-pensions.gov.uk](http://www.civilservice-pensions.gov.uk)).

For 2006-07, employers' contributions of £554,205 were payable to the **PCSPS** (2005-06 £709,702) at one of four rates in the range 17.1 to 25.5 per cent (the rates in 2006-05 were between 16.2 and 24.6 per cent) of pensionable pay, based on salary bands. The Scheme Actuary reviews employer contributions every four years following a full scheme valuation. The contribution rates are set to meet the cost of the benefits accruing during 2006-07 to be paid when the member retires, and not the benefits paid during this period to existing pensioners.

Employees can opt to open a **partnership** pension account, a stakeholder pension with an employer contribution. Employers' contributions of £13,400 were paid to one or more of a panel of three appointed **stakeholders** pension providers. Employer contributions are age-related and range from 3 to 12.5 per cent of pensionable pay. Employers also match employee contributions up to 3 per cent of pensionable pay. In addition, employer contributions of £986, were payable to the **PCSPS** to cover the cost of the future provision of lump sum benefits on death in service and ill health retirement of these employees.

Contributions due to **partnership** pension providers at the balance sheet date were £987. Contributions prepaid at that date were nil.

**3.2 The monthly average number of staff (full time equivalents) employed by The Royal Parks during the year was:**

	2006-07	2005-06
General management and administration (HQ and Parks)	73	72
Park management (including Wildlife Officers)	25	28
Royal Parks Constabulary	3	32
<b>Total</b>	<b>101</b>	<b>132</b>

The above figures include 7 fixed term contract staff.

During 2006-07 a total of 3 Royal Parks Constabulary (RPC) officers transferred to the Metropolitan Police Service (MPS), which has been co-policing The Royal Parks since 1 April 2004. The Serious Organised Crime and Policing (SOCPA) Act included provisions to formally transfer policing of the Parks to MPS and facilitate the abolition of the RPC, with effect from 8 May 2006.

**3.3 Salary and pension entitlements**

**a) Management Board remuneration**

Details of the remuneration and pension interests of the Chief Executive and Management Board members of The Royal Parks are contained in the Remuneration Report.

**b) Civil Service pensions**

Pension benefits are provided through the Civil Service Pension (CSP) arrangements. From 1 October 2002, civil servants may be in one of three statutory based 'final salary' defined benefit schemes (classic, premium, and classic plus). The Schemes are unfunded with the cost of benefits met by monies voted by Parliament each year. Pensions payable under classic, premium, and classic plus are increased annually in line with changes in the Retail Prices Index. New entrants after 1 October 2002 may choose between membership of premium or joining a good quality 'money purchase' stakeholder arrangement with a significant employer contribution (partnership pension account).

Employee contributions are set at the rate of 1.5% of pensionable earnings for classic and 3.5% for premium and classic plus. Benefits in classic accrue at the rate of 1/80th of pensionable salary for each year of service. In addition, a lump sum equivalent to three years' pension is payable on retirement. For premium, benefits accrue at the rate of 1/60th of final pensionable earnings for each year of service. Unlike classic, there is no automatic lump sum (but members may give up (commute) some of their pension to provide a lump sum. Classic plus is essentially a variation of premium, but with benefits in respect of service before 1 October 2002 calculated broadly in the same way as classic.

The partnership pension account is a stakeholder pension arrangement. The employer makes a basic contribution of between 3% and 12.5% (depending on the age of the member) into a stakeholder pension product chosen by the employee from a selection of approved products. The employee does not have to contribute but where they do make contributions, the employer will match these up to a limit of 3% of pensionable salary (in addition to the employer's basic contribution). Employers also contribute a further 0.8% of pensionable salary to cover the cost of centrally provided risk benefit cover (death in service and ill health retirement).

Further details about the CSP arrangements can be found at the website [www.civilservice-pensions.gov.uk](http://www.civilservice-pensions.gov.uk)

**c) Pension Provision (exceptional item)**

A provision of £0.400m has been made, which is an estimate of the shortfall between the amount available from the Principal Civil Service Pension Scheme and the amount required by the Police Pension Scheme to cover service credits for Royal Parks Constabulary officers transferring to the Metropolitan Police Service, between July 2004 and May 2006. This is an additional supplement to £2.6m provided for the Scheme in 2005-06 and paid during the year.

**d) Royal Parks Advisory Board**

The Royal Parks does not make payments to Advisory Board members. However, any claims made by the Board are borne by the Department for Culture, Media and Sport.

