



MY
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ANNUAL REPORT
AND ACCOUNTS
2007-08



THE
ROYAL
PARKS



ANNUAL REPORT AND ACCOUNTS 2007-08

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THE
ROYAL
PARKS

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Contents

Images clockwise from top left:

Inn the Park, St James's Park; Heron Pond, Bushy Park; The Hub, The Regent's Park; Richmond Park; Greenwich Park; The Solar Shuttle, Hyde Park; Diana, Princess of Wales Memorial Playground, Kensington Gardens, The Green Park.

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Foreword

I am delighted to report that this year all eight Royal Parks were awarded Green Flag accreditation for the first time. This is a tremendous achievement and recognises the hard work of the park managers and their teams. This, and the resurrection of our apprenticeship scheme, will help ensure that we continue to develop our talent and improve the Parks.

Earlier this year, one of the mature lime trees outside my office in Hyde Park was felled because it had reached the end of its natural life and had started to suffer serious decay. I was very sorry to see such a beautiful tree disappear. It had become a much-loved part of the landscape and was one of my daily reference points. Its loss though, is a reminder that nature and the Parks do not stand still. The Parks are constantly evolving and require ongoing maintenance and investment if they are to survive into the future.

Each of us has our own personal relationship with the Parks and their unique individual elements. Each Royal Park means different things to different people and it is for the Agency to try and balance the sometimes conflicting wishes of our visitors. We strive to get this right and I hope our decisions ensure the protection of the intrinsic qualities of the Parks, while acknowledging and responding to the needs of today's park users.

Work is progressing well with the visionary Bushy restoration project, with the first phase due to open next spring. This is the largest programme of work we have undertaken in a single park in recent years and will provide a number of stunning additions and restoration features to the Park.

One of my particular highlights of the past year was the Dig for Victory allotments in St James's Park, which was a joint project with The Churchill Museum and Cabinet War Rooms. A wartime allotment was recreated alongside a modern incarnation, featuring the sorts of plants grown today. It was supported by an extensive education and community programme and led to at least eight schools starting their own allotments. It proved to be so popular that we will be running a similar project again next year.

The Agency continues to support a high quality events programme. This year we were delighted to host a range of events from the Tour de France to the Frieze Art Fair. We are also very proud that so many ceremonial events take place within the Parks. In addition, we accommodated a range of sports across the estate and launched new fitness sessions in The Regent's Park, from baby yoga and power walking to special classes designed for people diagnosed or recovering from coronary heart disease.

The Agency has to be ready to respond to a range of potential threats. In the past 12 months the outbreak of foot and mouth in Surrey meant we had to introduce biohazard protective measures in Richmond and Bushy Parks. These were successful and none of the deer were infected. But we are not complacent about such matters or the environmental and climatic challenges that we all face.

We do not work in isolation and I am very grateful to all of our partners without whom we could not deliver the service we do. I am particularly grateful to the Foundation and their Trustees for all the support and help they have provided. Similarly, the members of the Advisory Board have made a significant contribution to all of our successes. Whatever The Royal Parks mean to you, I hope that you will continue to enjoy these wonderful places in the year ahead.

A handwritten signature in black ink, appearing to read 'Mark Camley'.

Mark Camley, Chief Executive



Introduction

The Royal Parks is responsible for managing and preserving over 5,000 acres of historic parkland in and around London, including valuable conservation areas and important habitats for wildlife. Enjoyed by millions of visitors each year, the Parks offer a place of relaxation, retreat and recreation, providing a unique setting for a simple walk or picnic; sport; top quality entertainment; ceremonial events; or community and education projects.

The Royal Parks are: Bushy Park, The Green Park, Greenwich Park, Hyde Park, Kensington Gardens, The Regent's Park & Primrose Hill, Richmond Park, and St James's Park. We also tend a number of other spaces in London, including Brompton Cemetery, Victoria Tower Gardens, the gardens of 10, 11 and 12 Downing Street, and Grosvenor Square Gardens.

Who's Who

Governance structure

The Rt Hon Andy Burnham MP, the Secretary of State for Culture, Media & Sport, is the Minister responsible for The Royal Parks, supported by the Rt Hon Margaret Hodge MBE MP, the Minister for Culture, Creative Industries & Tourism. 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 for Culture, Media & Sport and has designated the Chief Executive as Accounting Officer for The Royal Parks.

The Royal Parks' management structure

Chief Executive Mark Camley is responsible for the operational and strategic management of The Royal Parks and is directly accountable to the Secretary of State 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 Royal Parks' 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
Colin Buttery, Director of Parks and Deputy Chief Executive
Greg McErlean, Director of Major Projects and IT
Wendy Shales, Director of Strategy and Communications
Bridget Verso, Head of Finance

The Ministerial Advisory Board, which provided independent advice to the Secretary of State; the Minister for Culture, Creative Industries & Tourism; and the Chief Executive on The Royal Park's strategic direction, plans and performance, came to an end on 31 December 2007.

The Advisory Board at 31 December 2007 were:

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, Associate Managing Editor, The Sunday Times
Ylva French, Executive Director, The Campaign for Museums and Marketing, and Communications Consultant.

Attendees also included:

Mark Camley, The Royal Parks
Peter Karpinski, Department for Culture, Media & Sport

New Board established

Following a review of The Royal Parks' governance arrangements, a new Board and separate Executive Committee were established from 1 April 2008. The Board will provide a strategic overview; guiding and challenging The Royal Parks to ensure performance is maintained and improved. A chair and three additional Non-Executive Directors were recruited and the Board will also comprise The Royal Parks' Chief Executive and three other Executive Directors.

The new Non-Executive Directors are:

The Hon Apurv Bagri, Group Managing Director, Metdist Ltd (Chair of Non-Executive Directors)
Ruth Anderson, Vice Chairman, KPMG (UK) LLP
Andrew Fenwick, Group Finance Director and Financial PR Partner, Brunswick Group LLP
Sue Moore, Marketing and Communications Director, Land Securities Trillium

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.



Joanna Lumley planted an oak tree in The Green Park to support the work of the Earth Restoration Service, an organisation which restores forests and other ecosystems.



To celebrate the Tour de France's arrival in London, specially designed flower beds were created in St James's Park and at Hyde Park Corner.



Wildlife Garden in a Skip at the Hampton Court Flower Show.

my park

Theresa Short, Assistant Park Manager, Kensington Gardens and Brompton Cemetery

“ There's something very special about Kensington Gardens. The atmosphere is more intimate than Hyde Park. I recognise all the regular visitors, their children and their dogs. There's a real feeling of community.

All the staff in Kensington Gardens know each other and there's a great sense of camaraderie. They're also very loyal to the Gardens. I've been with The Royal Parks 18 years but that's nothing compared with some of the people I work with.

Kensington Gardens is my favourite Royal Park but I do enjoy the others. I live near Greenwich Park and used to take my daughter there when she was younger. I visit Regent's Park for the roses. I often walk through Hyde Park and I do my weekend duties at St James's. When I'm away from The Royal Parks, I find I really miss them. ”

MY PARK IS MY OASIS

HORTICULTURE & INTERNATIONAL
BEST PRACTICE

Acclaimed for their high horticultural standards, quality and variety, each park and green space has a distinctive character, with a dedicated team of landscape maintenance and Parks' staff to ensure they look their finest across the seasons.

Queen Mary's Gardens

In June, we celebrated the 75th anniversary of the public opening of Queen Mary's Gardens. Located at the centre of The Regent's Park, Queen Mary's Gardens comprises the area enclosed by the Inner Circle and is both a stunning example of a quintessentially English garden and a collection of distinct garden areas, each with their own theme, planting style and atmosphere.

Wildlife Garden in a Skip

This project, developed in partnership with the London Wildlife Trust, won a Bronze at the 2007 Hampton Court Flower Show. Designed to raise awareness of waste management and recycling, the garden used plants with a low water requirement and also demonstrated how to encourage wildlife. The garden featured many herbs, shrubs, wildflowers and grasses with nectar-rich flowers or seed heads which are attractive to pollinating insects and birds.

Tree and Woodland Management

Over the course of the year over 350 trees were planted across the Parks.

The management of decaying wood habitats and veteran trees – those valued for their ecological significance, historical connections or aesthetic appeal - is central to tree conservation in the Parks and was identified as a priority in national and local biodiversity action plans.

Following surveys funded by The Royal Parks Foundation Ripple Fund and The Forestry Commission, an additional 275 veteran trees in Greenwich, Kensington and Bushy Parks were added to the veteran tree management programme, which helps to safeguard their future.

The practice of specialist techniques such as coronet cutting, which mimics the effect of naturally fallen branches to create a more natural appearance, and sensitive pruning to address hazards and improve sustainability, was further extended in our tree management work.

