



THE ROYAL PARKS AGENCY

Annual Report and Accounts 2000–2001



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The Royal Parks Agency is an Executive Agency of the Department for Culture, Media and Sport

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Front cover: Hyde Park,
Brompton Cemetery,
Richmond Park,
Kensington Gardens
Above: Regent's Park,
Hyde Park,
Hyde Park
Inside back cover:
Green Park

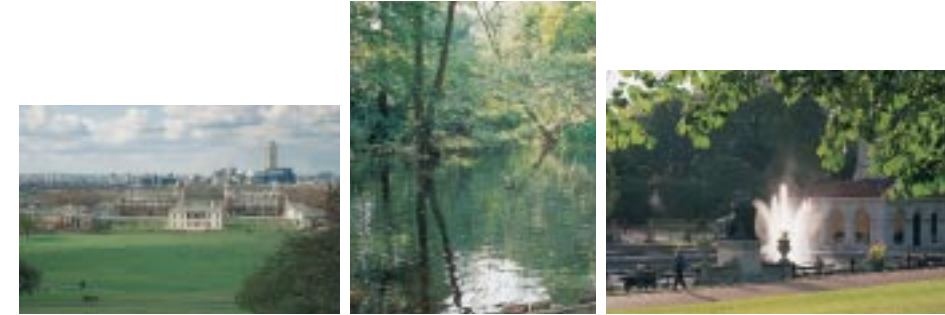
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AIMS AND OBJECTIVES

OUR MISSION IS TO MANAGE
THE ROYAL PARKS FOR THE BENEFIT
OF THIS AND FUTURE GENERATIONS



The Agency's main aims are to manage the Royal Parks so that they offer peaceful enjoyment, recreation, entertainment and delight to those who use them; are enhanced, protected and preserved for the benefit of this and future generations; are managed with efficiency and effectiveness and in accordance with the principles of public service under 'Quality Public Services' and 'Modernising Government'.

THE AGENCY'S OBJECTIVES ARE TO:

- increase the enjoyment of visitors, giving priority to pedestrians, installing and sustaining high standards of horticulture and design and ensuring that law and order are tactfully maintained;
- attract a wider range of visitors through publications, publicity, talks, local events and celebrations, open days, promotions, articles, advertising and marketing;
- protect the parks from every kind of encroachment contrary to their purpose so that the public of future generations can enjoy them to the full;
- maintain free access to the parks for the public whilst developing suitable opportunities for increasing income;
- procure, organise and monitor all services in ways which ensure value for money;
- conserve buildings in the parks that are of special architectural and historic interest; and
- meet such financial and other performance targets as the Secretary of State may determine after consultation with the Chief Executive.

Above: Richmond Park,
St James's Park
Facing page: Greenwich Park,
Bushy Park,
Kensington Gardens

ABOUT THE ROYAL PARKS

THE ROYAL PARKS AGENCY MANAGES AND POLICES EIGHT ROYAL PARKS

These are: St James's Park, Green Park, Hyde Park, Kensington Gardens and Regent's Park (with Primrose Hill) in central London; Greenwich Park to the east and Richmond and Bushy Parks to the west. All are part of the Hereditary Lands owned by the Sovereign in right of the Crown and, with the exception of Primrose Hill, are listed Grade I in the English Heritage Register of Parks and Gardens of Special Historic Interest. The Agency is also responsible for a number of other areas, including Brompton Cemetery, Victoria Tower Gardens and Grosvenor Gardens.

The Agency was set up in April 1993 as an Executive Agency. The Chief Executive, supported by a Management Board, is responsible for the day-to-day management of the Agency. He is accountable to the Secretary of State for Culture, Media and Sport for the Agency's performance and operations, and for ensuring that Government funds are spent effectively and in accordance with proper procedures.

The Secretary of State approves the annual Corporate Plan and establishes key performance targets with advice from an independent Advisory Board.

The Royal Parks Constabulary enforces the Royal Parks Regulations, maintaining law and order within the parks, and ensuring security at ceremonial events. Its Chief Officer reports to the Chief Executive.



- 1 PRIMROSE HILL
62 acres
- 2 REGENT'S PARK
410 acres
- 3 KENSINGTON GARDENS
275 acres
- 4 HYDE PARK
350 acres
- 5 GREEN PARK
53 acres
- 6 ST JAMES'S PARK
93 acres
- 7 BROMPTON CEMETERY
45 acres
- 8 BUSHY PARK
1,099 acres
- 9 RICHMOND PARK
2,500 acres
- 10 GREENWICH PARK
183 acres



CHIEF EXECUTIVE'S STATEMENT

IF WE ARE TO IMPROVE OUR RESOURCES WE MUST HELP OURSELVES BY BEING MORE EFFICIENT AND GENERATING MORE INCOME



This is my first annual report as Chief Executive and, since joining, I have been impressed by the depth and variety of responsibilities that the Agency undertakes in ensuring that the eight Royal Parks are the finest urban open spaces in the world. The Parks offer unrivalled opportunities for recreation and enjoyment for every age group, for tourists and locals, for walkers, riders and runners alike. They provide settings for listed buildings, celebrated monuments and sites of archaeological and historical importance. Whether it's an informal game of softball, practising your rollerblading, walking to work, watching the ducks or simply sitting enjoying it all, the Royal Parks offer something for everyone. The Agency is also responsible for over 32 miles of roads, which have come to be used as an integral part of the capital's network. We are justifiably proud that we provide all this with the minimum of resources.

Like every new Chief Executive I took a long hard look at the task ahead and found a great deal of work to be done. Over many years, the Agency has been forced to make difficult choices about the allocation of funds and has had to shelve too many important projects. Much of our Victorian infrastructure is dilapidated; extensive restoration works need to be carried out; our rich history and archaeology deserve further exploration and innovative proposals for environmental projects are crying out to be developed. Technology could now also provide a new way for the parks to be opened up to different audiences in the UK and around the world. The challenge might sound formidable, but it is enormously exciting.

The Royal Parks are a living, green, historical resource and the vital contribution they make to London's reputation as a world city is sometimes overlooked. The Agency must seek to redress this. As a major cultural institution, the Royal Parks must – and will – feature much more prominently in the hearts and minds of the nation. Our highly skilled park managers and horticulturalists are not simply estate managers, but the guardians of a unique heritage for all communities to participate in and enjoy. I hope that, in future, our dedicated nucleus of volunteers will grow and become increasingly involved in the vibrant life of the parks.

If we are to improve our resources we must help ourselves by being more efficient and generating more income. This year we have embarked on a period of change which will result in us raising the profile of the Royal Parks Agency. As a first step, I have created new posts in Public Affairs, Marketing, Fundraising, Education, Major Projects and New Initiative Management, and Procurement.

The care and safety of our visitors remains of first importance, and in this regard the Royal Parks Constabulary fulfils a vital role, not simply in providing a safe environment, but in supporting and informing visitors and other interest groups. We have worked hard this year to overcome problems of recruitment and retention within the Constabulary and to improve pay and conditions. The RPC remains an essential ingredient of the Royal Parks Agency.

This year, as always, our staff and contractors have made a remarkable contribution, which I know is born out of enthusiasm for the Royal Parks. I would like to thank them for their commitment. With their help and spirit of enterprise, we look forward to another year of achievement.

William Weston

THE ROYAL PARKS ADVISORY BOARD PROVIDES INDEPENDENT ADVICE TO MINISTERS AND TO THE CHIEF EXECUTIVE

The Royal Parks Advisory Board provides independent advice to DCMS Ministers and to the Chief Executive on the broad direction of the Agency, on major Parks issues, on the measures proposed for assessing the Agency's performance, and the performance of the Agency against its targets. It comprises individuals with skills and expertise deemed appropriate to the management and development of the Parks.

The Board is independent of both the Department for Culture, Media and Sport and the Agency and meets five times a year. The Board meets the Minister with responsibility for the Royal Parks once a year.

Appointments to the Board are usually for a term of three years with the option of reappointment. Board members are not remunerated but the DCMS reimburses expenses incurred on Board business.

In 2000–2001 the Board membership was;

Hilary Lade *Chair*

Maria Callaghan *Catering*

Donald Insall CBE *Historic Buildings*

Norman Lyle *Finance*

Anthony J Speed CBE QPM DL *Police*

Valerie St Johnston *Friends of the Royal Parks' Forum*

Anna Vinton *Marketing*

Kim Wilkie *Historic Landscapes and Horticulture*

Secretary: David Goodchild (DCMS)

During the year the Board was pleased to see the Royal Parks (Trading) Act 2000 appear on the Statute Book. The Act has given the Royal Parks Constabulary long awaited powers to deal with the problem of illegal traders in the central London Parks. The Act increased the maximum penalty for illegal trading offences from £200 to £1000, empowered the Parks Police to seize traders' equipment and gave the courts powers to confiscate and destroy this equipment after conviction.

