



**LEE VALLEY REGIONAL PARK
AUTHORITY**

AUTHORITY MEETING

29 APRIL 2021 AT 14:00

Agenda Item No:

6

Report No:

A/4299/21

CORPORATE WORK PROGRAMME 2021/22

Presented by the Chief Executive

SUMMARY

The Authority's 2021/22 work programme has been developed in the context of the Covid-19 pandemic, with the impact experienced in 2020/21 and a cautious emergence from lockdown in the early part of 2021/22. A combination of Government support, a strong reserves position and effective management of expenditure in 2020/21 has enabled the Authority to look forward to the coming year with a positive outlook. The emphasis on the coming year is recovering the organisation's budget position and rebuilding the programme of activities and developments across the Lee Valley Regional Park.

This report outlines the corporate work programme for 2021/22 whilst also summarising the organisation's achievements over the past year. A major focus for the coming year is developing a 5 year business plan for 2022-27. This work will involve looking afresh at the Authority's vision, mission and strategic objectives.

RECOMMENDATION

Members Note: (1) the report.

BACKGROUND

- 1 Impact of the Covid-19 pandemic on the Authority has been much discussed and well documented in recent months. In summary the financial reserves have been depleted by £3mill (from £10 to £7mill), over 50% of the workforce has been on furlough for all or part of the past year, a number of investment projects have been/are on hold and the activation programmes across the venues and open spaces have been severely restricted or not delivered.
- 2 As lockdown restrictions are removed the organisation's primary focus will be maximizing income during what is the peak period (70% of cash income is generated between April and October). The 2021/22 budget recognises the challenges for income generation during the post lockdown period and a contingency has been built in. The extension of Government support via the furlough scheme (until September 2021) and continued budget discipline will be essential in supporting the Authority in recovering its financial position.

- 3 The Authority will aim to maximize the benefit of the furlough scheme whilst at the same time venues are reopened and projects and programmes are restarted. With the organization below full capacity for the period April-September the work programme will naturally need to reflect this position.

KEY ACHIEVEMENTS IN 2021/22

4 2020/21 Budget

The Emergency Budget set in May 2020 forecast a potential scenario of a £7million shortfall which would have been met from the Authority's reserves. Through a combination of Government support via the furlough scheme and business rates relief, successful applications for Closed Business Lockdown Payments and Local Restrictions Support Grants, maximizing income when possible and minimizing expenditure through the year, the Authority has managed to reduce the overall impact to £3mill.

5 Management of open spaces

The Park's open spaces came under considerable strain throughout the past year, with the volume of visitors and attendant litter problems and all too often anti-social behavior. The Park's management team with the Rangers and volunteers did a first class job in responding effectively to the unprecedented pressures on open spaces.

6 Supporting the Covid-19 Emergency

On 22 April the Authority leased an area of the car park at Lee Valley Leisure Centre Complex (Pickets Lock) to the Department of Health and Social Care for a Covid Testing Centre. The site has operated effectively and the lease has been extended from the original end date of 31 March to 31 December 2021.

7 Venues operation

Staff from the six sports venues plus the marinas and campsites transferred to the Authority on 1 April 2020. This was a significant undertaking for all involved and took place as the venues were locked down. The application of Covid-19 protocols, management of intermittent opening through the year and maximizing income when possible presented major challenges to the venues management and staff, challenges which were met with great professionalism.

8 Wildlife Discovery Centre

Construction of the new Wildlife Discovery Centre took place in 2020/21 with the Centre opening to the public in October 2020. This wonderful new addition to the Lee Valley Regional Park has become an instant hit for wildlife watchers and is bound to be a popular site over the coming spring and summer. When relaxed restrictions have allowed it has been opened on a booking basis to the public and the feedback has been excellent.

9 Ice Centre

The Ice Centre project managed to meet a number of key milestones over the past year:

- planning consent;
- procurement of a building contractor within the budget set; and
- development of a funding model for the circa £30mill scheme.

If Members approve proceeding with the new Ice Centre at this meeting construction will start in July.