Green Flag

For the first time all eight Royal Parks secured Green Flag Awards, marking the culmination of a programme of work since 2005, when Greenwich and The Regent's Parks first achieved Green Flag status.

Run by the Civic Trust, The Green Flag Award is the national standard for parks and green spaces in England and Wales and recognises and rewards the best green spaces in the country. The awards promote high environmental standards, creating a benchmark of excellence in recreational green spaces.

The Parks Forum

The Royal Parks is a member of The Parks Forum, an international group seeking to share best practice and better understand the range of pressures on parks and open spaces. Over the year, we contributed a full set of data to their benchmarking survey.

The collected data and case studies are providing valuable guidance to The Royal Parks and other park organisations, and help to exchange ideas on how issues can be tackled. The Royal Parks were recognised for their improved levels of income generation and high levels of use. Centennial Park in Sydney, Australia, was identified as being comparable to Hyde Park and a peer group review was set up to share best practice.

MY PARK IS MY HABITAT



With over 5,000 acres of parkland in our care, including Richmond Park, London's largest National Nature Reserve and a designated Site of Special Scientific Interest, the Parks offer a range of important habitats for wildlife. Good environmental practices lie at the heart of our work and this year we retained ISO 14001 accreditation, the international standard for organisations that practice sustainable management in all their operations.

Recording Wildlife

In June, the ecology team started contributing to the Greenspace Information for Greater London database (GIGL), a repository for all data linked to wildlife and habitats across the capital. Over 15,000 of the Parks' records were added to GIGL, incorporated from surveys carried out by experts and voluntary observers, such as monthly bird surveys, flora and invertebrate records, summertime butterfly studies and other specially-commissioned research. The data is then used to inform management plans to help conserve the existing biodiversity within the Parks, and also provides an educational and information resource. In addition, a comprehensive list of all biological surveys and reports going back to the 1920s was produced.

Green Fleet Goes Silver

The Parks achieved a Silver Award from the Energy Saving Trust Motorvate scheme by improving the efficiency of our business vehicle fleet and reducing carbon dioxide emissions. Supported by a driver education programme, which includes advice on eco-driving techniques, the fleet is now composed of dual-fuel (liquid petroleum gas (LPG) and petrol) cars; diesel vehicles; and a LPG buggy. A pool of bikes and a cycle scheme has also been introduced to encourage staff to cycle.

Green Waste Management

During the year trials took place to further improve the quality of our compost. The majority of park green waste such as leaves, pruned material and old plants, is now composted locally within the Parks, avoiding landfill costs and the associated production of methane, and minimising transport requirements.

The process produces a very useful general purpose compost, which is used across the Parks as a soil conditioner and mulch to improve the quality of the Parks' shrub displays, as well as helping reduce water requirements in dry weather and the need to weed shrubberies.

The trials looked at ways to produce a finer high-grade compost, suited for use in more formal and sensitive displays, and this was successfully introduced into our compost programme.



Cow Conservationists

In January, grazing cattle were re-introduced to Richmond Park to help conserve a rare habitat, as part of a trial conducted in partnership with Natural England and Hounslow Urban Farm.

Aimed at improving the abundance of rarer acid grassland flowers, two British White Cross cows were welcomed to a four-hectare enclosure during the winter months.

Cattle have different eating habits to deer, preferring lush grasses rather than woody vegetation, and are known to increase biodiversity in conservation grassland by gradually creating gaps between the dense tussocks, allowing flowers such as harebells to flourish. The effects of the trial will be reviewed annually and the number of cattle adjusted according to the response of the grassland flora.

The Regent's Park Borehole

As part of our improvements to water management, a borehole was created in The Regent's Park. Sunk to a depth of 138m in the London chalk aquifer at the northern end of the lake, the borehole was then connected to the Park's pipe work and irrigation system. Water is now pumped from the borehole to outlets via a small distribution tank supplying The Hub, all sports and horticultural irrigation, and three toilet blocks. In dry periods, the borehole also supplies water to the lake, helping to prevent botulism in the bird population.

my park

Paul Losse, Senior Specialist, Land Management and Conservation, Natural England

“ Richmond Park is one of the most important places for biodiversity in London. It is a Site of Special Scientific Interest (SSSI) because of its acid grassland and

invertebrates, particularly those that live on dead wood. It is a National Nature Reserve and has been designated a Special Area of Conservation for its stag beetles. It is also important for skylarks, which are a priority species in the UK Biodiversity Action Plan.

The Park also has lots of benefits for people because it is such a large area of open space so close to London. It

offers real opportunities for people living in urban areas to learn about wildlife and to get the benefits of exercise in green spaces. It's a relaxing place to visit. It's big enough to absorb all the visitors and it makes you feel as if you're in the countryside.

Richmond Park is such an important place, we want to encourage people to enjoy and respect it. ”



Home to hundreds of buildings, statues, and monuments, the Parks' historic landscapes are of great architectural and heritage value, and offer an excellent setting for a wide range of cultural activities and events.

The Bushy Park Restoration Project

Work continued on the £7.5 million Bushy Restoration Project, with funding from the Heritage Lottery Fund and other supporters, to restore formal gardens and buildings, as well as provide better facilities for visitors, improved habitats for wildlife and plants, and develop a more comprehensive community education programme.

New and re-surfaced paths throughout the Park, repairs and improvements to entrances, and the de-silting and restoration of water bodies were all completed. Extensive replanting took place at the Pheasantry Plantation of the Woodland Gardens and work started to improve facilities at the Stockyard Education and Volunteer Centre.

In February, work began on the centrepiece of the project to restore the 18th century Upper Lodge Water Gardens, built by the Earl of Halifax as a recreational garden but which had long disappeared through silting and later developments.

Before the restoration of the Water Gardens could begin, a team of archaeologists worked at the site to uncover and record the original structure before unstable elements were removed. A very fine below-water-level pavement was discovered in the lower pool, thought to prevent the tumbling water from the cascade scouring out the bottom of the pool, and previously unknown decorative metal reeds were also discovered at the base of the cascade wall. The findings of the archaeology team will be recorded and held by English Heritage and some of the original stonework archived by the Museum of London.

Below: the site of the Water Gardens in January 2008, before work began.

Below: this painting held by The Royal Collection, gives a clear view of how the Water Gardens would have looked in the 18th century, with the upper and lower pools connected by a stepped cascade in the centre and alcoves to either side.



The Cascade at Bushy Park The Royal Collection © 2008 Her Majesty Queen Elizabeth II



Background image: A Midsummer Night's Dream,
Open Air Theatre, The Regent's Park

MY PARK IS MY GALLERY

Right: As part of Black History Month in October, a series of Living History Performances entitled 'Passage to Freedom' played to local schools and the general public in Victoria Tower Gardens, to celebrate the Bicentenary of the Abolition of the Slave Trade.

Below left: Artist-in-Residence Pat Rae with her Gentle Giant sculpture in the Greenwich Secret Garden Wildlife Trail.

Below right: Tour de France.



my park

Pat Rae, Artist-in-Residence 2007-8, Greenwich Park

“ I love the wonderful old trees in the Greenwich Park. During my year as artist-in-residence, I did lots of prints and ceramics inspired by the sweet chestnut trees. They're very special because some of them are part of the original design and avenues planted for King Charles II by Sir William Boreman between 1661 and 1662. Sometimes you get new growth from the old stumps

of trees and these are known as 'phoenix trees'. They give a great feeling of history to the Park.

It was a tree that got me involved in the residency. A cedar of Lebanon was one of several trees damaged in the storms of 2007 and a branch had to be felled. Elaine Warrell, of the Friends of Greenwich Park, asked me to be this year's artist-in-residence and to carve

something from the cedar for the Secret Garden Wildlife Trail. I carved a head from one section of the branch, which had a jagged end that looked like scraggly hair. I made arms from two other sections and carved hands on the ends. The sculpture is called Gentle Giant and he appears to be pushing himself out of the ground. ”

Events

From world-class concerts, displays of pageantry and spectacle, art and cultural projects, through to family entertainment and activities, careful consideration goes into ensuring the Parks' events attract a diverse range of visitors, promote its values and complement the park setting.

Thousands of spectators witnessed the prologue route of the Tour de France pass through Hyde Park, The Green Park and St James's Park, and the grand départ leave from St James's Park in July. To cater for popular demand, live coverage of various stages including the opening ceremony from Trafalgar Square, the time trials, and the grand départ, were relayed on a big screen in Hyde Park.