The Board was also happy to receive the independent review of the Royal Parks Constabulary and to endorse its conclusions and recommendations to DCMS Ministers. The Board is pleased to note that a number of the report's recommendations have already been implemented and that the remainder are being taken forward.

The Board remained concerned at the level of funding available for the Parks. There is still a backlog of maintenance works, which will cost some £120 million to clear. The Agency's inability to make a significant impact on tackling this backlog has held back its contribution to achieving the aims and objectives of DCMS. The overall maintenance costs are compounded by the fact that the Agency is responsible for the upkeep of a number of key – and heavily used – roads, particularly in central London. The Board will be seeking to impress these points upon new Ministers at the earliest opportunity.

The Board was delighted to welcome William Weston to the post of Chief Executive and took an active role in helping him begin to implement and carry forward his vision for the Royal Parks. The Board is particularly happy to acknowledge his success in negotiating with the Treasury to improve the running costs position for the Agency. The Board also recognises the improvements that have been made to the organisation of responsibilities within the Agency, and the improvement in the working relationship with DCMS officials and Ministers.

In the coming year the Board looks forward to the Government's response to the quinquennial review of the Agency and in playing an active role in taking forward its recommendations.



St James's Park

PERFORMANCE AGAINST KEY TARGETS THE SECRETARY OF STATE SETS MORE CHALLENGING TARGETS EACH YEAR

QUALITY TARGETS		1997–98	1998–99	1999–00	2000–2001	2001–02
Soft landscape presentation	Target	82%	83%	85%	88%	Target no less than 82% for each park. Actual scores ranged from 84% to 91%.
	Average score from an independent horticultural expert	Outturn	83%	84%	87%	
Overall quality of parks	Target	84%	86%	86%	89%	Target no less than 83% for each park. Actual scores ranged from 82% to 90%.
	Average mark in customer satisfaction survey	Outturn	86%	84%	88%	
Cleanliness in the parks	Target	82%	85%	85%	89%	Target no less than 80% for each park. Actual scores ranged from 79% to 88%.
	Average mark in visitor satisfaction survey	Outturn	88%	83%	88%	

FINANCIAL AND EFFICIENCY TARGETS		1997–98	1998–99	1999–00	2000–2001	2001–02
Increase income	Target	£2.7m	£3.3m	£3.7m	£4.07m	By 10% from the 1999–00 level, from all sources except recharges* and VAT refunds.
	Outturn	£3.84m	£3.3m	£3.7m	£4.492m	
Efficiency savings on running costs	Target	1.2%	1.5%	£8.235m	£8.235m	Limit revised in year to £3.835m.**
	Outturn	2.4%	1.4%	£8.210m	£3.075m	
Reduce hourly cost of a Royal Parks Police constable on duty	Target	£23.56	£22.84	£24.44	£25.31	Target to maintain 1999–00 level in real terms.
	Outturn	£23.43	£23.84*	£24.87	£27.03	

* Recharges are classified as income in the accounts.

** Costs relating to the RPC were reclassified in the year as 'operating costs'.

MILESTONE TARGETS		2000–2001	2001–02
2000–2001	Target	Complete the refurbishment of White Lodge in Bushy Park by December 2000, with a view to the building being removed from English Heritage's 'Buildings at Risk' register in 2001.	
	Outturn	Achieved	
	Target	Carry out a condition survey of all the lodges in the parks to establish maintenance requirements and future levels of refurbishment.	
	Outturn	Not achieved	
	Target	Establish a base level of funding for 2001–02 from sponsorship, Partnership initiatives and private or corporate sources.	

REVIEW OF THE YEAR 2000–2001

A UNIQUE HISTORIC LANDSCAPE OFFERING DIVERSITY OF CHARACTER AND CONTENT

London's eight Royal Parks provide a unique historic landscape, diversity of content and character, and offer visitors tranquillity, recreation, fresh air and colour. The Royal Parks make up a 5000 acre estate which includes: 280 buildings, statues and memorials (many of which are listed); 49 miles of boundary walls and fencing; 100 miles of roads, footpaths and cycle tracks; 21 lakes and ponds and a 13-mile river; as well as gates, railings, gas and electric lighting, fountains and riverbanks.

PROJECTS/INNOVATIONS

The Diana, Princess of Wales Memorial Playground in Kensington Gardens opened on schedule on 30 June and is proving a great success. Extensively landscaped, and designed so that able bodied children and those with special needs can play together, its innovative features include a 50ft pirate ship, a water play area and a musical garden. Maintaining the playground to the necessary high standards has placed a huge demand on resources. In addition to providing full-time attendants we have installed CCTV and an electronic gate lock to control the numbers entering and leaving, and to help keep out unaccompanied adults. The playground has become a tourist attraction and adults are admitted to view between 9.30am and 10am, before it opens to children

Work on the Kensington Gardens Bandstand was carried over into this year, as the necessary repairs were more extensive than originally estimated. The copper roof has been completely restored and the decorative eaves and soffit ceiling freshly painted. It will be in use again over June and July for the traditional Tuesday evening performances.

In Richmond budgetary constraints forced us to reduce the scope of the new recycling base at Oak Lodge, but the facility built so far is proving enormously useful. We started to build new disabled toilet facilities for visitors to the Holly Lodge Centre, with completion scheduled to take place when the Foot and Mouth disease restrictions have been lifted.

In partnership with the Horse Rangers Association we obtained sponsorship to fund a new indoor riding school for the disabled within the Stockyard complex in Bushy Park. It is an all weather facility and provides a safe environment for people with special needs to learn and enjoy equestrian practices. It was opened in October by HRH Princess Michael of Kent.

We completed a mosaic marking the site of the Reformers' Tree in Hyde Park, where rallies have traditionally been held for more than a century, and it was unveiled by Tony Benn MP.

The new boathouse and cafeteria in Regent's Park were completed and opened at Hanover Gate.



Kensington Gardens:
The Diana, Princess of Wales
Memorial Playground.

We inaugurated the Diana, Princess of Wales Memorial Walk through four of the central London parks, after carrying out extensive refurbishments to the landscape and landmarks along the seven mile route.

Below: One of the 90 plaques, designed by sculptor Alec Peever, set in the ground to mark the route of the Diana, Princess of Wales Memorial Walk, mapped below.



REVIEW OF THE YEAR 2000–2001

LANDSCAPE

In Hyde Park in the spring we carried out waterside planting along the banks of the Lido. We planted trees on the north west side of the Round Pond in Kensington Gardens as part of the restoration of the 'North Feathers', a feature of the original design commissioned by Queen Caroline. In Greenwich Park we refurbished the herb garden, replanted a third of the herbaceous border, and planted bulbs and roses donated by the Friends of the Park.

We opened a new Bog Garden in Richmond Park's Isabella Plantation, and completed garden refurbishment schemes at Sheen Gate. Wet weather, and the restrictions imposed to combat the spread of Foot and Mouth disease, delayed the implementation of similar schemes planned for Kingston and Roehampton Gates.

We completed a detailed tree survey of Pembroke Lodge in Richmond Park and carried out an extensive tree-planting programme. We also prepared landscape designs for Pembroke Lodge's Dell Garden.

In May 2000 Richmond Park, which was already a Site of Special Scientific Interest, was designated a National Nature Reserve. Later in the year the Park was nominated and confirmed as a Special Area of Conservation because of its rare Stag Beetle population. Over the winter further works were carried out to restore the reed bed at Pen Ponds, and a management plan for the area was agreed. We erected enclosures to protect the Park's gorse and thorn scrub, and these proved so successful that additional areas have since been identified and enclosed. Volunteers from the British Trust for Conservation carried out hedge-laying and native hedge planting.

We are progressing codes of practice for veteran tree management and archaeological protection in Richmond Park, and have cleared *Rhododendron Ponticum* from Prince Charles Spinney and Sidmouth Wood.

In Greenwich Park work commenced on extensions to the Deer Park and we planted thirty donated trees as part of the Avenues restoration programme.

In Kensington Gardens work to improve the waterside habitat with further planting of reed beds and water lilies continued. Seed was harvested from the meadows to continue improving the sward with indigenous species. The tree strategy was reviewed and updated, and we prepared a 5-year development programme for the South Flower Walk, to increase wildlife and enhance visitors' experience.

Regent's Park agreed boundary changes with London Zoo, following consultation with interested parties, and a contract was let for the manufacture and realignment of the fence on the Zoo's eastern boundary. Work was delayed by budget considerations, and we now expect to complete the first phase by June 2001.

