

	London Borough of Hammersmith & Fulham WORMWOOD SCRUBS CHARITABLE TRUST COMMITTEE 4 MARCH 2015
MANAGER'S REPORT	
Report of the Director for Safer Neighbourhoods and the Director for Finance and Resources, ELRS	
Open Report	
Classification: For decision and for noting. Key Decision: No	
Wards Affected: College Park and Old Oak	
Accountable Executive Director: Lyn Carpenter, Executive Director for ELRS	
Report Authors: Mark Jones, Director for Finance and Resources David Page, Director for Safer Neighbourhoods	Contact Details: Tel: 020 8753 6700 E-mail: mark.jones@lbhf.gov.uk

AUTHORISED BY: DATE:
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1. **Executive Summary and Decisions Sought**
 - 1.1. The Committee is asked to approve:
 - *The 2015/16 budget*
and to note all other matters in this report.

2. **Opposition to the Wetland Mitigation Area Proposed in HS2 Bill**
 - 2.1 A meeting took place on the Scrubs with HS2, Councillor Harcourt, Friends of Wormwood Scrubs and LBHF officers on 4 February 2015 to discuss alternative options to the proposed wetland mitigation area currently included in the HS2 Bill. Officers put forward the option of including the removal of the artillery wall and adjoining mound as an alternative for the required mitigation but HS2 advised that this was unlikely to meet their

requirements regarding replacement of habitat lost through the HS2 works. It was agreed that Leanne Brisland (ELRS) would meet with HS2 Ecology representative David Collins on the Scrubs to discuss a package of alternative options including woodland and scrub habitat enhancement and creation that would meet HS2 requirements. Officers would then discuss with HS2 and Legal how this could be delivered through a legal contract.

Committee to Note.

3. TfL's proposed Overground Station at Old Oak Common

- 3.1 Following the public consultation exercise undertaken TfL have decided to move forward with Option C as the preferred option to deliver the Overground connection at Old Oak Common. Option C includes two stations one on the West London Line and one on the North London Line and was the Trust's preferred option as it does not impinge on the Scrubs. TfL will be making a formal announcement regarding the preferred option at the end of February 2015.

Committee to Note.

4. Old Oak Mayoral Development Corporation

- 4.1. The London Assembly voted in favour of the establishment of a Mayoral Development Corporation at Old Oak and Park Royal on 17 December 2014. There was much discussion regarding the inclusion of Wormwood Scrubs within the boundary and why this was necessary if the MDC were committed to work within the parameters of the Wormwood Scrubs Act. On 27 January 2015 the Secretary of State for Communities and Local Government confirmed that he supports the plans by laying an 'establishment order' before Parliament to create the new body, the Old Oak and Park Royal the Old Oak and Park Royal Development Corporation (OPDC). The OPDC is expected to come into existence with full planning powers over the entire site on 1 April 2015.
- 4.2. The OPDC is currently producing a Draft Old Oak Common and Park Royal Opportunity Area Planning Framework that will undergo public consultation at the end of February 2015. The Trust should consider making a formal response to the OPDC. It is intended that the Planning Framework will become Supplementary planning Guidance to the London Plan and will guide development until the OPDC put in place a Local Plan for the MDC area.

Committee to Note.

5. Filming and Events Update

- 5.1. It is confirmed that Live Nation have pulled out of discussions about holding an event in 2016. It is understood that they are concerned about the infrastructure costs they would need to incur.

Committee to Note.

6. Sports Facilities

Linford Christie Outdoor Sports Centre

- 6.1. Kensington Dragons Football Club (KDFC) have submitted a successful bid to the Football Foundation's Football Stadia Improvement Fund to bring the end changing rooms up to the standard required by the Football Association (FA) in order to help the club's first team progress up the FA's competition ladder. Using a disused part of the changing room area the project comprises internal works to the building to form separate changing rooms for home and away teams and match officials.
- 6.2. The most exciting element of this project is that the works will be delivered through a charitable organisation, CoSpA, who work with their commercial partners to engage with young people not currently in work or education, delivering training and supporting them into employment. Local young people will directly benefit from this project, including several members of KDFC, who will be offered a place on the scheme.
- 6.3. Construction work is expected to start in February and be completed by the end of April. This will enable the club to register the improved facility with the FA in good time for the 2015-16 season.