To celebrate the opening of the Tour de France, Hyde Park also hosted The People's Village, a free fun event promoting cycling in the capital with exhibits, interactive displays and entertainment as well as French and British themed markets and refreshments. Experienced cycling coaches offered children the chance to learn various bike handling skills and try the special cycling obstacle course, and representatives from a range of cycling organisations were on hand to provide advice and information.

The Innocent Village Fete, held over a weekend in August, was designed to provide light impact entertainment in the outdoors and encourage people to discover and enjoy The Regent's Park. The Parks asked the event producers to devise a ticketed event that finished by early evening. The result was London's very own "village fete," complete with morris dancing, welly wanging, and a tombola, with the less traditional additions of a farmers' market, knitting tent and open air yoga. The event sold out on both days and was particularly popular with families and young adults.

To mark 150 years at its South Kensington home, in June the Royal College of Art held its spectacular Summer Show for the first time under canvas in Kensington Gardens. Open to the public and with free admission, this showcase of new talent brought art into the Park, and enabled the RCA to exhibit the work of all of its graduating students in a single space, rather than across multiple venues.

In December, an area of Hyde Park was transformed into 'Winter Wonderland,' complete with London's largest outdoor ice-skating rink, a big wheel, gentle rides for younger children, a Santa's grotto and a traditional German Christmas Market with authentic arts, crafts, and food. The event proved a great success, attracting around 600,000 visitors and generating double the amount of expected revenue, and it is set to return next year.

Filming

With a wealth of locations, The Royal Parks are a popular choice for film-makers, regularly starring on the big and small screen. In 2007, five Royal Parks were listed amongst the capital's top ten most popular film locations.

Filming included Mike Leigh's *Happy Go Lucky* which featured the boating lake in The Regent's Park, the Abba musical *Mamma Mia* which made use of The Mall, and the BBC's 'Oliver Twist' which was partly shot in Brompton Cemetery.

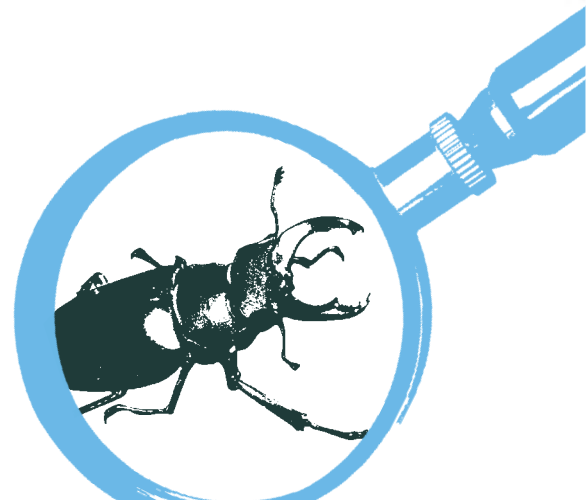


The ice-skating rink and some of the attractions (right) at 'Winter Wonderland' in Hyde Park.



Far right: Students at the
Bushy SPark education event.

MY PARK IS MY CLASS ROOM



Over 100 volunteers support our education and community projects, encompassing a range of activity including curriculum-based work with primary and secondary schools, guided walks, family activity days, short leisure courses for adults, vocational training and partnership learning programmes.

Bushy SPark

240 year 9 and 10 students from local schools took part in 'Bushy SPark,' a two-day education event held in Bushy Park in October. Designed by teachers, local business people, and experts from The Royal Parks and Historic Royal Palaces, the event enabled students to understand key issues surrounding park management, development projects and sustainability, and to learn about careers in the construction industry.

Bushy SPark featured a range of activities based on the Bushy Park Restoration Project. Students took part in tasks such as designing and building an entrance to the new visitor centre from sustainable materials, and designing a walking trail for people with visual impairment.

Greenwich Deer Hide

In March, a new deer hide and wildlife trail opened in Greenwich Park, available for use by local schools and wildlife groups. The hide and trail offer full disabled access and enable visitors to observe the deer herd at close quarters.

A range of habitats has been created along the trail to encourage wildlife, with features including a stag beetle loggery; nesting boxes for bats, lacewings and hedgehogs; hibernation boxes for butterflies; and bird boxes for robins, sparrows, wrens and starlings. In addition, boxes designed for owls and kestrels have been put high in the trees in the deer park.



Chelsea Football Club

In February, a new guided walk of Brompton Cemetery was launched in partnership with Chelsea Football Club. The Cemetery is the last resting place of the club's founder, Henry Augustus 'Gus' Mears, as well as other influential figures who helped shape the club's heritage. "The Final Whistle," written by Chelsea FC Club historian Rick Glanvill in collaboration with The Royal Parks, provides an informative walk through the social history of the area, encouraging fans and local residents to enjoy the open space and to learn more about its history. The joint education project was designed to appeal to young and old alike, to help keep people active, and encourage new visitors to discover Brompton Cemetery.

New Park Maps

Improving the visitor experience and making the Parks more accessible is an ongoing area of activity. Working with Legible London, Transport for London and Walk London, The Royal Parks produced a series of new maps for each of the eight parks. The maps have a 3D-feel, with images of buildings, monuments and features as they actually look, bringing the maps to life. Transport links and walking and cycling routes are all clearly marked, as well as park facilities such as cafes and toilets. The maps also cover bordering areas, making navigation easier for tourists and other visitors, and have been included in the best practice guidance on walking maps produced by the Department for Transport.

my park
Valerie Montero,
volunteer at
Bushy Park

“ My favourite part of Bushy Park is the Woodland Gardens. I love the colour of the azaleas and rhododendrons when they're in flower. And I love the sound of the bird song. I've been working with the Park's Head Gardener, Mark Bridger, on the redesign of the garden.

Seeing the improvements has been very exciting. Now when I walk through the garden, I remember the days when we put in particular plants. It's made me feel very involved and given me a real sense of ownership.

Recently, we've been creating a Mediterranean garden to show people what you can grow in dry conditions.

I go to Spain a lot so when I'm there, I've done research on what plants should do well. We've chosen shrubs like rosemary and potentilla and a Judas tree. When it's established, the garden should be a real feature. It's inspired me to use the knowledge I've learned to try to create a Mediterranean garden at home. ”



Top: The Deer Hide in Greenwich Park.

Left: The Rt Hon Margaret Hodge MP, Minister for Culture, Creative Industries & Tourism, unveiled the new map of St James's Park.

Centre: Richmond Park's working shire horses visited St James's Park.

Right: Over 60 volunteers from the London Business School undertook conservation work as part of the corporate volunteering programme in Bushy, Richmond and Kensington Gardens.



Dig for Victory

Working in partnership with The Churchill Museum and Cabinet War Rooms, The Dig for Victory allotment opened in St James's Park, attracting over 100,000 visitors from May-October. Over 40 volunteers regularly tended the plot, growing vegetables from seed. 4,000 teacher's resource packs were distributed throughout the country, encouraging schools to develop allotment sites on their land, and 4,000 school pupils attended on-site classes, exploring issues around healthy living, biodiversity, and the importance of 'grow your own' to the 1940s Home Front. A range of family and general-interest activities accompanied the project throughout the summer, including craft workshops, children's theatre and a traditional Harvest Fair.

Wild in the Parks

Wild in the Parks is a partnership project between The Royal Parks and the RSPB, bringing more people into parks through work with community groups and schools, and has a dedicated community garden in The Regent's Park. During the summer, volunteers helped the artist Sam Crosby make a giant newt earth sculpture from 10 tonnes of earth and overlaid this with clay and turf. Finishing touches were made to the sculpture in August, by a group of adults from Kingsbury Manor Mental Health Resource Centre who helped transplant plugs of *selfheal* and *autumn hawkbit* plants to form a crest along the newt's back, and make eyes from tile mosaic.

Young Gardeners' Web Pages

A new addition to the website, the Young Gardeners' Web Pages were created by volunteers under the control of a 13-year-old editor. The section features a range of fun activities for 8-10 year olds, designed to encourage interest in local green spaces, gardening and nature.



Top: Dig for Victory poster.
© Imperial War Museum

Bottom: Students from St Vincent de Paul Primary School at the launch of the Dig for Victory allotment.
© Imperial War Museum

my park

Zoe Basham,
Apprentice Gardener
in Greenwich Park

“ I've always liked Greenwich Park. When I was little, we lived in Bermondsey on the Old Kent Road and my mum used to take us to the Park. There are pictures of me as a toddler in front of the flower beds.

I've been a Royal Parks' Apprentice Gardener since August last year. One day a week, I go to college at Regent's Park. This year, I'm doing the RHS qualification

in plant knowledge and NVQ level 2 in horticulture. The rest of the week, I work in Greenwich Park. My favourite job is bedding: putting in plants and watching them grow. I planted the bulbs for the winter bedding and now I've seen the finished result.