We produced a detailed tree strategy for the next 20–50 years for St James's Park. This analyses the current tree stock and advises on the planting, pruning and condition of trees, taking account of landscape design and the protection of views. It also considers improvements for wildlife habitats.



Hyde Park: The Reformers' Tree mosaic, celebrating the right of public assembly, unveiled by Tony Benn MP in July 2000.

Bushy Park: The Stockyard. Richmond Park: David Attenborough examines Stag Beetles.

Richmond Park: Pond dipping, Isabella Plantation.

HORTICULTURE/GREEN INITIATIVES

We continued to manage the grasslands, gardening operations and wildlife habitats with environmentally friendly methods – recycling our own leaves, mulching and making minimum use of herbicides and pesticides.

We sought to increase green waste recycling in Kensington Gardens by 15% this year, which proved a difficult target to quantify, but we widened the range of recycled materials, including floral bedding waste from the other parks, and no recyclable green waste was turned away.

Greenwich Park also began a major recycling initiative. Currently 60% of organic waste from the Park is composted and used as mulch on the flower beds and shrub borders and we aim to raise this to 100% by 2003.

The Agency continued to employ an Energy Consultant to seek innovative ways of ensuring the efficient use of gas and electricity and to explore the possibility of developing more sustainable sources of energy.

We re-launched and raised the profile of our Green Housekeeping Committee to help promote green awareness and green initiatives throughout the Agency. The committee is now chaired at Board level and has been granted a budget; its membership has widened to include representatives from each park and from the grounds maintenance contractors. In addition, and in line with other government departments, the Agency undertook to seek ISO14001 accreditation. This is an internationally recognised standard: we will achieve it when we have successfully integrated effective Environmental Management Systems into our existing management systems.

A system for monitoring the flora and fauna and wildlife in Regent’s Park was set up.

We continued to work in partnership with local biodiversity and wildlife groups to improve wildlife habitat quality and monitoring.

ANNUAL HORTICULTURAL SURVEY

An independent horticultural expert (Doug Stacey, a Fellow of the Institute of Horticulture) assessed the quality of landscape management in each park in the spring and the summer. He scored separately the ornamental beds, shrubberies and hedges, grass and tree management and water features and gave an overall rating for each park. We exceeded our key target on this.

BUILT FABRIC

Throughout the parks the lion’s share of the limited resources available for works maintenance was concentrated on urgent maintenance and repairs, but we continued with rolling programmes of renovations to railings, paths, benches and litter bins.



Hyde Park
Kensington Gardens
Bushy Park: White Lodge, refurbishment completed during the year.
Kensington Gardens: recycling organic waste.

In Hyde Park we completed repair works along the route of the Diana, Princess of Wales Memorial Walk and investigated and remedied the causes of flooding in the north meadow. We completed the improvements to the tennis courts – which were financed by a grant from the London Marathon Trust and included building two new ones – but the landscape works around the Bowling Green were delayed by foul weather and cannot be finished until there is a fairly prolonged dry spell.

Insufficient resources meant we had to postpone a number of pressing projects in Hyde Park. These included pedestrian safety improvements by the Magazine on West Carriage Drive, redevelopment plans for the Lookout Centre, and much needed refurbishment of the Storeyard to provide better facilities for the grounds maintenance contractor.

In Richmond Park works to walls and fences, and redecoration works to some lodges and gates, were completed on schedule. Plans were prepared for a new Venison House and a draft development scheme for White Ash Lodge. Refurbishment of Pembroke Lodge continued, but was delayed by the Foot and Mouth disease restrictions; the new conservatory, the north wing and the re-landscaped terrace are not likely to be opened until the early summer.

We carried out minor repair works to the Buxton Memorial in Victoria Tower Gardens and external refurbishments to Blackheath Lodge in Greenwich Park.

In St James’s Park we completed the refurbishment of Marlborough Gate toilets, providing new baby changing facilities, better supervision and security and a more welcoming entrance to the building. We also carried out drainage improvements to address flooding near Carlton House Terrace, and started a programme of repairs to street lights.

We completed the refurbishment of White Lodge, a Grade II listed building in Bushy Park, and finally had it removed from English Heritage’s ‘Buildings at Risk’ register. It now provides office accommodation and the base for the Park’s environmental education centre.

ROADS AND TRAFFIC

The Royal Parks contain 32 miles of private roads, some of which have come to be used as part of the local road network and attract heavy traffic. The Agency is seeking to prevent the parks from being viewed as a picturesque short-cut for motorists at the expense of the safety and pleasure of pedestrians. At the same time we want to maintain accessibility for visitors who happen to arrive by car.

In October, after extensive consultation with the neighbouring local authorities of Richmond, Kingston and Wandsworth, the Agency put traffic management proposals for Richmond Park out to public consultation. The proposals sought to limit through traffic and included plans to close Robin Hood Gate and Pen Ponds Car Park. Strong feelings were provoked, on both sides of the argument, and we had such a high rate of response that we extended the consultation period to give more people the chance to have their say. Our traffic management consultants are analysing the responses with a view to producing recommendations for consultation in autumn 2001.

GROUNDS MAINTENANCE AND HORTICULTURE EXPENDITURE

£ 6,741,666

HQ	–
Hyde Park	953,205
St James’s Park	1,241,306
Kensington Gardens	868,181
Brompton Cemetery	176,626
Regent’s Park	1,715,237
Greenwich Park	679,782
Richmond Park	578,318
Bushy Park	529,011
RPC	–

WORKS MAINTENANCE EXPENDITURE

£ 7,916,213

HQ	174,882
Hyde Park	1,638,956
St James’s Park	2,215,429
Kensington Gardens	461,117
Brompton Cemetery	121,914
Regent’s Park	1,124,758
Greenwich Park	491,770
Richmond Park	787,018
Bushy Park	889,441
RPC	10,928

In autumn we resurfaced Birdcage Walk, and introduced new crossing points and traffic calming measures, to improve public access to St James's Park. We also constructed a new layout to improve pedestrian access at Queen Anne's Gate, which is a busy park entrance.

In Greenwich Park we resurfaced the road between Blackheath Gate and the top of the Avenue. Car parking charges were introduced with effect from 1 April.

A further section of the Outer Circle road in Regent's Park was reconstructed.

EVENTS/ENTERTAINMENTS

The summer events programme again included a season of concerts in Hyde Park: the Prince's Trust pop concert in early July attracted an audience of 100,000, and was followed by a series of five smaller concerts, held over two weekends, with music ranging from pop to Latin American. The season was rounded off with 'Proms in the Park' in September. We also hosted sporting events: the Women's 10K Run again started in Hyde Park, and the London Marathon, with a bigger entry than ever this year, started in Greenwich Park and finished on The Mall. Hyde Park staged the usual rallies and demonstrations as well as the lively weekly gatherings at Speaker's Corner.

The Royal Military Tattoo – a tri-service spectacular involving over a thousand service men and women – was held on Horse Guards Parade over six days in July. Large tracts of the Park were brought into use to accommodate a massive construction and support infrastructure, and over one hundred horses were stabled in the Storey's Gate area. The event was a success but wear and tear resulted in significant reinstatement costs to the Agency.

In July we held a pageant on Horse Guards Parade to celebrate the 100th birthday of HM The Queen Mother, in which five thousand representatives of the charities and other organisations with which Her Majesty is involved took part.

Regent's Park staged its second Flower Show over three days in June, attracting approximately 50,000 visitors.

Bushy Park celebrated Chestnut Sunday in May, with a grand parade and a small country fair, and, in partnership with Richmond Borough Council, hosted the Junior Citizen scheme in November: a thousand schoolchildren between the ages of 10–11 were coached in basic life skills ranging from how to contact the emergency services to the importance of following the country code.

VISITORS AND COMMUNITY INITIATIVES

The individual parks each staged a series of summer entertainments appropriate to their size and character. Most of these were provided for our visitors free of charge. The overall programme covered steel and brass band concerts, jazz, opera, and dance recitals, guided nature walks and talks, a regatta, and children's activities in six of the Parks. Local Premiership and First Division football clubs again provided football coaching for youngsters.



Hyde Park: Party in the Park, July 2000.
Kensington Gardens: The Albert Memorial.

The refurbished Albert Memorial continues to be a magnet to visitors. Although the guided tours that we originally provided did not prove commercially viable on a daily basis they are still conducted each Sunday afternoon, and special tours can be arranged at any time of year by appointment.

In the summer 2000, with the assistance of the Friends Group who provided volunteer wardens, we extended the opening hours of Brompton Cemetery from 7pm to dusk. In June we began to allow visitors to walk dogs on leads on the Cemetery's eastern boundary path for a trial period. Although significant numbers of dog walkers fail to keep their dogs on leads, and many fail to clean up after their animals, we extended the trial to the end of March, with a view to making the arrangement permanent. The Friends have provided valuable assistance with monitoring the trial.