Children's Gym and Play area

- 6.4. An outdoor gym suitable for young children and play equipment has been proposed for a location close to Braybrook Street. This would augment the existing facilities in this area, consisting of an adult sized outdoor gym installed last year and a play area for older children. This project is still at an early stage and will require approval from all bodies concerned including Defra and the identification of funding opportunities to finance the project. Section 106 funding may be suitable.

Committee to Note.

7. Property Issues

- 7.1. In 2008 the London Borough of Hammersmith and Fulham entered into a 20 year partnership with the Royal Borough of Kensington and Chelsea allowing the Royal Borough to manage and operate Little Wormwood Scrubs.
- 7.2. In recognition of the transfer of management and maintenance a contribution is made annually by the London Borough of Hammersmith

and Fulham towards this. In 2008 this was agreed as £20,000 with future increases linked to indexation.

- 7.3. For any substational changes to the character of the site the Royal Borough would need to seek the approval of the London Borough of Hammersmith and Fulham, as the sole trustee of the site.
- 7.4. London Power Networks have advised they will be working in the area in the coming year running a high voltage electric cable from the sub-station adjacent to Wormwood Scrubs along Scrubs Lane to a new development. As such they have enquired about using the Wormwood Scrubs car park on Scrubs Lane as a compound. Officers have referred this to Valuations and Property Services to seek further information.
- 7.5. The licence to Imperial College Healthcare NHS Trust was completed in January 2015 at a commencing licence fee of £317,687 per annum. The licence fee will be subject to annual increase on the 1st January.
- 7.6. The licence arrears have been paid by the NHS Trust.
- 7.7. Both parties have agreed a specification of works for resurfacing part of the car park and it is expected these works will be undertaken in April/May 2015. WSCT contribution is capped at £200,000 and is being funded from the licence arrears. The £200,000 has been retained by the hospital as it will be carrying out the work..

Committee to Note.

8. Community Safety Update

- 8.1. For the period 1st September 2014 until 31 January 2015, 268 patrols of Wormwood scrubs have been carried out. No crimes have been reported during this period by the parks police service and 37 incidents have been dealt with.

	Incidents	Crimes	Patrols
September 2014	11	0	71
October 2014	6	0	64
November 2014	5	0	44
December 2014	6	0	41
January 2015	9	0	48
Total	37	0	268

- 8.2. The highest proportion of incidents dealt with, (eleven) has been in relation to homeless people who have set up tents or small encampments in the wooded area adjacent to the railway lines. Parks police carry out regular patrols of this area and move the people on and also refer to the Broadway homeless team. Patrols have also been carried out in conjunction with the border agency.

- 8.3. In September a large structure was found in a dense part of the wooded area and although there was evidence of people living in it, no people were found. This structure was removed by the park team and contractors under the supervision of the parks police service.
- 8.4. A moped was found being ridden around the scrubs by young people, but quickly made off when seen by parks police. It is likely that the introduction of marked police vehicles to the parks police vehicle fleet may have had some impact on a decrease in such vehicles being ridden on the Scrubs.
- 8.5. Inspector Rumble warned a professional dog walker for having more than four dogs on the Scrubs.
- 8.6. A lost/stolen moped was found and removed by the Parks Police to deter anyone riding it around the Scrubs.

Committee to Note.

9. Grounds Maintenance update

- 9.1. A walkabout was held between Councillors, Members of the Friends of Wormwood Scrubs and Officers on Saturday 10th January. A number of short-term items were identified, which officers are in the process of implementing. The longer-term items will be incorporated into the 10 year management plan currently being drafted for the site.
- 9.2. Hammersmith Community Gardens Association have carried out a number of volunteer tasks over the last couple of months. These have primarily been scrub clearance to open up some of the copses. This has a number of benefits including improving the habitat, improved sight lines and easier access for litter picking.
- 9.3. Work remaining ongoing with drafting the 10 year site management plan. Officers are proposing a meeting where Trust Members, the Friends of Wormwood Scrubs and other interested parties can discuss the ten year site management plan before it comes to the Committee for adoption.
- 9.4. Adoption of the management plan will allow Wormwood Scrubs the opportunity to apply for Green Flag Award in 2016. Officers believe with some work the site can meet all of the judging criteria, especially with strong support from the Committee and the Friends of Wormwood Scrubs.
- 9.5. A number of meetings have been held internally to look at how the artillery wall (now identified as a dangerous structure by the Council) can be dealt with. The Council's Transport and Technical Services department have commissioned a report into the wall, this includes looking at the contamination of the wall and adjacent mound. An indicative budget has been included in the Council's capital plans so it is hoped that the cost of removing the wall and re-instating the mound will be borne by the London Borough of Hammersmith and Fulham.