You've got to be prepared to work in all weathers to do this job and sometimes it's hard to sit down to study in the evening after a

day outside. But I'm really enjoying it. I like talking to the gardeners and hearing all their knowledge. Some of them have been here over 20 years. They tell me the good way to do things – and they've all got stories of the stupid things that new people do! ”



Cycling on the Tamsin Trail, Richmond Park.



Football at The Hub, The Regent's Park.



The Royal Parks Schools' Tennis Challenge Tournament, Hyde Park.

SPORT, HEALTH AND WELLBEING

In addition to the range of organised sporting activities available, the Parks also provide a setting for more informal exercise such as jogging, walking, and roller-blading, as well as providing a tranquil haven for rest and relaxation.

Cycle route improvements

With cycling through central London becoming increasingly popular, work in partnership with Westminster City Council and Transport for London resulted in significant improvements to the Hyde Park Corner-Admiralty Arch cycle route, which runs through The Green Park and St James's Park, passing Buckingham Palace. An off-road cycle path was created along The Mall; congested areas, access and signage improved; and a cycle lane introduced under Admiralty Arch. The changes were designed to significantly improve the experience for both cyclists and pedestrians, whilst not being visually intrusive.

Upgrades were made to the Tamsin Trail in Richmond Park, the 17km shared-use cycle and pedestrian track introduced 10 years ago, which allows cyclists and walkers to access much of the Park without disturbing wildlife. With the support of Transport for London's Cycling on Greenways, improvements were made to the path surface quality, and subtle design changes introduced to resolve issues of congestion and drainage.

Freewheel

In September, the Mayor of London's Freewheel initiative saw an estimated 38,000 Londoners of all ages cycle to St James's Park along closed roads, where they enjoyed a free festival including entertainment, and advice on bike maintenance, safety, and recommended cycling routes. Police security marked bikes and Royal Parks' volunteers provided information on cycling routes in the Parks and promoted the new Cycling Code of Conduct, designed to encourage considerate cycling.

Community sport

The Hub in The Regent's Park has continued to provide a focus for community sport. A new exercise programme was launched to attract beginners and people wanting to improve or develop their fitness, with prices starting at just one pound a class to encourage participation. In addition to indoor and outdoor activities including Pilates, parent and pram, power walking, circuit training, and mother and baby yoga, The Hub also started working with Westminster Primary Care Trust to develop a weekly series of cardiovascular-based lunchtime sessions and special classes for people diagnosed or recovering from coronary heart disease.

Further work took place to develop the different club activities within The Regent's Park. During the summer months, Primrose Hill Soccer School offered free weekly sessions to boys and girls who do not usually use the Parks and promoted the sessions through the Camden Neighbourhood Sports team; The Regent's Park FC expanded to include further boys' teams, and a new girls' section; and for the first time, the two junior cricket clubs based in the Park entered teams into the Middlesex Colts League.

Will to Win

Aimed at promoting junior tennis and making the sport more accessible, Will to Win provided free tennis coaching on the tennis courts in Hyde Park and The Regent's Park for local school children in June. The coaching culminated with The Royal Parks Schools' Tennis Challenge Tournament, won by pupils from Edward Wilson Primary School in Westminster. In addition, local school children had further opportunities to develop their racket skills with free access to the tennis courts throughout the summer.



my park

Nicky Keen,
Co-Director, Regent's
Park Football Club

“ We are thrilled that The Regent's Park Football Club is based at The Hub in Regent's Park as it is an excellent venue with fantastic facilities on offer. It is wonderful to be able to offer skilled training sessions for girls in the heart of central London, combined with the use of changing rooms, showers, toilets and a café.

We already had girls who were happy to train alongside the boys but we feel it is vital to offer them their own sessions. The girls come from varied backgrounds but they all train together happily. We train anyone aged from 4-15, whatever their ability - whether they are future professional footballers or just want to have a kick-about in the Park.

It's really important for the girls to feel they are part of a bigger club and it's good for the boys to see that girls can play to equally high standards. ”

www.regentsparkfc.com

MY
PARK
IS MY
WORK
OUT



MY PARK IS MY OFFICE



Children from Essendale Primary School with their deckchair designs.



The Deckchair Dreams auction at Bloomberg.

Internal change

The Royal Parks uses the European Foundation for Quality Management (EFQM©) excellence model, a proven effective tool for self-assessment, to measure where the organisation is on the path to excellence. Using this tool, significant improvements were made in areas such as internal communication. To maintain momentum, an internal EFQM champion was selected to work closely with the Directors.

Providing value

The Better Buildings Programme looks at ways to make best use of the buildings in our care. Over the past year, the programme primarily focused on residential accommodation not currently required for operational use and three lodges were developed for short-term licensed occupancy. Having buildings occupied is an excellent way to ensure the lodges are appropriately conserved and maintained, with any additional income going straight back into caring for the Parks for everyone to enjoy.

Customer focus

In addition to new park maps, the visitor experience was also improved in other ways. At Easter, the new Richmond Park Visitor Centre opened, providing a much-needed information point for visitors and a focal point for a day in the Park. The centre was built in partnership with Pembroke Lodge and is staffed by volunteers from the Friends of Richmond Park. We have also extended our programme of activity to encourage more people to visit the Parks across the seasons.

The Royal Parks Foundation is a registered charity, committed to help protect, conserve and enhance the eight Royal Parks.

Bushy Park Restoration

The Foundation continued its work to support the Restoration of Bushy Park, focusing on community and education. They received, amongst others, generous grants from the Wates Foundation (£55,000) and the Ernest Cook Charitable Trust (£7,500), with additional major gifts from the Bagri Foundation, as well as from Trudie Styler and Sting to help develop the classrooms at the Stockyard Education Centre.

Deckchair Dreams 2007

The Royal Parks Foundation once again celebrated the arrival of summer with 25 specially-commissioned deckchairs, created by celebrities from the worlds of art, origami, music, food, poetry and design. The professional artists were joined this year by a group of junior celebrities - 126 pupils, aged 6-15, who came from three different schools in London and Sheffield to study art and nature in the Parks. All their designs were rolled out in four central Royal Parks for everyone to enjoy between June and October.

The Grand Deckchair Auction, hosted by sponsor Bloomberg, raised over £100,000 with works contributed by Damien Hirst, Sam Taylor-Wood, Sir Peter Blake, Anthony Worrall Thompson, Jacqueline Wilson and Will Young.

my park

Hitesh Patel,
Project Manager with
The Royal Parks Major
Projects Team

“ Coming to work at The Royal Parks has been a sea change for me. I'm on secondment from the Department for Culture, Media and Sport so it's a real privilege to be based in the middle of Hyde Park after having worked in Whitehall for five years.

Working for The Royal Parks has also given me a good view of how policy is delivered on the front-line. Project management is now an important aspect of work in the civil service so it has been useful to improve my skills. I've been involved in the project to create a memorial in Hyde Park for the

innocent victims of the July 7th bombing. I'm also working on projects to improve sports facilities in Greenwich Park and to install a new catering kiosk in Kensington Gardens.

I really do think The Royal Parks are 'London's Personal Space'. They're open to all and, more often than not, if you ask someone which their favourite park in London is, it will be a Royal Park. I regularly visit the Serpentine Gallery in Kensington Gardens and also use the sports facilities in Regent's Park. This year I am running the London Marathon so working in Hyde Park is ideal for training and when I cross the finishing line in The Mall, that's in a Royal Park too. ”

Funds were committed to help:

- buy a new greenhouse with disabled access for the Victorian Kitchen Garden in Richmond Park
- strip out, repair and redecorate the pond-dipping room in Bushy Park
- refurbish the Pirates' Galleon in the Diana Playground in Kensington Gardens
- create a wildlife hide and nature trail in Greenwich Park
- commission a valuable fungus survey in Richmond Park
- fit out the Pembroke Lodge Information Centre, including a new self-guided walk leaflet

Dedicate a Tree

The Royal Parks Foundation's "Dedicate a Tree" scheme raised over £47,000 to help the 130,000 trees in The Royal Parks in 2007-08.

Whole Foods Market chose the Foundation to be the beneficiary charity at the opening of their new Kensington High Street store in June, with over £11,000 donated. 1,500 guests attended the launch, including representatives from local community groups, who were greeted by a towering oak tree twinkling with candle lights.

The Parks' trees also benefited from a generous £5,000 gift from Kele Baker, who organised the eighteenth Dance al Fresco in the Avenue Gardens in The Regent's Park.

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 our staff and all those involved in our 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 we use as our template. H&S policy and procedures are available to all our staff on our ICT systems, 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.