The Harrow Association for the Disabled carried out a Disabled Access Audit of Richmond Park and we await the final report.

In Regent's Park members of staff hosted a series of walks and talks, and areas of the Park normally closed to the public were opened for visits.

Over 5000 visitors came to our Environmental Education centres in Richmond, Bushy and Hyde Parks, which met our target of achieving a 10% increase on the numbers who visited last year.

As usual our visitor surveys in 2000 tracked performance on the key aspects of overall quality and cleanliness. Each year our targets are based on achieving a marginal improvement on the previous year. This year our average scores – 85% for cleanliness and 86% for overall quality – fell short of our targets for only the second time since the Agency was set up in 1993.

We were awarded our third Charter Mark in February, in recognition of the consistently high level of service that we provide for our visitors.



Brompton Cemetery



OVERALL QUALITY RATING				OVERALL CLEANLINESS RATING			
%	2000-01	1999-00	1998-99	%	2000-01	1999-00	1998-99
Regent's Park	87	94	81	Regent's Park	88	92	78
Primrose Hill	85	87	77	Primrose Hill	81	84	73
St James's Park	86	87	87	St James's Park	84	92	84
Green Park	82	82	85	Green Park	84	90	85
Hyde Park	87	87	87	Hyde Park	87	91	88
Kensington Gardens	86	86	85	Kensington Gardens	87	90	86
Greenwich Park	87	93	84	Greenwich Park	86	85	83
Bushy Park	87	87	82	Bushy Park	79	84	81
Richmond Park	90	89	87	Richmond Park	86	86	87

ANALYSIS OF INCOME				
£	Other fees and permits	Licences and rents	Concessions	Other income
HQ	2,121	193,438	–	17,384
Hyde Park	700,812	107,662	618,235	65,773
St James's Park	375,208	173,820	69,989	126,319
Kensington Gardens	36,208	39,670	67,248	70,793
Brompton Cemetery	101,241	324	–	1,712
Regent's Park	63,838	163,565	732,763	171,578
Greenwich Park	61,832	3,911	189,109	16,741
Richmond Park	12,964	351,295	50,596	18,291
Bushy Park	5,596	182,793	13,253	21,904
RPC	–	–	–	105,896
Total	1,359,820	1,216,481	1,741,193	616,391

ANALYSIS OF EXPENDITURE			
£	Salaries	Other admin costs	Other operating costs
HQ	847,803	866,678	4,804,155
Hyde Park	220,958	31,926	368,932
St James's Park	199,754	21,182	543,069
Kensington Gardens	72,780	5,648	168,709
Brompton Cemetery	–	1,516	6,636
Regent's Park	218,001	38,426	427,631
Greenwich Park	105,513	18,074	192,189
Richmond Park	216,844	49,335	395,561
Bushy Park	115,263	48,612	135,248
RPC	5,229,365	–	993,370
Total	7,226,281	1,081,397	8,053,600

INCOME/FINANCE

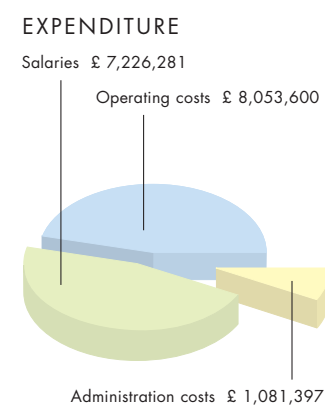
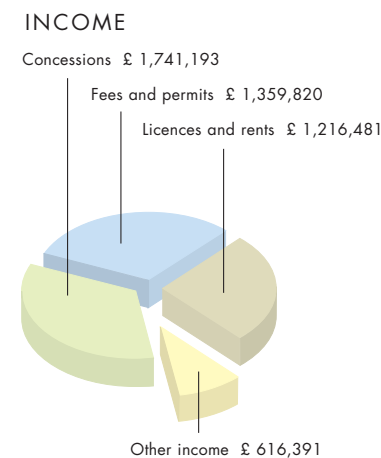
We terminated our contract with Royal Parks Enterprises in order to take responsibility for marketing, entertainments and events back in-house. We exceeded our key financial target of increasing income by 10% on the previous year despite income from sports and catering concessions being adversely affected by the remarkably wet weather.

Delays in the planning process have meant that Richmond's Golf Course contract has still not been let; however, the local authority's block on the planning application submitted by the Highways Agency has been lifted, and permission is expected shortly.

Foul weather over the winter resulted in one of the golf courses being under water for some four months, which has also accelerated wear and tear.

FLEXIBILITY ON RUNNING COSTS

For some time the Agency has been negotiating with The Treasury to allow a more flexible use of the limited financial resources available to us. Our running costs budget had been capped at £8.235 million for two years, leading to difficulties in maintaining the parks. Staff pay levels had also fallen significantly behind those of our sponsoring Department. The Treasury allowed the Agency to classify all costs relating to the RPC – which accounted for approximately £4.5m – as operating costs, allowing more room for manoeuvre within a revised running costs limit of £3.835m. Much improved staff pay awards were paid in March bringing pay and conditions more into line with those in DCMS.



FOOT AND MOUTH DISEASE

In response to the national Foot and Mouth disease outbreak we closed Richmond and Bushy Parks, and the Deer Park in Greenwich Park, on 25 February as a precaution against the disease spreading to our historic herds of red and fallow deer. Only staff and contractors were allowed into the Parks and only after they had disinfected their feet, and their car tyres, at the Park gates. So far the disease has not been picked up by our deer.



Richmond Park

HEALTH AND SAFETY

The Agency believes that the health, safety and welfare of its staff, and all those who come into contact with, or are influenced by, its operations are of paramount importance and these concerns form an integral part of the Agency's procedures. We conduct the Agency's activities in such a manner as to ensure that they comply with statutory Health and Safety requirements. Our key objectives are: to comply with relevant legislation and guidance; to achieve best practice; to promote health, safety and welfare throughout the Agency; and to create a positive safety culture through control, competence, co-operation and communication.

The Chief Executive has undertaken to ensure that sufficient resources are made available for the implementation of Health and Safety procedures.

This year, in compliance with the Health and Safety Executive's guide to best practice, we have made good progress towards achieving a Health and Safety management system.

Responsibility for Health and Safety Management has been allocated to a Board Member and is being promoted as a line management function. The Chief Executive will delegate in writing to all Board Members their Health and Safety duties and responsibilities and ensure that they are clearly outlined in the job descriptions of all staff by March 2002.

In consultation with our Health and Safety advisers we have set ourselves challenging performance targets, which we monitor and review to ensure continuous improvement. For example, Bushy Park's playground was temporarily closed down because the impact absorbing surface around the play equipment failed a safety test. The surface will be replaced with 'play bark' in time for the summer.

We ensure that all staff receive appropriate Health and Safety training, and, where necessary, seek specialist advice and support.

The structure of the Health and Safety Committee allows for the involvement of staff from all locations and disciplines in the Agency. The flow of information is controlled by the line management structure and the network of local Health and Safety committees.

All the Chief Executive's key Health and Safety objectives were met in 2000–2001.

THE ROYAL PARKS CONSTABULARY

The Royal Parks Constabulary's primary objective is to ensure that the parks are safe places to be and that the quality of the visitor experience is protected.

This year the RPC strengthened the new partnerships groups that were set up (in response to the 1999 Crime and Disorder Act) with the Metropolitan Police at Belgravia and Paddington.

We carried out a review of our control room arrangements, prompted by changes being introduced to the radio frequencies used by the emergency services, and decided that out-sourcing this function to the British Transport Police was the most cost effective and efficient option. The new system went live in January and is dealing with an average of 200 calls for police action per week. A significant improvement in call handling and response has been achieved.