## 4. PROGRAMME COSTS

	Parks	RPC	2006-07 Total	Parks	RPC	2005-06 Total
	£000	£000	£000	£000	£000	£000
Consultancies (ii)	834	47	881	574	30	604
Telecommunications	151	9	160	166	30	196
Works maintenance (iii)	6,584	11	6,595	7,832	14	7,846
Grounds Maintenance	6,426	-	6,426	6,765	-	6,765
Nursery	1,104	-	1,104	1,020	-	1,020
Trees	404	-	404	421	-	421
Training	102	-	102	41	2	43
Vehicle hire (vi)	152	7	159	147	68	215
Cleaning contracts	877	1	878	999	6	1,005
Entertainments	164	-	164	159	-	159
Utilities	667	20	687	676	4	680
Service contracts (iv)	810	-	810	330	-	330
Metropolitan Police Service (i)	-	-	-	-	6,366	6,366
Other (v and vi)	2,561	39	2,600	1,440	94	1,534
<b>Total</b>	<b>20,836</b>	<b>134</b>	<b>20,970</b>	<b>20,570</b>	<b>6,614</b>	<b>27,184</b>

- (i) Funding for the Metropolitan Police Service is via the Home Office rather than through The Royal Parks.
- (ii) The increase in Consultancy costs relates to project work on the Olympic Programme and Bushy restoration project.
- (iii) £1.2m of funding was re-allocated from Works Maintenance primarily into investment projects throughout the organisation, such as The Regent's Park borehole.
- (iv) Following the transfer of gate locking duties from the Metropolitan Police Service to contractors, service costs have risen from June 2006.
- (v) Landscaping Development for the Bushy Park restoration project has increased costs in the 'Other' category by £600,000.
- (vi) Vehicle hire costs are payments made under operating leases. In addition, £593 of other operating lease expenditure is included in the 'Other' category.

## 5. COST OF CAPITAL AND OTHER NOTIONAL CHARGES

	2006-07 £000	2005-06 £000
The following notional expenditure items have been included in the Accounts:		
Interest charges (i)	1,377	1,314
Audit remuneration for audit work only (ii)	40	36
<b>Total</b>	<b>1,417</b>	<b>1,350</b>

- (i) A charge, reflecting the cost of capital utilised by the Agency, is included in operating costs. The charge is calculated at the Government's standard rate of 3.5 per cent in real terms on all assets, except donated assets, less liabilities.
- (ii) A notional charge has been made for the amount advised by the National Audit Office.

## 6. INCOME

	2006-07 £000	2005-06 £000
From Operations:		
Concessions:		
Catering	1,850	1,679
Carparking	1,317	1,069
Other	209	191
Licences and rents	1,605	1,577
Fees from events	2,007	1,788
Other fees and permits	455	465
Lottery and other grants	744	375
Fundraising	21	-
Services	57	86
Royal Parks Constabulary	133	-
Other	932	878
<b>Total</b>	<b>9,330</b>	<b>8,108</b>
Notional Income		
Depreciation on donated asset (transfer from donated asset reserve) (Note 1c)	55	48
<b>Grand Total</b>	<b>9,385</b>	<b>8,156</b>

The above includes operating lease income of £80,000 (2005-06 £101,184)

## 7. FIXED ASSETS

	Land and Buildings	Dwellings	Plant and Machinery	Fixtures, fittings tools and equipment	Assets in the course of Construction	Total
	£000	£000	£000	£000	£000	£000
<b>Cost/ Valuation</b>						
At 1 April 2006	67,569	6,063	337	6,165	12	80,146
Additions	9	-	26	31	343	409
Disposals	(9)	-	-	(3)	-	(12)
Revaluation	7,580	(705)	8	150	-	7,033
<b>At 31 March 2007</b>	<b>75,149</b>	<b>5,358</b>	<b>371</b>	<b>6,343</b>	<b>355</b>	<b>87,576</b>
<b>Depreciation</b>						
At 1 April 2006	30,410	1,987	294	4,094	-	36,785
Charged in year	1,446	131	17	328	-	1,922
Disposals	(4)	-	-	(2)	-	(6)
Revaluation	2,346	(631)	5	86	-	1,806
<b>At 31 March 2007</b>	<b>34,198</b>	<b>1,487</b>	<b>316</b>	<b>4,506</b>	<b>-</b>	<b>40,507</b>
<b>Net book value</b>						
<b>At 31 March 2007</b>	<b>40,951</b>	<b>3,871</b>	<b>55</b>	<b>1,837</b>	<b>355</b>	<b>47,069</b>
At 31 March 2006	37,159	4,076	43	2,071	12	43,361

Land and buildings are valued in accordance with the accounting policy described at Note 1b. Mills & Wood, Surveyors and Valuers undertook the professional valuation of property for 2006-07.