The key targets for 2007-08, which were all met, were:

- To clarify and update our procedures on H&S training;
- To implement the non smoking regulations with effect from autumn 2007;
- To ensure that our contractors and concessionaires are complying with H&S (and where appropriate, food hygiene) legislation and best practice.

During the period there were no HSE reportable accidents to members of staff. There were no fatalities. No enforcement notices were served, nor were there any convictions for health and safety offences.

Our key health and safety targets for 2008-09 are:

- To arrange for external H&S audit of The Royal Parks and incorporate findings into a five-year strategy;
- To arrange staff training as identified in the Annual Training Plan;
- To ensure that our contractors and concessionaires are complying with H&S (and where appropriate, food hygiene) legislation and best practice; and
- To monitor The Royal Parks' compliance with the Construction (Design and Management) Regulations.

Recruitment and Training

Grade	Appointment	% Women	% Minorities
Grade II (Executive)	2	100	0
Grade II (Horticultural)	2	0	0
Grade III (Executive)	3	100	33.33
Grade IV (Non-Board Member)	1	100	0

Recruitment in The Royal Parks is carried out using fair and open competition and in accordance with the Civil Service Recruitment Code. No permitted exceptions were used to the principle of recruitment on merit.

Of the eight permanent posts filled in the year, 75 per cent of the appointees were female and 12.5 per cent black or minority ethnic.

In the staff survey carried out in the autumn, almost 90 per cent of respondents said they liked the kind of job they do, 91 per cent understand how their work contributes to the success of the Agency, and 80 per cent are proud to work for The Royal Parks.

A programme of leadership training was rolled out to grades below middle management and will continue to be delivered to new starters. All staff attended a course in customer focus.

Corporate Objectives and Performance Targets

Our 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.”

For 2007-08 The Royal Parks had the following objectives and performance targets:

1. To protect and enhance our ‘world class’ natural park environment for the enjoyment of families, children and visitors	1a. International benchmarking	Validate Benchmark methodology: ACHIEVED
	1b. Gain Green Flag status	All eight parks to be awarded green flag status: ACHIEVED
2. 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	2a. Maintain or enhance customer satisfaction	Maintain customer satisfaction above 85% for each park: ACHIEVED ¹
	2b. Enhance the visitor experience	Replace all park maps and undertake baseline assessment: NOT ACHIEVED ²
	2c. Capture visitor numbers	Capture in four parks: ACHIEVED
3. To work with other organisations and volunteers to deliver clear education, health, sport and participation offers	3a. Improve partner and stakeholder management	Partner and stakeholder management strategy and process defined: ACHIEVED ³
	3b. Work more closely with other government departments and agencies	Secure £100K partnership funding for joint projects: ACHIEVED
	3c. Successful Olympics programme	To gain the status of ‘amber’ or ‘green’ on the Office of Government Commerce Gateway Review (0a): ACHIEVED
4. To conserve and enhance the historic built environment of The Royal Parks	4a. To undertake heritage restoration	Two further projects to be identified and funding secured: ACHIEVED
	4b. To reduce accumulated works maintenance	Reduce backlog to £57m: ACHIEVED
5. To deliver greater value for money for the taxpayer through increased income generation and reduced dependency on vote funding	5a. To increase income to:	£9.5m: ACHIEVED ⁴
	5b. To increase profitability of commercial activity	Derive model for the cost allocation i) determine profitability by sector and contract ii) set baseline figure: ONGOING ⁵
6. To demonstrate organisational excellence	6a. To improve leadership and staff satisfaction levels	Undertake staff satisfaction survey and set baselines: ACHIEVED
	6b. Efficiency	Permanent staff headcount to 96 full-term equivalents: ACHIEVED
	6c. Efficiency	£1751K efficiency plan delivered: ACHIEVED

¹ Bushy, Greenwich and Richmond Parks were surveyed in 2007-08

² Achieved in five parks within target date. Remainder achieved by June 2008.

³ Implementation 2008-09

⁴ KPT Income Generation (see table right). Self-generated income in this instance is that achieved by commercial, government and charitable sources and does not include grant through the DCMS or Lottery Transfer. The Royal Parks have achieved an increase of 16.8% over the previous year.

⁵ Model devised 2007-08. Data being collected during 2008-09 to set baseline figure.

	2007-08	2006-07
Self Generated Income	10,326	8,652
Grants from Heritage Lottery Fund	641	678
Sub Total	10,967	9,330
Depreciation on Donated Asset	59	55
Total Appropriations in Aid	11,026	9,385
DCMS Grant	17,464	20,021
Total Income	28,490	29,406

We gave disposable cameras to a selection of park users and asked them to capture what the Parks meant to them. Here are some of their photos.

Photographers include: pupils from George Elliot Infant School, Westminster; Companion Cyclists' clients, Bushy Park; students on a Thames Explorer workshop; Hitesh Patel and Katy Murray, Royal Parks' staff.

THIS IS MY PARK



THE ROYAL PARKS ACCOUNTS 2007-08

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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), and 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

There are nine Royal Parks in London - St James's, The Green, Hyde, The Regent's, Greenwich, Richmond, Bushy and Hampton Court Parks and Kensington Gardens - 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 the Historic Royal Palaces.

The Royal Parks is also responsible for managing and policing (in conjunction with the Metropolitan Police Service) 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).

Corporate objectives and performance targets

The Royal Parks' objectives and performance targets are set by DCMS and are formally reviewed quarterly by the Management Board. Details of performance targets and achievements are noted on page 23 of the Report.

Development and performance in the current year

Review of activities

The Chief Executive's foreword on page 4 and the review of the year on pages 5 to 24 of the Report, look over activities for the year ended 31 March 2008. Further details of plans are contained in The Royal Parks Corporate Plan.

Financial position of The Royal Parks

The Agency is funded via the DCMS Supply Estimate, Request for Resource 1. The Royal Parks' allocation for 2007-08 was a Net Resource budget of £19.992m (of which £3.031m was non-cash) plus £900k Capital. The Royal Parks are allowed to utilise Resource Appropriations in Aid (A in A) income up to £13.05m, which increases gross Resource budget to £33.042m. Income (excluding notional income) in 2007-08 was £10.967m (see Note 6), which is an increase of £1.637m (17.5 %) over £9.33m achieved in 2006-07.

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 police are now funded by the Home Office. The accounts show an Exceptional Item of £0.298m, being 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.

Fixed assets

During 2007-08 a thorough review of fixed assets was carried out assessing physical existence and impairments. Fixed asset policies were reviewed and the capitalisation value was increased from £2,000 to £5,000 per individual (previously grouped) items. This resulted in a net loss on disposal of assets amounting to £0.284m. The Royal Parks has also initiated a 3-year programme of investment into its Information Technology. This has led to the increased expenditure on IT equipment, which due to the change in policy, has not been capitalised. However, due to the transferable nature of this equipment it is recorded on the Fixed Asset register for monitoring and review purposes.

During 2007-08 The Royal Parks commenced design and development for a memorial dedicated to the victims of the 7th July 2005 bombings. Preliminary costs to date have been capitalised as an Asset under Construction on the Fixed Asset Register. These costs have been resourced by The Royal Parks on the understanding that they, and future costs, will be funded from HM Treasury.

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 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. The Royal Parks has suffered no protected personal data incidents during 2007-08 or prior years and has made no report to the Information Commissioner's Office.

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 could 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.

Policy and achievement of policy on social and community issues

Details of social and community issues are in the 'Education, Learning and Community Engagement' 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 22 of the Report provides further information on 'Recruitment and Training' 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.

Information Technology and Health and Safety and Marketing newsletters are produced to advise staff of 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 'Ecology, the Environment and Biodiversity' section of the Report.

Management Board

The names and roles of the Executive Management Board members are shown in the Remuneration Report. Non-executive members are detailed on page 5.

The non-executives receive no remuneration for their role but may be reimbursed for their expenses. The Executive Management Board are paid employees of The Royal Parks, appointed under Civil Service Management Code conditions, and all Parks and sections are represented on the Executive Management Board, which meets once a month.

The Royal Parks Advisory Board

The names of the Advisory Board members are set out on page 5 of the Report. Advisory Board members were not remunerated. The Advisory Board was disbanded on 31 December 2007 following the adoption of a new corporate governance structure.

Register of interests

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

Creditor payment policy

The Agency aims to settle all valid invoices within 30 days of receipt (as specified in the CBI code).

Auditor

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

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



Mark Camley, Chief Executive
July 2008

The Royal Parks does not have a Remuneration Committee. Pay for the Chief Executive and Deputy Chief Executive 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.