RECORDED CRIMES	2000	1999	1998
Criminal damage	59	73	55
Misuse of drugs	44	62	129
Firearms offences	0	1	0
Indecency offences	8	23	23
Theft Act	259	400	327
Counterfeit currency	0	0	1
Offensive weapons	12	10	12
Motor vehicle crime	89	75	89
Assaults	30	58	22
Total	501	702	658

ARRESTS AS A PERCENTAGE OF RECORDED CRIMES			2000			1999			
CRIMES	Offences	Arrests	%	Offences	Arrests	%	Offences	Arrests	%
Criminal damage	59	5	8	73	10	14	62	114	184
Misuse of drugs	44	58	132	1	1	100	8	3	38
Firearms offences	0	1	-	23	9	39	400	58	15
Indecency offences	8	3	38	0	0	-	10	19	190
Theft Act	275	77	28	75	15	20	58	16	28
Counterfeit currency	0	0	-						
Offensive weapons	12	12	100						
Motor vehicle crime	89	3	3						
Assaults	75	26	35						

COMPLAINTS AGAINST POLICE	2000	1999	1998
Substantiated	1	0	0
Unsubstantiated	1	3	1
Withdrawn or not pursued	0	1	0
Resolved informally	4	11	7
Pending	1	1	0
Investigation dispensed with by PCA	4	0	1
Total	11	16	9

PERSONS AND VEHICLES SEARCHED	2000	
	Searches	Arrests
Property stolen	63	15
Drugs	270	38
Firearms	0	1
Offensive weapons	18	7
Other prohibited articles	9	0
Others	7	12
Total	367	73



Regent's Park
Greenwich Park

PARK REGULATION OFFENCES	2000		1999		1998	
	Reported for prosecution	Warned	Reported for prosecution	Warned	Reported for prosecution	Warned
Cycling on footpath	176	2,202	712	2,916	964	2,379
Dogs chasing deer	1	13	35	25	23	27
Driving off park road*	-	-	18	20	41	15
Excess speed	85	399	3,215	1,189	2,842	1,797
Unauthorised parking	1,092	-	2,949	671	3,710	332
Unauthorised trade vehicles	460	486	1,792	1,001	2,027	1,258
Unauthorised street traders	623	-	499	45	2,481	40
Injunctions	0	n/a	0	n/a	0	n/a
Breach of injunctions	0	n/a	0	n/a	0	n/a
Ejections	0	n/a	0	n/a	0	n/a
Other offences	81	865	166	953	160	1,213

* Now recorded under Other offences.

Amending Regulations under the Royal Parks (Trading) Act became law on 1 November 2000. They gave the RPC the power to seize equipment from unlicensed traders in the parks, and eradicated the long standing problem caused by the hot-dog and burger barrows in St James's Park.

In recent years we have been greatly concerned by the number of officers leaving the RPC, and the difficulty of finding new recruits, as a result of which we have been running below complement for some time. We have had to juggle available manpower, cancelling leave and rest days, to ensure effective policing, especially during the busy summer events season.

An independent review of the Constabulary was, therefore, commissioned by the Advisory Board and carried out by Anthony Speed, a former Assistant Commissioner of the Metropolitan Police. His brief was to examine the RPC's role and performance, and establish a framework to secure continuous improvement in the delivery of services. Ministers accepted Speed's recommendations, and changes to the structure of the force's senior management were expedited: the post of Chief Officer, a Commander, and his deputy, a Superintendent have been regraded as Superintendent and Chief Inspector respectively.

Our new arrangement with The Treasury allowed us to go a long way in meeting the concerns of the RPC about their pay. Money was made available to maintain the link between the salaries of RPC officers and those of the Metropolitan Police Service at 85 per cent, and a pay award was made in March, backdated to 1 September 2000. We are also considering paying the RPC an additional London Allowance in line with that paid to the Metropolitan Police.

THE YEAR AHEAD 2001–2002

OUR PRIORITY WILL BE TO BECOME A CHARITABLE TRUST ESTABLISHED BY ROYAL CHARTER

Changing from an Executive Agency of the Department for Culture Media and Sport to a Non-Departmental Public Body (NDPB) will put us on the same footing as Britain's major public galleries and museums. Like them, the Royal Parks are major cultural amenities and the change in status will place us in a stronger position both to seek financial support and to take a lead in the cultural development of London and the nation.

The process of changing to NDPB status will involve changing many of our operating systems and this will take up much of our effort this year if we are to meet the target date of 1 April 2002. Most importantly, the new arrangements will allow us to benefit from the organisational changes that we have introduced in the form of additional income from new sources. As well as emphasising the Royal Parks as an essential ingredient of the nation's cultural and historic heritage, we will use their pre-eminent position to develop a role as a champion for parks and open spaces throughout the United Kingdom.

We will consider the future of the Royal Parks Constabulary (RPC) in line with the recommendations of the Speed Report. This will include the establishment of a Police Committee to provide independent executive control of the RPC, which in turn will enable us to deliver more effective and accountable protection for the parks and better security for park users.



Hyde Park: the Four Winds fountain

We are committed to achieving the performance targets agreed in the Funding Agreement with the Department for Culture Media and Sport and set out in the Agency's Corporate Plan 2001–2004 (available on request from The Old Police House, Hyde Park).

The Treasury's agreement to allow RPC costs to be treated as operating costs means there is less money for major projects, (for instance, we shall have to reduce the road works programme). But it will allow us to implement the organisational changes that will enable us to create additional posts to increase income and raise the profile of the Royal Parks. Projects due for completion include the new Cake House restaurant in St James's Park, due to open in the autumn of 2002, and the fountain to commemorate Diana, Princess of Wales, in Hyde Park.

We will continue to work towards achieving Investors in People accreditation.

AGENCY STRUCTURE FROM APRIL 2001



THE ROYAL PARKS AGENCY

ACCOUNTS 2000–2001

FOREWORD TO THE ACCOUNTS

ACCOUNTS DIRECTION

The accounts have been prepared in accordance with a Direction given by the Treasury in pursuance of Section 5 of the Exchequer and Audit Departments Act 1921 on 30 May 2001; the Direction is reproduced at page 32.

HISTORY OF THE AGENCY

On 1 April 1993, the Royal Parks was established as an Executive Agency of the Department of National Heritage, now 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, Green, Hyde, 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. The Parks were enclosed by various monarchs during the fourteenth to seventeenth centuries, primarily for hunting or as parkland gardens.

By virtue of the 1851 Crown Lands Act the duties and management powers relating to the Parks were transferred by the Crown to the Commission of Works and Buildings and the Royal Parks are now the responsibility of the DCMS. The Royal Parks Agency has responsibility for all London's Royal Parks except Hampton Court Park, which is the responsibility of the Historic Royal Palaces.

The Agency is also responsible for managing and policing Brompton Cemetery, Victoria Tower Gardens, and Grosvenor Square Gardens. Additionally, the Agency maintains 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). The Royal Parks Constabulary (RPC) also polices Abingdon Street Gardens, Hampton Court Park and Hampton Court Green.

RESULTS

The Agency operated under a gross running cost control regime funded via a DCMS Vote. Note 17 to the accounts provides a high level summary of Vote Expenditure and Receipts.

REVIEW OF ACTIVITIES

The Chief Executive's Statement on page 5 and the Review of the Year 2000–2001 on pages 8 to 17 of the Report, review the Agency's activities for the year ended 31 March 2001. Details of the financial targets set for the Agency by the Secretary of State and of the Agency's achievement against those targets are at Note 21 to the Accounts. Details of other performance targets and achievements are noted on page 7 of the Report.

CREDITOR PAYMENT POLICY

The Agency aims to settle all valid invoices within 30 days of receipt (as specified in the CBI code). During 2000–2001 the Agency paid 94.4 per cent of invoices within this timescale.

FUTURE DEVELOPMENTS

These are outlined in 'Looking Ahead to 2001–2002' on page 18 of the Report. Further details of future developments and plans are contained in the Agency's Corporate Plan.

MANAGEMENT BOARD

The names and roles of the Management Board members are shown in Note 3d to the Accounts. All Board members are paid employees of the Agency, appointed under Civil Service Management Code conditions, and all Parks and sections are represented on the Board. Following the current Chief Executive's appointment in July 2000 and the Speed Report on the RPC the roles and

responsibilities of Board members were reviewed. With effect from early June 2001 the new Management Board were in post. The Board meets at least once a month.

ROYAL PARKS ADVISORY BOARD

The names of the Advisory Board members are noted on page 6 of the Report. The Royal Parks Agency does not pay fees to the Advisory Board members.

EQUAL OPPORTUNITIES/DISABLED PERSONS POLICY

The Royal Parks Agency's 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'.

CONSULTATION WITH EMPLOYEES

The Royal Parks Agency 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 an hour to provide staff with an opportunity to raise issues with the Board. The Chief Executive now visits all Park locations on a regular basis. A Corporate Plan Workshop for middle and senior management was held in 2000; information was then cascaded to team members by managers. All staff can see the Framework Document and Corporate Plan.

The Agency also produces a quarterly staff magazine, *The Parks Periodical*, and a monthly newsletter, *Parkbench*, which provide an opportunity to inform all staff of events and news from individual parks. During 2000 newsletters on Information Technology and Finance were introduced, in addition to the Health and Safety newsletter, to advise staff of developments and best practice in these areas. Staff are encouraged to contribute articles for these publications.

FOREWORD TO THE ACCOUNTS

continued

2000–2001 NET EXPENDITURE

The difference between Net Expenditure in 2000–01 and 1999–2000 is largely accounted for by two factors.