Depreciation has not been charged on freehold land, which is stated at its 1999 valuation of £20,000 plus £3,000 for land purchased in 1999-2000.

Freehold buildings with an opening valuation of £1,577,000 in year revaluation of £306,000 opening depreciation of £1,010,777, in year depreciation of £15,512, and revaluation depreciation of £189,461 are included in the above table. The net book value of these buildings was £648,223 at 31 March 2006 and £647,250 at 31 March 2007.

The Royal Parks has a 99-year lease on Pembroke Lodge in Richmond Park of which 84 years remained unexpired at 31 March 2007. The property is included in land and buildings at a value of £770,000.

## 8. DEBTORS

	2006-07 £000	2005-06 £000
Trade debtors	1,219	1,044
Other central government departments (Lottery debtors and London Zoo)	447	371
Local authorities (Metropolitan Police)	112	22
Other	54	59
Value Added Tax	903	1,048
<b>Total</b>	<b>2,735</b>	<b>2,544</b>

## 9. CASH AT BANK AND IN HAND

	2006-07 £000	2005-06 £000
Opening balance	(69)	(3)
Cash movement during the year	1,112	4
Office of the Paymaster General	-	(70)
<b>Closing balance</b>	<b>1,043</b>	<b>(69)</b>

## 10. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2006-07 £000	2005-06 £000
Trade creditors	810	758
Other central government departments (DCMS)	-	29
Accruals	3,728	3,651
Other taxation and social security	-	129
Deferred income	272	62
<b>Total</b>	<b>4,810</b>	<b>4,629</b>

**11. LEASES AND HIRE PURCHASE OBLIGATIONS**

	2006-07 £000	2005-06 £000
<b>Operating lease rentals for vehicles and equipment due within next year:</b>		
Leases expiring within one year	7	8
Leases expiring in more than one year but not more than two years	-	7
Leases expiring within two to five years	121	124
<b>Total</b>	<b>128</b>	<b>139</b>

See Note 4(vi) for details of payments under operating leases

**12. PROVISION FOR EARLY RETIREMENT COSTS**

	2006-07 £000	2005-06 £000
Balance at 1 April	193	-
Increase/(decrease) in provision	-	449
Payable within one year	(64)	(256)
<b>Balance 31 March</b>	<b>129</b>	<b>193</b>

**13. PROVISION FOR LIABILITIES AND CHARGES**

	2006-07 £000	2005-06 £000
Provision for Early Retirement Costs (Notes 11 and 12)	129	193
Provision for outstanding claims (Note 19)	297	180
<b>Total</b>	<b>426</b>	<b>373</b>

**14. REVALUATION RESERVE**

	2006-07 Unrealised £000	2005-06 Unrealised £000
Balance at 1 April	10,549	8,467
Arising on revaluation during the year (net)	5,227	2,630
Transferred to General Reserve in respect of depreciation of revalued element of fixed assets	(894)	(548)
<b>Balance 31 March</b>	<b>14,882</b>	<b>10,549</b>

### 15. DONATED ASSET RESERVE

	2006-07 £000	2005-06 £000
Balance at 1 April	2,669	2,480
Additions in year	-	237
Depreciation charged in year	(55)	(48)
<b>Balance 31 March</b>	<b>2,614</b>	<b>2,669</b>

### 16. GENERAL FUND

	2006-07 £000	2005-06 £000
Balance at 1 April	25,027	27,748
Add:		
Cash funding from DCMS	20,021	26,371
Notional and non-cash charges	1,417	1,350
Transfer from revaluation reserve	894	548
	47,359	56,017
Less:		
Net expenditure for the year	(19,627)	(30,990)
<b>Balance 31 March</b>	<b>27,732</b>	<b>25,027</b>

### 17. POST BALANCE SHEET EVENTS

The Director of Marketing and Strategy, Jo Brigham, left office on 20th April 2007. Wendy Shales took over the position from 14th May 2007. The authorised date for issue of these accounts is 19th July 2007.

### 18. CAPITAL COMMITMENTS

The Royal Parks had £547,715 of contracted capital commitments as at 31 March 2007 and £119,750 as at 31 March 2006. In this context capital commitments relates to items which become fixed assets.

### 19. CONTINGENT LIABILITIES

The Royal Parks has a number of outstanding claims for compensation for personal injury, where there is likely to be a settlement a provision has been made (see Note 13), but no provision has been made where the outcomes are uncertain.

### 20. KEY CORPORATE FINANCIAL INCOME TARGET

The Royal Parks achieved £8.8 million self-generated income compared with a target of £7.0 million, an increase of 7.3 per cent against the £8.2 million in 2005-06.

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