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

The Director of Strategy and Communication, Wendy Shales, is an employee of the DCMS and is on secondment until 14th November 2008. All matters relating to her salary are dealt with in accordance with their policies and procedures. The Head of Finance, Bridget Verso, is employed on a fixed term contract expiring on 31st July 2008. Other senior managers, below SCS, are paid employees of The Royal Parks, under the Civil Service Management Code conditions. All staff except the Chief Executive were paid a bonus of £70 during 2007-2008 for all parks achieving Green Flag status. The Chief Executive's bonus is determined by the DCMS.

Other than for Wendy Shales, contracts of appointment are open-ended and the notice period is between one and three 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).

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

The Royal Parks is subject to public sector pay policy and takes into account the directives on pay and related matters issued by the HM Treasury. We currently set aside 0.63% of total salary for non-consolidated awards.

The following sections provide details of the remuneration and pension interests of the Chief Executive and Board members of The Royal Parks. The figures in this Remuneration Report have been audited.

A | Remuneration of senior management

	2007-08 Salary £000	2006-07 Salary £000
Mark Camley Chief Executive	95 - 100	90 - 95
Colin Buttery Deputy Chief Executive and Director of Parks	65 - 70	60 - 65
Simon Betts Director of Estates	55 - 60	55 - 60
Greg McErlean Director of Major Projects and IT	60 - 65	55 - 60
Bridget Verso Head of Finance (from 26 February 2007)	50 - 55	0 - 5 (full year equivalent 45 - 50)
Wendy Shales Director of Strategy and Communication (from 14 May 2007)	45 - 50 (full year equivalent 50-55)	N/A
Jo Brigham Director of Strategy and Marketing (to 20 April 2007)	05 - 10 (full year equivalent 60-65)	60 - 65

Salary

'Salary' includes gross salary, performance pay or bonuses and any allowance or payment to the extent that it is subject to UK taxation. With the exception of the Chief Executive, senior staff bonuses were below 1% of total remuneration. The Chief Executive's bonus, set by the DCMS, amounted to 11.1% of total remuneration.

No severance payments or payments to former senior managers or payments to third parties for senior managers have been made during the year.

Benefits in kind

None of the above staff received benefits in kind.

B | Pension benefits

	Real increase in Pension and related lump sum at age 60	Accrued Pension at age 60 at 31/3/08 and related lump sum	CETV at 31/3/07	CETV at 31/3/08	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	25 – 30 lump sum 75 – 80	314	393	0 – 2.5	24
Colin Buttery** Deputy Chief Executive and Director of Parks	0 – 2.5 lump sum 0	20 – 25 lump sum 0	255	310	2.5 – 5	7
Simon Betts Director of Estates	0 – 2.5 lump sum 2.5 – 5	5 – 10 lump sum 20 – 25	160	205	0 – 2.5	24
Greg McErlean Director of Major Projects	0 – 2.5 lump sum 0	0 – 5 lump sum 0	31	50	0 – 2.5	12
Wendy Shales Director of Strategy and Communication (from 14 May 2007)	0 – 2.5 lump sum 2.5 -- 5	5 – 10 lump sum 25 – 30	116	171	0 – 2.5	25
Jo Brigham** Director of Strategy and Marketing (to 20 April 2007)	0 – 2.5 lump sum 0 – 2.5	5 – 10 lump sum 20 – 25	113	108	0 – 2.5	1

** CETV at 31/3/07 differs to last years end figures due to a backdated pay award received in 2007. This year's figures are correct.

Bridget Verso is not a member of the Civil Service Pension Scheme. During 2007-08 The Royal Parks made donations with a total value of £7,000 to her partnership pension scheme.

Due to certain factors being incorrect in last years CETV calculator there is a slight difference between the final period CETV for 2006/7 and the start of period CETV for 2007/08.

Civil Service Pensions

Pension benefits are provided through the Civil Service pension arrangements. From 30 July 2007, civil servants may be in one of four defined benefit schemes, either a "final salary" scheme (classic, premium or classic plus), or a "whole career" scheme (nuvos). These statutory arrangements are unfunded with the cost of benefits met by monies voted by Parliament each year. Pensions payable under classic, premium and classic plus and nuvos are increased annually in line with changes in the Retail Prices Index (RPI). Members joining from October 2002 may opt for either the appropriate defined benefit arrangement or a good quality "money purchase" stakeholder pension 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, classic plus and nuvos. Benefits in classic accrue at the rate of 1/80th of final pensionable earnings for each year in 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. Classic plus is essentially a hybrid with benefits in respect of service before 1 October 2002 calculated broadly as per classic and benefits for service from October 2002 calculated as in premium. In nuvos a member builds up a pension based on his pensionable earnings during their period of scheme membership. At the end of the scheme year the members' earned pension account is credited with 2.3% of their pensionable earnings in that scheme year and the accrued pension is uprated in line with RPI. In all cases members may opt to give up (commute) pension for lump sum up to the limits set by the Finance Act 2004.

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 panel of three providers. 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).

The accrued pension quoted is the pension the member is entitled to receive when they reach pension age, or immediately on ceasing to be an active member of the scheme if they are already at or over the pension age. Pension age is 60 for members of classic, premium and classic plus and 65 for members of nuvos.

Further details about the Civil Service pension arrangements can be found at the website www.civilservice-pensions.gov.uk

Cash Equivalent Transfer Values

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 figures include the value of any pension benefit in another scheme or arrangement, which the individual has transferred to the Civil Service pension arrangements. They also include any additional pension benefit accrued to the member as a result of their purchasing additional pension benefits at their own cost. CETVs are calculated within the guidelines and framework prescribed by the Institute and Faculty of Actuaries.

Real increase in CETV

This reflects the increase in CETV effectively funded by the employer. It does not include 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).

Scope of Responsibility

As Accounting Officer for The Royal Parks, I have responsibility for the development, implementation and maintenance of 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 Managing Public Money.

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 was managed, to 31 March 2008, by a Management Board, which I chaired. A new corporate governance structure was put into place from 1 April 2008 with a non-executive Chair, three further non executive members and four executive directors including the Chief Executive.

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 is in continuous development at The Royal Parks. For the year ended 31 March 2008, and up to the date of approval of the annual report and accounts, internal controls accord with Treasury guidance.

Capacity to Handle Risk

The Board approves The Royal Parks' risk management policy, which clearly states that responsibility for adequate risk management arrangements rests with the 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 and throughout the year. The Agency has also invested in backup servers to ensure that if IT systems were to fail The Royal Parks would still be in a position to continue to operate efficiently.

The Risk and Control Framework

All risk management is aligned to the corporate aims, objectives and priorities as outlined above. For 2007-08 there were the six Corporate Plan objectives and connected key targets, which in turn reflected the DCMS 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 ongoing risk training and relevant guidance. Internal Audit have identified the need for an updated risk management policy and more formal risk training and guidance to be made available to staff. The policy has now been updated and training and guidance is being further developed and rolled out during 2008-09.

Based on an analysis of the identified risks, a summary risk register is produced, which is monitored and reviewed by The 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. In 2008-09 we will continue the process of strengthening internal controls. We also plan to review existing data protection policies and procedures in 2008-09 to ensure they reflect Cabinet Office guidance.

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 Board member, include reports on the effectiveness of the internal control system.

Each Director and Budget Holder 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 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 will be included in Directors' reports.



Mark Camley, Chief Executive
July 2008

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 Managing Public Money.



Mark Camley, Chief Executive

July 2008

I certify that I have audited the financial statements of the Royal Parks Agency for the year ended 31 March 2008 under the Government Resources and Accounts Act 2000. These comprise the Operating Cost Statement and Statement of Recognised Gains and Losses, the Balance Sheet, the Cash Flow 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 Accounting Officer'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, the information, which comprises the management commentary and Remuneration Report included in the Annual 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 that 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. This other information comprises the management commentary and Remuneration Report. 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 opinions

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 that 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

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 2008, and of the net operating cost, recognised gains and losses and cash flows 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
- information, which comprises the management commentary and Remuneration Report, included within the Annual Report, is consistent with the financial statements.

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.

Report

I have no observations to make on these financial statements.

T J Burr

Comptroller and Auditor General
National Audit Office
151 Buckingham Palace Road
Victoria, London SW1W 9SS

10th July 2008

OPERATING COST STATEMENT
FOR THE YEAR ENDED 31 MARCH 2008

	Note	2007-2008 Continuing operations £000	2006-2007 Continuing operations £000
Staff costs	3	4,094	4,303
Depreciation	7	2,306	1,922
Notional charges	5	1,541	1,417
Programme costs	4	23,779	20,970
TOTAL EXPENDITURE		31,720	28,612
EXCEPTIONAL ITEM	3.3c	298	400
GROSS EXPENDITURE		32,018	29,012
LESS INCOME	6	11,026	9,385
NET EXPENDITURE	16	20,992	19,627
(Representing the net departmental cost of The Royal Parks)			

	Note	2007-08 £000	2006-07 £000
Unrealised surplus on the revaluation of fixed assets	14	2,628	5,227
The notes on pages 37 to 44 form an integral part of these accounts.			