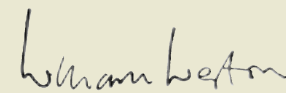
On appointment the Chief Executive sought to undertake a programme of management restructuring to develop a funding strategy and to improve efficiency. To achieve this without increasing overall funding of the Agency, DCMS and Treasury approval was sought to transfer funds previously allocated for works expenditure

to salary and other administration expenditure. The works programme for 2000–01 was reduced by the estimated sum required for the restructuring. However, as agreement on the transfer of funding was not reached until February 2001, it was impossible to implement planned changes before the end of the financial year. This resulted in there being an underspend, which can be carried forward.

Secondly, in 1999–2000 the Agency had £3 million allocated to spend on Princess Diana memorial projects, but there was no similar funding in 2000–01.

AUDITORS

The accounts are audited by the Comptroller and Auditor General in accordance with Section 5 of the Exchequer and Audit Departments Act 1921.



William Weston, Chief Executive
10 July 2001

STATEMENT ON THE SYSTEM OF INTERNAL FINANCIAL CONTROL

As Accounting Officer, I acknowledge my responsibility for ensuring that an effective system of internal financial control is maintained and operated by the Royal Parks Agency.

The system can provide only reasonable and not absolute assurance that assets are safeguarded, transactions authorised and properly recorded, and that material errors or irregularities are either prevented or would be detected within a timely period.

The system of internal financial control is based on a framework of regular management information, administrative procedures including segregation of duties, and a system of delegation and accountability. In particular, it includes:

- comprehensive budgeting systems with an annual budget which is reviewed and agreed by the Management Board;
- regular reviews by the Management Board of periodic and annual financial reports which indicate financial performance against the forecasts;
- setting targets to measure financial and other performance;
- clearly defined capital investment control guidelines; and
- as appropriate, formal project management disciplines.

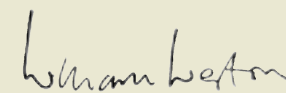
The Royal Parks Agency has an internal audit contract with PKF, which operates to standards defined in the Government Internal Audit Manual. The work of internal audit is informed by an analysis of risk to which the body is exposed, and internal audit plans are based on this analysis. The analysis of risk and the internal audit plans are endorsed by the Head of Finance and approved by me. At least annually, the Head of Internal Audit (HIA) provides me with a report on internal audit activity in the body. The report includes the HIA's independent opinion of the adequacy and effectiveness of the body's system of internal financial control.

My review of the effectiveness of the system of internal financial control is informed by the work of the internal auditors, the Management Board, which oversees the work of the internal auditor, the executive managers within the body, who have responsibility for the development and maintenance of the financial control framework; and comments made by the external auditors in their management letter and other reports. I am aware of certain weaknesses in financial procedures and have taken steps to ensure that these are reviewed and rectified.

Finance staff had contact with budget holders to discuss the monthly financial reports and to update forecasts, with the aim of improving the overall accuracy of forecasting within the Agency. The Royal Parks

Audit Committee met three times during the year. The existence of the Audit Committee will formalise procedures relating to internal audit matters. The plans to issue a Financial Procedure Manual in 2000–2001, to bring together existing guidance and incorporate more recent changes in procedures and practices into a single volume, were deferred due to staff shortages. The planned review of the impact of the 1999–2000 guidance and procedures on Business Cases was also deferred.

As Accounting Officer, I am aware of the recommendations of the Turnbull Committee and will be taking reasonable steps to comply with the Treasury's requirement for a Statement of Internal Control to be prepared for the year ended 31 March 2002, in accordance with guidance issued by them.



William Weston, Chief Executive
10 July 2001

STATEMENT OF AGENCY'S AND CHIEF EXECUTIVE'S RESPONSIBILITIES

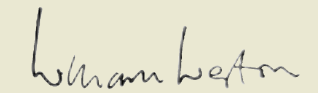
Under Section 5 of the Exchequer and Audit Departments Act 1921 the Treasury has directed the Royal Parks Agency to prepare a statement of accounts for each financial year in the form and on the basis set out in the Accounts Direction on page 32. The accounts are prepared on an accruals basis and must give a true and fair view of the Agency'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 Agency 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 Agency will continue in operation.

The Accounting Officer for the Department for Culture, Media and Sport has designated the Chief Executive of the Royal Parks Agency 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 the keeping of proper records, are set out in the Accounting Officers' Memorandum, issued by the Treasury and published in *Government Accounting*.



William Weston, Chief Executive
10 July 2001

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

I certify that I have audited the financial statements on pages 23 to 31 under the Exchequer and Audit Departments Act 1921. These financial statements have been prepared under the historical cost convention as modified by the revaluation of certain fixed assets and the accounting policies set out on page 26.

RESPECTIVE RESPONSIBILITIES OF THE AGENCY, THE CHIEF EXECUTIVE AND AUDITOR

As described on page 21 the Agency and the Chief Executive are responsible for the preparation of the financial statements in accordance with the Exchequer and Audit Departments Act 1921 and Treasury directions made thereunder, and for ensuring the regularity of financial transactions. The Agency and Chief Executive are also responsible for the preparation of the other contents of the Annual Report. My responsibilities, as independent auditor, are established by statute and guided by the Auditing Practices Board and the auditing profession's ethical guidance.

I report my opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Exchequer and Audit Departments Act 1921 and Treasury directions made thereunder, and whether in all material respects the expenditure and income have been applied to the purposes intended by Parliament and the financial transactions conform to the authorities which govern them. I also report if, in my opinion, the Foreword is not consistent with the financial statements, if the Agency has not kept proper accounting records, or if I have not received all the information and explanations I require for my audit.

I read the other information contained in the Annual Report, and consider whether it is consistent with the audited financial statements. I consider the implications for my certificate if I become aware of any apparent misstatements or material inconsistencies with the financial statements.

I review whether the the statement on page 20 reflects the Agency's compliance with Treasury's guidance *Corporate governance: statement on the system of internal financial control*. I report if it does not meet the requirements specified by the Treasury, or if the statement is misleading or inconsistent with other information I am aware of from my audit of the financial statements.

BASIS OF OPINION

I conducted my audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts, disclosures and regularity of financial transactions included in the financial statements. It also includes an assessment of the significant estimates and judgements made by the Agency and Chief Executive in the preparation of the financial statements, and of whether the accounting policies are appropriate to the Agency's circumstances, consistently applied and adequately disclosed.

I planned and performed my audit so as to obtain all the information and explanations which I considered necessary in order to provide me with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by error, or by fraud or other irregularity 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.

OPINION

In my opinion:

- the financial statements give a true and fair view of the state of affairs of the Royal Parks Agency at 31 March 2001 and of the net expenditure, recognised gains and losses and cash flows for the year then ended and have been properly prepared in accordance with the Exchequer and Audit Departments Act 1921 and directions made thereunder by the Treasury; and
- in all material respects the expenditure and income have been applied to the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

I have no observations to make on these financial statements.

John Bourn,
Comptroller and Auditor General
11 July 2001

National Audit Office
157–197 Buckingham Palace Road
Victoria, London SW1W 9SP

NET EXPENDITURE ACCOUNT

for the year ended 31 March 2001

	2000-2001	1999-2000
	Continuing operations	Continuing operations (Re-presented*)
Notes	£'000	£'000
EXPENDITURE		
3 Staff costs	7,226	7,089
8 Depreciation	1,539	1,442
4 Other administration costs	1,082	984
6 Notional charges	2,794	2,393
5 Programme costs	18,378	21,160
8 Loss on demolition of the Cake House	–	993
	31,019	34,061
7 LESS INCOME	4,934	4,221
	NET EXPENDITURE	
	(Representing the net departmental cost of the Agency)	
	26,085	29,840

*Prior year expenditure has been re-presented and the analysis does not match the 1999–2000 audited accounts, although the total does. See Note 4 for an explanation.

STATEMENT OF RECOGNISED GAINS AND LOSSES

for the year ended 31 March 2001

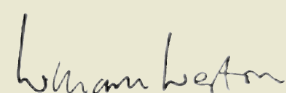
	2000-2001	1999-2000
Notes	£'000	£'000
15 Unrealised surplus on the revaluation of fixed assets	7,636	7,964

The notes on pages 26 to 31 form an integral part of these accounts.