Committee to Note.

10. Fundraising Possibilities

- 10.1. All section 106 funds currently held have been reviewed for a possible match with expenditure on the Scrubs. There is only one where specific provision has ever been made for Wormwood Scrubs - Du Cane Road. There are two other agreements that match, and they are fairly generic in their purposes, meaning that money could potentially be allocated to the Scrubs. That being said, any allocation away from delivering the infrastructure defined in the White City Opportunity Area Framework may result in a shortfall in funding for projects there, i.e. the Scrubs is in competition with other purposes towards which these s106 funds could be put.

Site	Amount Held	Notes
Service Station On Du Cane Road London	£30,000	Towards Outdoor Gym
Woodlands (Imperial College)	£770,000	Collected Towards White City Infrastructure broadly defined.
Westfield	£200,000	Currently Allocated to Shepherds Bush Green but should now be available for infrastructure in the locality of Westfield

- 10.2. All of the funds outlined above have an element of flexibility available as to how they can be used, and consequently there will be a number of other schemes around the Council competing to use the money. Cabinet Members will therefore need to determine which schemes should have priority for funding. The work on these decisions is being co-ordinated through the Council's Section 106 Working Group. Councillors Jones and Schmid are also part of the process for signing off any use of s106. All decisions to allocate s106 funds are ultimately taken by the Council Cabinet.
- 10.3. Officers have also been in contact with the Sobus organisation about identifying grantmaking trusts. Sobus is the successor organisation to CAVSA H&F and has access to the Grantfinder database which can help match charities seeking grants with grant-giving trusts.
- 10.4. At the time of writing officers had arranged to meet with Sobus to progress this.

Committee to Note.

11. 2014/15 Financial Forecast

- 11.1. The latest financial forecast of Wormwood Scrubs Charitable Trust ("the Trust") for 2014/15 is summarised below and is detailed in Annexe A. Financial transactions for the financial year until the end of January are disclosed in Annexe B.

11.2. The Committee has made clear its ambition to see the Trust achieve a surplus this year, and the predicted year end deficit of £21,583 is far better than the £127,088 deficit anticipated when we set the budget. Officers have taken all the steps they can to reduce the forecast deficit, which is lower than it was in the previous report. However it is not expected that a surplus will be achievable in 2014/15.

Activity	Outturn 2013/14	2014/15 Budget	YTD 2014/15	Forecast Outturn 2014/15	Variance	Movement between years
Pay and Display Parking Meters	(309,218)	(305,234)	(101,290)	(303,870)	1,364	-2%
Hammersmith Hospital Car Park Licence	(226,000)	(226,000)	(369,021)	(310,537)	(84,537)	37%
Backdated Hammersmith Hospital Car Park Licence Income	0	0	0	(58,484)	(58,484)	N/A
Grant Contribution from LBHF	(99,500)	0	0	0	0	-100%
Other income from activities for generating funds	(3,807)	(90,767)	(6,876)	(27,300)	63,467	617%
Total Incoming Resources from Generated Funds	(638,525)	(622,001)	(477,187)	(700,191)	(78,190)	10%
Grounds Maintenance	667,743	677,931	671,940	671,940	(5,991)	1%
Contribution to Linford Christie Stadium	31,500	31,517	0	31,500	(17)	0%
Other Expenditure	18,334	39,641	3,214	18,334	(21,308)	0%
Transfer backdated Hammersmith Hospital Car Park licence income to reserves	0	0	0	0	0	N/A
Total Resources Expended	717,576	749,089	675,154	721,774	(27,315)	1%
Net Incoming Resources	79,052	127,088	197,967	21,583	(105,505)	-73%

11.3. The opening cash balance for 2014/15 is £333,051 and the forecast at the end of January anticipates a drawdown of £21,583 (6% of the current cash balance). This would give a cash balance of £311,468 to carry forward to 2015/16. This is much better than the £127,088 drawdown on reserves that we anticipated when we set the budget for 2014/15.