STATEMENT OF RECOGNISED GAINS AND
LOSSES FOR THE YEAR ENDED 31 MARCH 2008

BALANCE SHEET
AS AT 31 MARCH 2008

	Note	2008 £000	2007 £000
FIXED ASSETS			
Tangible fixed assets	7	47,623	47,069
CURRENT ASSETS			
Stocks	1f	1	17
Debtors	8	2,638	2,735
Cash at bank and in hand	9	2,900	1,043
		5,539	3,795
CURRENT LIABILITIES			
Creditors (due within one year)	10	(7,019)	(4,810)
Balance at Office of Paymaster General		(12)	0
NET CURRENT LIABILITIES			
		(1,492)	(1,015)
TOTAL ASSETS LESS CURRENT LIABILITIES		46,131	46,054
PROVISION FOR LIABILITIES AND CHARGES			
Provision for pension transfer costs	3.3c	-	(400)
Provision for liabilities and charges	13	(329)	(426)
TOTAL ASSETS LESS TOTAL LIABILITIES		45,802	45,228
Taxpayers' equity:			
Revaluation reserve	14	16,368	14,882
Donated asset reserve	15	2,555	2,614
General fund	16	26,879	27,732
		45,802	45,228

The notes on pages 37 to 44 form an integral part of these accounts.



Mark Camley, Chief Executive
July 2008

CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 MARCH 2008

	Note	2007-2008 £000	2006-2007 £000
NET CASH OUTFLOW FROM OPERATING ACTIVITIES			
NET PARLIAMENTARY CASH FUNDING RECEIVED	16	17,464	20,021
CAPITAL EXPENDITURE AND FINANCIAL INVESTMENT			
Purchase of tangible fixed assets	7	(536)	(409)
Proceeds on disposal of fixed assets		12	-
		1,845	1,112
ANALYSIS OF CHANGES IN CASH BALANCES			
Increase in cash held	9	1,845	1,112
RECONCILIATION OF OPERATING CASH FLOW TO NET EXPENDITURE			
Net expenditure for the year		(20,992)	(19,627)
Depreciation	7	2,306	1,922
Loss on disposal of assets	4	284	6
Notional charges	5	1,541	1,417
Early retirement costs	12	(56)	(64)
Pension transfer provision	3.3c	(400)	400
Provision for other liabilities	13	(41)	(2,483)
Decrease/ (Increase) in stocks	1f	16	(6)
Decrease/ (Increase) in debtors	8	97	(191)
Increase in creditors	10	2,209	181
Notional Income	6	(59)	(55)
NET CASH OUTFLOW FROM OPERATIONS		(15,095)	(18,500)

The notes on pages 37 to 44 form an integral part of these accounts.

I. STATEMENT OF ACCOUNTING POLICIES

The financial statements have been prepared in accordance with the Government Financial Reporting Manual issued by HM Treasury. 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. 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, which are used as dwelling places, are valued based on terms of occupation, or replacement cost, if this is lower.

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 five-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.

During 2007-08 the 5-year rolling revaluation programme, for buildings, was continued with 20 per cent of properties 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 rent receivable. The net result of this was an increase in Gross Current Replacement Cost of £5.087m and a decrease in Net Current Replacement Cost of £2.615m, which has been accounted for directly through the Revaluation Reserve.

In addition, an in-depth impairment review was carried out of all fixed assets, following which a number of assets were written off. There was also a change in accounting estimate in year: the capitalisation threshold was raised from £2,000 to £5,000. The impact of both the review and change in estimate has resulted in the removal of expired assets below the revised threshold and disposals of £0.284m.

From 1st April 2007 The Royal Parks changed its policy on government index revaluations. The Royal Parks considers that these revaluations do not have a material effect and as allowed under FRS15 has discontinued government index revaluations for assets that are not physically revalued. These assets are shown at their 31st March 2007 current cost less depreciation.

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

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 and fittings: 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 predominantly 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. All 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 Scheme 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 Royal Parks 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 FRS13, debtors and creditors, who 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 the DCMS, which is taken directly to Reserves (Note 16). In 2007-08 net cash funding of £17,463,800 was received from the DCMS. £11.026m was generated from operations. Given that 61% (2006-07: 68%) of income is from the DCMS grant the Parks are not subject to a material liquidity risk.

The Royal Parks has an Office of Paymaster General account and does not hold any other significant cash balances except petty cash. Its bank balances are cleared every month to the 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.

k. Prepayments

In 2007-08 the value of prepayments was considered material compared to other years and has therefore been accounted for. This is a change in policy from previous years.

l. Creditors

Creditors have materially increased this year due to increased activity towards the end of the financial year on several projects. The invoicing for this activity was not fully processed, generating larger accruals. This is also reflected in a higher bank balance at year end.

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 has a balance of £59,321 owing to the DCMS, which is contained within Creditors: Amounts Falling Due within One Year.

The Royal Parks received grants from Sport England, Football Foundation, the DFES, and Heritage Lottery Fund, and income for services provided to Historic Royal Palaces, entities for which the DCMS is regarded as parent. The Heritage Lottery Fund had a debtor balance of £433.9k as at 31 March 2008. There were no material transactions with other entities for which the DCMS is regarded as parent, neither has The Royal Parks had material transactions other Government Departments and other central government bodies.

The Royal Parks Foundation is regarded as a related party due to The Royal Parks Non-Executives Directors, The Hon Apurv Bagri and Andrew Fenwick, who are Trustees of The Foundation. During the year The Royal Parks received £72,395 from The Foundation. In addition, The Foundation has raised and is holding reserves and pledges amounting to £593,000 towards the restoration of Bushy Park. The Royal Parks incurred expenditure directly relating to activities of The Foundation, totalling £2,054, 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:

	2007-08 £000	2006-07 £000
Wages and Salaries	3,183	3,065
Social Security Costs	263	248
Other Pension Costs	603	569
Early Retirement Costs	45	421
Total	4,094	4,303

Details of the Civil Service pension arrangement are provided in the Remuneration Report.

For 2007-08, employers' contributions of £560,508 were payable to the PCSPS (2006-07 £554,205).

For employees who have opted for a stakeholder pension (partnership pension account), employers' contributions of £14,163 (2006-07 £13,400) were paid to one or more of a panel of three appointed pension providers. In addition, employer contributions of £1,108 (2006-07 £986), 0.8%, 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 £944 (2006-07 £987). Contributions prepaid at that date were nil.

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

	2007-08	2006-07
General management and administration (HQ and Parks)	74	73
Park management (including Wildlife Officers)	25	25
Royal Parks Constabulary	-	3
Total	99	101

The above figures include 5 fixed term contract staff.

During the financial year, the Royal Parks paid £ 94k for DCMS secondments and £425k for agency staff.

3.3 Salary and pension entitlements

a. 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

Details of the Civil Service pension arrangement are provided in the Remuneration Report.

c. Pension Provision (exceptional item)

A provision of £0.400m was made in 2006-2007, which was 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. The final settlement made in 2007-08 was for £ 0.698m, requiring a £0.298m (2006-07 £0.4m) exceptional charge during the current year.

d. Royal Parks Advisory Board

The Royal Parks has not made 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	2007-08	Parks	RPC	2006-07
	£000	Total £000	£000	£000	Total £000	£000
Grounds Maintenance (ii)	7,121	-	7,121	6,426	-	6,426
Works Maintenance	6,561	-	6,561	6,584	11	6,595
Consultancies (iii)	1,959	-	1,959	834	47	881
Nursery	1,143	-	1,143	1,104	-	1,104
Landscape Development (iv)	1,025	-	1,025	599	-	599
Cleaning Contracts	915	-	915	877	1	878
Service contracts	884	-	884	810	-	810
Utilities (v)	588	-	588	667	20	687
Trees	475	-	475	404	-	404
Furniture and Equipment (vi)	378	-	378	119	-	119
Telecommunications (vii)	250	-	250	151	9	160
Loss on Disposal (viii)	284	-	284	5	-	5
IT Equipment & Consumables (ix)	217	-	217	120	-	120
Horticulture	166	-	166	99	-	99
Vehicle hire	159	-	159	152	7	159
Event Costs	136	-	136	164	-	164
Training	85	-	85	102	-	102
Animal Feed and Welfare	83	-	83	61	-	61
Other (x)	1,350	-	1,350	1,558	39	1,597
Total	23,779	-	23,779	20,836	134	20,970

- (i) Funding for the Metropolitan Police Service is now via the Home Office rather than through The Royal Parks.
- (ii) Grounds maintenance has increased following investment into landscaping and tree maintenance.
- (iii) Consultancy costs have increased primarily due to the ICT Programme (£393k), the Better Buildings Programme, the Bushy Restoration Project and other projects.
- (iv) Landscaping costs are higher this year following extensive work on the Bushy Restoration Project and improvements to cycling paths.
- (v) Utility costs reduced following a rebate relating to the Climate Change Levy. The Royal Parks received a total rebate of £69k.
- (vi) Furniture and equipment costs rose following an increase to the fixed asset policy capitalisation limit, which would have classified £146k costs as capital, rather than programme, expenditure.
- (vii) Telecommunication costs increased due to the purchase of an additional GSI Line installed at Bushy Park to provide IT Disaster Recovery support and internet access for remote parks.
- (viii) Loss on disposal was incurred following an impairment review during which a number of assets were written off.
- (ix) IT Software and Consumables costs increased as the ICT Programme was implemented.
- (x) Other costs include Staff Agency costs of £425k and Vehicle Hire Operating Leases of £150k. Bad debt provisions have reduced by £181k.