BALANCE SHEET

as at 31 March 2001

Notes	2000-2001 £'000	1999-2000 £'000
8 FIXED ASSETS		
Tangible fixed assets	49,062	41,299
CURRENT ASSETS		
9 Stocks	75	81
10 Debtors	1,922	2,416
11 Cash at bank and in hand	12	(16)
	2,009	2,481
12 Creditors (due within one year)	(1,496)	(1,122)
NET CURRENT ASSETS	513	1,359
TOTAL ASSETS		
LESS CURRENT LIABILITIES	49,575	42,658
Creditors (amounts falling due after more than one year)		
14 Provision for liabilities and charges	(14)	(27)
	49,561	42,631
Taxpayers' equity:		
15 Revaluation reserve	23,728	16,617
Donated asset revaluation reserve	525	-
16 General fund	25,308	26,014
	49,561	42,631



William Weston, *Chief Executive*
10 July 2001

The notes on pages 26 to 31 form an integral part of these accounts.

CASH FLOW STATEMENT

for the year ended 31 March 2001

Notes	2000-01 £'000	1999-2000 £'000
NET CASH OUTFLOW FROM OPERATIONS	(20,868)	(25,598)
17 NET PARLIAMENTARY FUNDING RECEIVED	22,097	25,911
CAPITAL INVESTMENT		
Purchase of tangible fixed assets	(1,201)	(330)
	28	(17)
Analysis of changes in cash balances		
11 Increase/(decrease) in cash held	28	(17)
RECONCILIATION OF OPERATING CASH FLOW TO NET EXPENDITURE		
Net expenditure for the year	(26,085)	(29,840)
8 Depreciation	1,539	1,442
6 Notional charges	2,794	2,393
Loss on disposal of fixed assets	-	1,037
14 Early retirement costs	10	(1)
Decrease/(increase) in stocks	6	(4)
Decrease/(increase) in debtors	494	169
(Increase)/decrease in creditors	374	(456)
NET CASH OUTFLOW FROM OPERATIONS	(20,868)	(25,598)

The notes on pages 26 to 31 form an integral part of these accounts.

NOTES TO THE ACCOUNTS

for the year ended 31 March 2001

1 STATEMENT OF ACCOUNTING POLICIES

The financial statements have been prepared in accordance with the *Resource Accounting Manual* issued by HM Treasury. The particular accounting policies adopted by the Agency 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 historical/heritage assets other than buildings are given a nil value. Expenditure on assets, which become 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 Agency and are included in fixed assets. Lodges within the Parks that are used as dwelling places are valued based on the terms of occupation. Specialised Park Buildings are valued using the 'depreciated replacement cost' method whilst other Park buildings are valued at 'open market value for existing use'.

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

An independent valuer prepared valuations for all properties as at 1 April 1994 based on rules issued by the Royal Institution of Chartered Surveyors. Valuations are updated annually using either advice from a professional valuer or appropriate indices. The properties will usually be professionally revalued at least once every five years on a rolling programme introduced in 1998-99. In 2000-2001 20 per cent by value was subject to revaluation (80 per cent by value was subject to revaluation between 1996 and 2000).

Assets in the course of construction are included in the balance sheet at their cost to the Agency.

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

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

c 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: up to 75 years

Plant and machinery: 5 to 10 years

Fixtures, Fittings, Tools and Equipment: 3 to 20 years.

d Leases

Where the Agency grants an operating lease on a property it is valued taking into consideration the terms of the lease and any dilapidations. Reference is made to the lease and annual rent receivable in Note 7 to the Accounts.

e Stocks

The Agency holds stocks of items, mainly its own publications, for sale, which are valued at cost, or where materially different, current replacement cost and at net realisable value only when they either cannot or will not be used.

f Income

All income is shown net of value added tax.

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

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

g Early departure costs

The Agency 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. The Agency provides in full for this cost when the early retirement programme has been announced and is binding on the Agency.

2 RELATED PARTY TRANSACTIONS

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 17). There were no transactions with other entities for which DCMS is regarded as parent neither has the Agency had material transactions with other Government Departments and other central government bodies.

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

NOTES TO THE ACCOUNTS

continued

3 STAFF COSTS AND NUMBERS

a Staff costs for the year were as follows:

	2000-01	1999-00
	£'000	£'000
Wages and salaries	6,009	5,873
Social security costs	469	460
Superannuation	724	722
Early retirement costs (see Notes 6 and 14)	24	34
Total	7,226	7,089

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

	Number	Number
General management and administration (HQ and Parks)	48	49
Park management (including Gamekeepers)	27	26
Royal Parks Constabulary	155	154
Total	230	229

c Pensions

The employees of the Agency are members of the Principal Civil Service Pension Scheme (PCSPS), to whom the conditions of the Superannuation Acts 1965 and 1972 and subsequent amendments apply. For 2000-01, contributions of £724,250 (£721,689 for 1999-2000) were paid to the Paymaster General at rates determined from time to time by the Government Actuary and advised by the Treasury. For both years rates were in the range of 11 to 17.5 per cent for non-industrial staff.

d The Management Board and Chief Executive's salaries and accrued pensions are:

	Salary including performance pay, at 31 March 2001	Real increase in pension at 60	Total accrued pension at 60 at 31 March 2001
	£'000	£'000	£'000
William Weston <i>Chief Executive</i> (i)	45 - 50	0 - 2.5	0 - 5
Walter Ross <i>RPC Chief Officer</i>	50 - 55	0 - 2.5	5 - 10
Jennifer Adams <i>Head of Commerce and Inner Parks</i> (ii)	45 - 50	0 - 2.5	15 - 20
Michael Fitt <i>Director of Parks</i>	40 - 45	0 - 2.5	10 - 15
Viviane Robertson <i>Head of Policy</i>	40 - 45	0 - 2.5	10 - 15
Sandra Smith <i>Director of Resources</i>	35 - 40	0 - 2.5	10 - 15
Simon Betts <i>Director of Estates</i> (iii)	5 - 10	0 - 2.5	0 - 5

All salary increases take effect from 1 September. However the 2000 pay award was staged: the first element was payable from 1 September 2000 and a second element from 1 April 2001. Board members received £50 bonus payment as did other staff who were in post on both 1 July 2000 and 1 March 2001, in recognition of the Agency being awarded a third consecutive Charter Mark. All paid 1.5 per cent of pay to the PCSPS.

(i) The Chief Executive joined the Agency on 10 July 2000 and his salary is stated since that date. He is an ordinary member of the PCSPS. The terms of his remuneration include a non-pensionable performance bonus of 10 per cent of the value of his basic salary. It is based on an assessment of performance during the year, against work-related objectives, targets and tasks agreed with the Secretary of State.

(ii) Jennifer Adams left the Agency on 25 March 2001.

(iii) Simon Betts was promoted and joined the Management Board on 29 January 2001. His salary is stated since that date.

(iv) All Board Members have opted not to disclose their age.

e Royal Parks Advisory Board

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

NOTES TO THE ACCOUNTS

continued

4 OTHER ADMINISTRATION COSTS (PARKS ONLY)	2000-01			1999-2000 (Re-presented)		
	£'000			£'000		
Consultancies			558			549
Training			21			57
Other administration			503			378
Total			1,082			984

During 2000-01 the Treasury agreed to reclassify RPC Running Costs as Operating Costs. The effect of this change is to reduce the administration costs and increase programme costs. The above figures for 1999-2000 and those in Note 5 have been re-presented to reflect the change in classification, but the overall total expenditure for 1999-2000 is unaltered.

5 PROGRAMME COSTS	2000-01			1999-2000		
	Parks	RPC	Agency	Parks	RPC	Agency
	£'000	£'000	£'000	£'000	£'000	£'000
Works maintenance	7,905	11	7,916	9,444	21	9,465
Grounds maintenance	5,469	-	5,469	5,521	-	5,521
Nursery	965	-	965	965	-	965
Trees	181	-	181	176	-	176
Training	-	61	61	-	62	62
Vehicle hire	98	133	231	83	115	198
Cleaning contracts	624	47	671	625	44	669
Entertainments	133	-	133	603	-	603
Utilities	532	13	545	490	14	504
Other	1,144	651	1,795	944	562	1,506
Landscape development	411	-	411	1,491	-	1,491
Total	17,462	916	18,378	20,342	818	21,160

See Note 4 above for explanation of re-presented figures for 1999-2000.

6 INTEREST ON CAPITAL AND OTHER NOTIONAL CHARGES	2000-01		1999-2000	
	£'000		£'000	
The following notional expenditure items have been included in the Accounts:				
Interest charges (i)		2,759		2,358
Audit fee (ii)		35		35
Total		2,794		2,393
Centrally funded early departure costs (iii)		24		32

(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 6 per cent in real terms on all assets less liabilities.

(ii) A notional charge has been made for the amount advised by the National Audit Office.

(iii) Payments met in cash terms by the Civil Superannuation Vote. These notional costs have been included as Early Retirement Costs in Note 3a.