11.4. The increased income from Hammersmith Hospital car park has been fundamental to this improvement in the finances. It was backdated to December 2009 and the total arrears owing to the council was £400,771. From this it was agreed that the hospital would deduct £200,000 for car park resurfacing works and £1,250 for a quarterly contribution to the £10,000 annual maintenance fund. The Trust pays half of this, with the NHS funding the other half.

11.5. The 'Other Expenditure' forecast no longer includes an anticipated payment for the costs of generating additional income given that the outdoor music event was cancelled. There may be a small amount paid this year to reflect the other income secured this financial year which will be settled by year end.

11.6. Inflation on the Quadron contract for grounds maintenance is 0.63% in 2014/15.

Committee to Note.

12. 2015/16 Budget Setting

12.1. The Committee is asked to approve a budget for the Trust for 2015/16 as set out at Annexe C.

- 12.2. Our financial objective for the Trust is to get it into a position where its income covers its costs in each year. We have taken a very important step in achieving this by increasing the annual rental for the hospital car park by £84,000 in 2014/15. We have also grown income from events to some extent. However these things on their own are not enough to enable the Trust to achieve its financial objective. The Trust still needs to secure a significant source of new income.
- 12.3. The budget proposal is that the Trust plans for income of £647,918 and for expenditure of £727,482, giving rise to a budgeted loss of £79,565 in 2014/15. This is more than the loss of £21,583 projected for 2014/15, mainly because of the backdated element of the hospital car parking income increase that helped us on a one-off basis in 2014/15.
- 12.4. We have assumed that pay and display parking receipts and all other income stay at the same levels in 2015/16 and that grounds maintenance costs increase by 0.79% for inflation.
- 12.5. As agreed with the hospital, the income for the car park will be subject to an uplift in line with RPI. We have assumed a 2% increase.
- 12.6. We have assumed that the contribution to the Linford Christie Stadium remains at no more than £32k, but that may limit necessary maintenance work so we will have to monitor that closely in 2015/16.
- 12.7. On these assumptions the cash balances of the Trust will reduce to £231,904 by the end of 2015/16. If the Trust continues as it is (i.e. if there is no income from a large event in 2016/17 or in 2017/18) this will leave the forecast cash balance at £74,613 by the end of 2017/18.
- 12.8. *The Committee is asked to approve the 2015/16 budget.*

13. Legal Comments

There are no legal implications in the report.

Completed by David Walker, Principal Solicitor, email david.walker@rbkc.gov.uk, 020 7361 2211.

14. Finance Comments

These are all contained within the body of the report.

Completed by Mark Jones, Director for Finance TTS and ELRS, email mark.jones@lbhf.gov.uk, extension number 6700.

ANNEXE A

As at Period 10		
Wormwood Scrubs Charitable Trust		
Statement of Financial Activities for Year ended 31 March 2015		
Income and Expenditure	2014/15 Forecast	2013/14
	£	£
Incoming Resources		
Incoming Resources from Charitable Activities:		
Pay and Display Parking Meters	303,870	309,218
Hammersmith Hospital Car Park Licence	310,537	226,000
Backdated Hammersmith Hospital Car Park Licence Income	58,484	
Grant Contribution from LBHF	0	99,500
Incoming Resources from Generated Funds:		
Income from Activities for Generating Funds	25,300	2,491
<i>Earls Court usage (£1.35k per event)</i>	8,100	
<i>Race For Life</i>	2,200	
<i>Olympia Horse Show</i>	5,000	
<i>Incremental increases to charges to Met Police</i>	2,000	
<i>Miscellaneous</i>	8,000	
Interest Receivable	2,000	1,316
Total Incoming Resources	700,191	638,525
Resources Expended		
Charitable activities:		
Costs of generating Parking Income	400	400
Contribution to Linford Christie Stadium	31,500	31,500
Non Routine Maintenance of Wormwood Scrubs	0	0
Routine Grounds Maintenance of Wormwood Scrubs	671,940	667,743
Governance costs	17,934	17,934
Earmarked for car park repairs (capped at £200,000)	0	
Other resources expended	0	0
Total Resources Expended	721,774	717,576
Net Outgoing Resources	(21,583)	(79,051)
Reconciliation of Funds		
Total funds brought forward	5,320,353	5,399,404
Total funds carried forward	5,298,770	5,320,353