5. COST OF CAPITAL AND OTHER NOTIONAL CHARGES

The following notional expenditure items have been included in the Accounts:

	2007-08 £000	2006-07 £000
Interest charges (i)	1,504	1,377
Audit remuneration for audit work (ii)	37	40
Total	1,541	1,417

(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

From Operations:

	2007-08 £000	2006-07 £000
Concessions:		
Catering	2,103	1,850
Car parking (i)	1,468	1,317
Other	133	209
Licences and rents (ii)	2,719	1,605
Fees from events	2,199	2,007
Other fees and permits (iii)	849	455
Lottery and other grants	700	744
Services (iv)	217	57
Fundraising	13	21
Royal Parks Constabulary	-	133
Other	566	932
Total	10,967	9,330
Notional Income		
Depreciation on donated asset (transfer from donated asset reserve) (Note 1c)	59	55
Grand Total	11,026	9,385

The Appropriations in Aid limit for 2007-08 was £13.05m. Income of £10.967m was generated by The Royal Parks, therefore, no income was surrendered to the consolidated fund.

(i) Increased car parking income following new contract from April from CPS to NCP

(ii) Licences and rents income was improved from £376k generated by the No. 1 Hyde Park Development, and an increase to Pembroke Lodge rent.

(iii) Other Fees and permits improved following the successful event of Winter Wonderland

(iv) Services income increased following the recharging of remedial landscape works to event organisers

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
Cost/ Valuation						
At 1 April 2007	75,149	5,358	371	6,343	355	87,576
Additions	120	-	144	87	185	536
Transfers	-	-	355	-	(355)	-
Disposals	(330)	-	(167)	(2,045)	-	(2,542)
Revaluation	4,929	158	(4)	4	-	5,087
At 31 March 2008	79,868	5,516	699	4,389	185	90,657
Depreciation						
At 1 April 2007	34,198	1,487	316	4,506	-	40,507
Charged in year	1,861	129	58	258	-	2,306
Disposals	(284)	-	(164)	(1,790)	-	(2,238)
Revaluation	3,770	(1311)	(26)	26	-	2,459
At 31 March 2008	39,545	305	184	3,000	-	43,034
Net book value						
At 31 March 2008	40,323	5,211	515	1,389	185	47,623
At 31 March 2007	40,951	3,871	55	1,837	355	47,069

Land and buildings are valued in accordance with the accounting policy described at Note 1b. Mills & Wood, Surveyors and Valuers, a member of the Royal Institute of Chartered Surveyors, undertook the professional valuation of property for 2007-08

Depreciation has not been charged on freehold land, which is stated at its 1999 valuation of £17,500 plus £3,000 for land purchased in 1999-2000.

The table above includes Freehold buildings with an opening valuation of £2,265,000, in year revaluation of £228,000, opening depreciation of £1,512,749, in year depreciation of £23,351, and revaluation depreciation of £225,236. The net book value of these buildings was £752,250 at 31 March 2007 and £731,663 at 31 March 2008.

The Royal Parks has a 99-year lease on Pembroke Lodge in Richmond Park of which 83 years remained unexpired at 31 March 2008. The property is included in land and buildings at a gross value of £3.712m, (2006-07: £770k).

Assets under construction include initial development costs of the memorial to be dedicated to the victims of the 7th July 2005 bombings, which will be funded by HM Treasury. In addition, The Royal Parks are undertaking a Restoration programme at Bushy Park. Professional fees incurred to date have been capitalised.

From April 1st, 2007 the capitalisation policy was raised from £2,000 to £5,000. The physical audit and impairment review, with the revised policy, has resulted in the removal of expired assets and subsequent disposals of £0.284m. net book value. For assets not revalued The Royal Parks is not aware of any material change in value since the previous year.

8. DEBTORS

	2007-08 £000	2006-07 £000
Trade debtors	1,421	1,219
Other central government departments (Lottery debtors)	220	447
Local authorities (Metropolitan Police)	18	112
Other	67	54
Value Added Tax	881	903
Prepayments	31	-
Total	2,638	2,735

9. CASH AT BANK AND IN HAND

	2007-08 £000	2006-07 £000
Balance at 1 April	1,043	(69)
Net change in cash balances	1,845	1,112
Balance at 31 March	2,888	1,043

The following balances at 31 March were held at:

Office of HM Paymaster General	(12)	0
Commercial bank and cash in hand	2,900	1,043
Balance at 31 March	2,888	1,043

10. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2007-08 £000	2006-07 £000
Trade creditors	1,723	810
Other central government departments	59	-
Accruals	4,974	3,728
Deferred income	263	272
Total	7,019	4,810

During 2007-08 The Royal Parks identified a net over-recovery of VAT. Included in accruals is management's best estimate of this sum: £34.5k. This review of VAT procedures also identified £448k of VAT that The Royal Parks have not charged to concessionaires in error. This money will be collected from concessionaires and paid over to HMRC.

11. LEASES AND HIRE PURCHASE OBLIGATIONS**Operating lease rentals for vehicles and equipment due within next year:**

	2007-08 £000	2006-07 £000
Leases expiring within one year	-	7
Leases expiring within two to five years	140	121
Thereafter	14	
Total	154	128

12. PROVISION FOR EARLY RETIREMENT COSTS

	2007-08 £000	2006-07 £000
Balance at 1 April	129	193
(Decrease) in provision	(5)	(64)
Payable within one year	(51)	-
Balance 31 March	73	129

13. PROVISION FOR LIABILITIES AND CHARGES

	2007-08 £000	2006-07 £000
Provision for Early Retirement Costs (Note 12)	73	129
Provision for outstanding claims (Note 19)	256	297
Balance 31 March	329	426

14. REVALUATION RESERVE

	2007-08 Unrealised £000	2006-07 Unrealised £000
Balance at 1 April	14,882	10,549
Arising on revaluation during the year (net)	2,628	5,227
Transferred to General Reserve in respect of depreciation of revalued element of fixed assets	(1,142)	(894)
Balance 31 March	16,368	14,882

15. DONATED ASSET RESERVE

	2007-08 £000	2006-07 £000
Balance at 1 April	2,614	2,669
Depreciation charged in year	(59)	(55)
Balance 31 March	2,555	2,614

16. GENERAL FUND

	2007-08 £000	2006-07 £000
Balance at 1 April	27,732	25,027
Add:		
Cash funding from DCMS	17,464	20,021
Notional and non-cash charges and income	1,541	1,417
Transfer from revaluation reserve	1,134	894
	47,871	47,359
Less:		
Net expenditure for the year	(20,992)	(19,627)
Balance 31 March	26,879	27,732

17. POST BALANCE SHEET EVENTS**NEW GOVERNANCE ARRANGEMENTS**

With the approval of the DCMS Ministers, on 1 April 2008 new governance arrangements were adopted by the Agency. The Advisory Board was disbanded on 31 December 2007 and a new Board created, with a non-executive Chair, three further non-executive members and four executive directors including the Chief Executive.

These accounts were authorised for issue by the Chief Executive of The Royal Parks, Mark Camley, on 10th July 2008.

18. CAPITAL COMMITMENTS

The Royal Parks had £2,209,717 of contracted capital commitments as at 31 March 2008 (2007: £547,715). In this context capital commitments relates to items that become fixed assets. 75% of these commitments relate to Bushy Park developments.

19. CONTINGENT LIABILITIES

The Royal Parks has a number of outstanding claims for compensation for personal injury. Where management judge that 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 unlikely or uncertain.



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