NOTES TO THE ACCOUNTS

continued

7 INCOME FROM OPERATIONS	2000-2001		1999-2000	
	£'000		£'000	
Concessions		1,741		1,535
Licences and rents		1,217		875
Fees and permits		1,360		1,047
Lottery and other grants		95		244
Royal Parks Constabulary		106		128
Other		415		392
Total		4,934		4,221

8 FIXED ASSETS	Land and buildings	Plant and machinery	Fixtures, fittings, tools and equipment	Assets in the course of construction	Total
	£'000	£'000	£'000	£'000	£'000
Cost/Valuation					
At 1 April 2000	44,965	307	5,084	100	50,456
Additions	533	-	338	330	1,201
Transfers	-	-	100	(100)	-
Disposals	-	-	(3)	-	(3)
Revaluation	6,076	4	(4)	-	6,076
At 31 March 2001	51,574	311	5,515	330	57,730
Depreciation					
At 1 April 2000	6,771	203	2,183	-	9,157
Charged in year	1,114	21	404	-	1,539
Disposals	-	-	(4)	-	(4)
Revaluation	(2,005)	2	(21)	-	(2,024)
At 31 March 2001	5,880	226	2,562	-	8,668
Net book value					
At 31 March 2001	45,694	85	2,953	330	49,062
At 31 March 2000	38,194	104	2,901	100	41,299

Land and buildings were valued, in accordance with the accounting policy described at Note 1b. All have been subject to further professional valuation by Geoffrey Bacon (FRICS and Chartered Valuation Surveyor) between 1997 and 2001. In 2000-01 some land and buildings were professionally valued and the remainder were valued as at 31 March 2001, based on advice received from Geoffrey Bacon or using an appropriate House Price Index. Depreciation has not been charged on freehold land, which is stated at its 1999 valuation of £20,000 plus £3,000 for land purchased in 1999-2000.

The Cake House in St James's Park was demolished in 1999-2000, with the intention of it being replaced under a Public Private Partnership (PPP) contract. However, the Agency has now agreed to replace the building itself and let a PPP contract to furnish and operate it. Assets under construction as at 31 March 2001 represent the costs relating to demolition of The Cake House, design of the replacement and associated costs. In the 1999-2000 accounts £291,000 was included in Other Debtors, as the intention was to recover the costs from the partner when the contract was signed.

The Agency has a 99-year lease on Pembroke Lodge in Richmond Park of which 90 years remained unexpired at 31 March 2001. The property is included in land and buildings at a value of £375,000 as advised by the valuer in the light of accrued dilapidations. With effect from 1 April 1997 Pembroke Lodge was sub-let, subject to planning, to the Hearsam Family Ltd for a term expiring 31 March 2026. The agreement includes refurbishment of the property. The rent received by the Agency in 2000-01 under this agreement is £40,000.

The Indoor Riding Arena at Bushy Park was donated to the Agency during the year and is included at a revalued amount in accordance with Note 1b.

NOTES TO THE ACCOUNTS

continued

9 STOCKS		
Stocks of goods for resale as at 31 March 2001 were £75,000 and £81,000 as at 31 March 2000. In the Board's opinion the current replacement cost of stock is not materially different from the amount shown in the balance sheet.		
10 DEBTORS	2000-01	1999-2000
	£'000	£'000
Trade debtors – due within one year	876	308
Lottery and other grant debtors	–	151
Other debtors	114	274
Value Added Tax	915	1,583
Prepayments	17	100
Total	<u>1,922</u>	<u>2,416</u>
11 CASH AT BANK AND IN HAND	2000-01	1999-2000
	£'000	£'000
Opening balance	(16)	1
Movement during the year	28	(17)
Closing balance	<u>12</u>	<u>(16)</u>
12 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR	2000-01	1999-2000
	£'000	£'000
Trade creditors	45	67
Accruals	1,416	1,024
Deferred income	35	31
Total	<u>1,496</u>	<u>1,122</u>
13 LEASES AND HIRE-PURCHASE OBLIGATIONS	2000-01	1999-2000
	£'000	£'000
Operating lease rentals for vehicles and LPG tanks and equipment due within next year:		
Leases expiring within one year	8	5
Leases expiring within two to five years	118	126
Leases expiring after more than five years	86	63
Total	<u>212</u>	<u>194</u>
14 PROVISION FOR EARLY RETIREMENT COSTS	2000-01	1999-2000
	£'000	£'000
Balance 1 April	27	60
Increase in provision	–	2
Payable within one year	(13)	(35)
Balance 31 March	<u>14</u>	<u>27</u>
15 REVALUATION RESERVE	2000-01	1999-2000
	Unrealised	Unrealised
	£'000	£'000
Balance 1 April	16,617	8,764
Arising on revaluation during the year (net)	8,100	7,964
Transferred to General Reserve in respect of realised element of revaluation reserve	(464)	(111)
Balance 31 March	<u>24,253</u>	<u>16,617</u>

As indicated under Note 8, an asset was donated to the Agency during the year. The Revaluation Reserve balance at 31 March 2001 includes a value of £525,000 for this asset.

NOTES TO THE ACCOUNTS

continued

16 GENERAL FUND	2000-01	1999-2000
	£'000	£'000
Balance 1 April	26,014	27,407
Add:		
Funding from Class XI Vote 1	22,313	25,666
Notional and non-cash charges	2,818	2,425
Transfer from revaluation reserve	464	111
	<u>51,609</u>	<u>55,609</u>
Less:		
Net expenditure for the year	(26,085)	(29,840)
	<u>25,524</u>	<u>25,769</u>
Change in suspense account balances	(216)	245
Balance 31 March	<u>25,308</u>	<u>26,014</u>
17 EXCHEQUER FUNDING	2000-01	1999-2000
	£'000	£'000
Department for Culture, Media and Sport Appropriation Account, Class XI Vote 1		
Gross funding received:		
Running costs	3,185	8,346
Current	25,389	22,440
Capital	1,782	2,525
	<u>30,356</u>	<u>33,311</u>
Appropriations in aid applied	(8,043)	(7,645)
Net Vote expenditure	22,313	25,666
Net movement in Suspense Accounts	(216)	245
Net inflow received from Vote	<u>22,097</u>	<u>25,911</u>
18 POST BALANCE SHEET EVENTS		
There is no material post balance sheet event required to adjust the accounts or to be disclosed.		
19 CAPITAL COMMITMENTS		
The Agency had £25,000 of contracted capital commitments as at 31 March 2001 and £410,000 as at 31 March 2000. In this context capital commitments relates to goods which will become fixed assets.		
20 CONTINGENT LIABILITIES		
The Agency has received a claim from Cardington following termination in December 2000 of their contract, which is subject to further discussion, the outcome of which is uncertain. There are also a number of claims for compensation for personal injury against the Agency and an industrial tribunal case pending, the outcomes of which are uncertain.		
21 KEY CORPORATE FINANCIAL TARGET		
The Agency's key financial target was to increase income to £4.07 million. The target was exceeded, income increased to £4.492 million. The income target is based on an adjusted figure to the income figure shown in the accounts, and thus amounts are not directly comparable.		

ACCOUNTS DIRECTION GIVEN BY THE TREASURY IN ACCORDANCE WITH SECTION 5(1) OF THE EXCHEQUER AND AUDIT DEPARTMENTS ACT 1921

This direction applies to the Royal Parks Agency.

The Royal Parks Agency shall prepare accounts for the year ended 31 March 2001 in compliance with the principles and disclosure requirements of the HM Treasury's Resource Accounting Manual ('the Resource Accounting Manual') which is in force for that financial year.

The accounts shall be prepared so as to give a true and fair view of the income and expenditure (or as appropriate, net resource outturn), total recognised gains and losses (or, as appropriate, recognised gains and losses), and cash flows of the Royal Parks Agency for the financial year and of the state of affairs as at 31 March 2001.

Compliance with the requirements of the Resource Accounting Manual will, in all but exceptional circumstances, be necessary for the accounts to give a true and fair view. If, in these exceptional circumstances, compliance with the Resource Accounting Manual is inconsistent with the requirement to give a true and fair view the requirements of the Resource Accounting Manual should only be departed from to the extent necessary to give a true and fair view. In such cases informed and unbiased judgement should be used to devise an appropriate alternative treatment, which should be consistent both with the economic characteristics of the circumstances concerned and the spirit of the Resource Accounting Manual. Any material departure from the Resource Accounting Manual should be discussed in the first instance with the Treasury.

This direction replaces any previous direction issued to the Royal Parks Agency.

Head of the Central Accountancy Team
Her Majesty's Treasury
30 May 2001

ROYAL PARKS AGENCY CONTACTS



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and Deputy Chief Executive**
Mike Fitt

Director of Resources
Sandra Smith

**Director of Major Projects
and Initiatives**
Alison Dickens

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Simon Betts

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Acting Chief Officer of the RPC
Derek Pollock

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