ANNEXE B

Activity	Period	Tran Date	Description	Financial Value
Routine Grounds Maintenance of Wormwood Scrubs	6	30-Sep-14	Wormwood Scrubs Grounds Maint 14/15	671,940
Audit Fees	6	11-Sep-14	WSCT AUDIT FEE 13-14	12,608
Other Expenditure	9	31-Dec-14	Wormwood Scrubs -Supply and install rou	1,746
Other Expenditure	9	31-Dec-14	Wormwood Scrubs - emergency pot hole rep	1,200
Other Expenditure	9	31-Dec-14	Scrubs -Installation of benches 11.02.1	360
Costs of generating Parking Income	1	01-Apr-14	Electricity Accrual 2013/14	(400)
Audit Fees	1	01-Apr-14	Audit Fee Accrual 2013/14	(12,300)
Total Expenditure				675,154
Hammersmith Hospital Car Park Licence	9	11-Dec-14	Rent 25/12/2009 - 24/03/2015	(199,521)
Hammersmith Hospital Car Park Licence	3	08-Jun-14	Rent Due Quarterly In Advance	(56,500)
Hammersmith Hospital Car Park Licence	6	14-Sep-14	Rent Due Quarterly In Advance	(56,500)
Hammersmith Hospital Car Park Licence	9	14-Dec-14	Rent Due Quarterly In Advance	(56,500)
Pay and Display Parking Meters	6	30-Sep-14	WWS May Receipts	(28,510)
Pay and Display Parking Meters	6	30-Sep-14	WWS June Receipts	(27,485)
Pay and Display Parking Meters	6	30-Sep-14	WWS July Receipts	(24,225)
Pay and Display Parking Meters	6	30-Sep-14	WWS April Receipts	(21,070)
Income from Activities for Generating Funds	8	30-Nov-14	Filiming Hire - High Command Production	(3,263)
Income from Activities for Generating Funds	5	13-Aug-14	LOCATION FEE-WORMWOOD SCRUBS	(475)
Income from Activities for Generating Funds	3	06-Jun-14	LOCATION FEE-WORMWOOD SCRUBS REDGRA	(400)
Income from Activities for Generating Funds	4	24-Jul-14	HIRE OF WORMWOOD SCRUBS REDGRA AREA	(400)
Income from Activities for Generating Funds	9	04-Dec-14	HIRE OF WORMWOOD SCRUBS REDGRA UNIT BA	(338)
Income from Activities for Generating Funds	3	06-Jun-14	LOCATION FEE-WORMWOOD SCRUBS REDGRA	(275)
Income from Activities for Generating Funds	3	06-Jun-14	LOCATION FEE-WORMWOOD SCRUBS REDGRA	(188)
Income from Activities for Generating Funds	9	04-Dec-14	HIRE OF WORMWOOD SCRUBS REDGRA UNIT BA	(188)
Income from Activities for Generating Funds	2	08-May-14	HIRE OF WORMWOOD SCRUBS UNIT BASE	(150)
Income from Activities for Generating Funds	5	13-Aug-14	HIRE OF WORMWOOD SCRUBS REDGRA	(150)
Income from Activities for Generating Funds	5	15-Aug-14	HIRE OF WORMWOOD SCRUBS REDGRA UNIT BA	(150)
Income from Activities for Generating Funds	9	03-Dec-14	HIRE OF WORMWOOD SCRUBS REDGRA UNIT BA	(150)
Income from Activities for Generating Funds	5	13-Aug-14	HIRE OF WORMWOOD SCRUBS REDGRA UNIT BA	(125)
Income from Activities for Generating Funds	9	15-Dec-14	Rent Due Annually in Advance	(106)
Income from Activities for Generating Funds	2	08-May-14	LOCATION FEE-WORMWOOD SCRUBS	(100)
Income from Activities for Generating Funds	7	01-Oct-14	FILMING WORMWOOD SCRUBS REDGRA AREA	(100)
Income from Activities for Generating Funds	3	08-Jun-14	Rent Due Quarterly In Advance (Pony Centre)	(84)
Income from Activities for Generating Funds	6	14-Sep-14	Rent Due Quarterly In Advance	(84)
Income from Activities for Generating Funds	9	14-Dec-14	Rent Due Quarterly In Advance	(84)
Income from Activities for Generating Funds	3	06-Jun-14	LOCATION FEE-WORMWOOD SCRUBS REDGRA	(69)
Total Income				(477,187)
Net Incoming Resources				197,967

ANNEXE C

WSCT Budget 2015/16

Income and Expenditure

Activity	Outturn 2013/14	Forecast 2014/15	Proposed Budget 2015/16	Forecast 2016/17	Forecast 2017/18
Pay and Display Parking Meters	(309,218)	(303,870)	(303,870)	(303,870)	(303,870)
Hammersmith Hospital Car Park Licence	(226,000)	(310,537)	(316,748)	(323,083)	(329,544)
Backdated Hammersmith Hospital Car Park Licence Income	0	(58,484)			
Grant Contribution from LBHF	(99,500)	0			
Other income from activities for generating funds	(3,807)	(27,300)	(27,300)	(27,300)	(27,300)
Total Incoming Resources from Generated Funds	(638,525)	(700,191)	(647,918)	(654,253)	(660,714)
Grounds Maintenance	667,743	671,940	677,249	682,599	687,992
Contribution to Linford Christie Stadium	31,500	31,500	31,500	31,500	31,500
Other Expenditure	18,334	18,334	18,734	19,134	19,534
Total Resources Expended	717,576	721,774	727,482	733,233	739,025
Net Incoming Resources	79,052	21,583	79,565	78,980	78,311

Forecast Changes

Activity	Adjustments	Proposed Budget 2015/16	Forecast 2016/17	Forecast 2017/18	Notes
Pay and Display Parking Meters	Brought forward	(303,870)	(303,870)	(303,870)	
	Carried forward	(303,870)	(303,870)	(303,870)	
Hammersmith Hospital Car Park Licence	Brought forward	(310,537)	(316,748)	(323,083)	1
	RPI increase	(6,211)	(6,335)	(6,462)	
	Carried forward	(316,748)	(323,083)	(329,544)	
Other income from activities for generating funds	Brought forward	(27,300)	(27,300)	(27,300)	2
	Carried forward	(27,300)	(27,300)	(27,300)	
Grounds Maintenance	Brought forward	671,940	677,249	682,599	3
	Inflation on contract	5,308	5,350	5,393	
	Carried forward	677,249	682,599	687,992	
Contribution to Linford Christie Stadium	Brought forward	31,500	31,500	31,500	4
	Carried forward	31,500	31,500	31,500	
Other Expenditure	Brought forward	18,334	18,734	19,134	5
	Cost of generating new income				
	Inflation on Audit fee	400	400	400	
	Carried forward	18,734	19,134	19,534	

Balance Sheet at end of Year

	Outturn 2013/14	Forecast 2014/15	Proposed Budget 2015/16	Forecast 2016/17	Forecast 2017/18
Tangible Assets	5,000,001	5,000,001	5,000,001	5,000,001	5,000,001
Cash at bank	333,051	311,468	231,904	152,924	74,613
Creditors	(12,700)	(12,700)	(12,700)	(12,700)	(12,700)
Net Assets	5,320,352	5,298,769	5,219,205	5,140,225	5,061,914
Unrestricted Income Funds	5,320,352	5,298,769	5,219,205	5,140,225	5,061,914
Total Charity Funds	5,320,352	5,298,769	5,219,205	5,140,225	5,061,914

Notes

1. Assume 2% each year based on current indices
2. The events team are exploring the possibility of Live Nation hosting an outdoor music event but nothing certain at present. All other additional activity is expected to continue in future years.
3. 0.79% assumed
4. Every effort is being made to reduce this to a minimum, or at least no more than the £32k assumed in 2013/14. The stadium has some pressures on maintenance as there are areas in need of updating and equipment to be purchased which cannot be funded by capital or S106 funds. It may not prove possible to contain them within the £32k.
5. Not agreed with the Council and exact figure will depend on income received by WSCT, and on cost of work done by Council officers.