2021/22 WORK PROGRAMME

10 The Authority's work programme for 2021/22 is designed with the aim of recovering a healthy budget position and rebuilding the programme of activities and investment. In setting and delivering the work programme a key consideration is around organisational capacity and this relates to optimising the benefit of the furlough scheme (until September 2021), whilst also seeking to maximize the work programme outputs.

11 The work programme can be categorised as follows:

- income generation;
- major developments;
- key corporate projects/initiatives; and
- development of 2022-27 business plan.

12 INCOME GENERATION

The number one priority for the Authority is to maximize cash income during the peak period of April to October, when 70% of the total annual cash income is generated. The 6 sports venues opened on 12 April, although with reduced capacities and the campsites cannot be fully operational until 17 May.

The main focus for the 2021/22 communications plan will be supporting the venues through on line and digital campaigns.

13 MAJOR DEVELOPMENTS

Ice Centre

If Members approve the go ahead for the new Ice Centre at today's meeting then construction of the new venue will start in July 2021. The 14 month build programme will have a number of components that will need to be managed and monitored:

- construction;
- communications and engagement with Ice Centre users and other key stakeholders;
- pre-opening operational planning; and
- pre-opening communications and marketing.

Oversight of all of these elements will be provided by the Ice Centre Working Group.

The Wave

The inland surfing venue project at Picketts Lock has been on hold for the past year. The Wave is having to revisit its proposed scheme in light of the impact of the pandemic. A fresh business model is being developed by The Wave and as a result feasibility of the scheme is being reassessed. This exercise will take a few months and the Authority and the London Borough of Enfield are working with The Wave to attempt to find a positive way forward.

The Wave currently has an Exclusivity Agreement (EA) with the Authority for a circa 100-acre area at Pickets Lock. This agreement expires in November 2021. If The Wave concludes that the surfing venue scheme is still feasible an extension to the EA will be required and this will need Member approval. Officers will keep the Executive Committee apprised of developments over the coming months.

Hotel development at Eton Manor

The work relating to the proposed Hotel development at the 2.35-acre Eton Manor site has started to gain some momentum, as development in the economy is showing some signs of recovery. Over the course of the pandemic, little progress was gained due to the adverse effect it had on the leisure market. However, the selected developer has reported that the proposed occupiers have remained in contact over the period and more recently, started to follow up with more focus on progressing with the proposed scheme.

The Very Special Circumstances (VSC) document will also require officers input but will be mainly led by the selected developer. Over the coming months, officers will finalise and agree the terms and period of exclusivity in an agreement that will also include the agreed terms (Heads of Terms). Officers will seek Members approval to the Exclusivity Agreement. This will then enable the selected party to progress with various stages of the process, including stakeholder engagement, agreeing and finalising terms with the occupiers and progressing to the planning stages of the programme.

Water Works Site - Visitor Accommodation

The Water Works (WW) facility located on Lea Bridge Road offers a potentially good site for visitor accommodation. It sits opposite a main line train station and if the new Ice Centre proceeds the business case strengthens. The setting of the WW site, adjacent to a nature reserve and with a hinterland of open space, presents, in design terms, an opportunity for something along the lines of the Lee Valley Youth Hostel in Cheshunt.

Over the coming year officers will explore the feasibility of visitor accommodation on the WW site. Any proposal will focus purely on the footprint occupied by the Water Works building and the car park. This work will involve discussions with the planning authority (London Borough of Waltham Forest) and soft market testing.

East India Dock Basin

In March Members approved a partnership between the Authority and London Borough of Tower Hamlets to progress the East India Dock Basin (EIDB) improvement project. A joint officer project team has been established and this meets on a monthly basis.

The main objective in 2021/22 is to determine a project plan and to identify a funding package for the EIDB improvement programme. This process will start with an expression of interest to the Heritage Lottery Fund (HLF) in the next couple of months. This will result with the HLF providing guidance on how to proceed with a bid. The bid process is likely to be two stage with stage one funding the feasibility and technical studies plus any design work. Stage one will take 6-9 months and will be followed in the latter part of 2021/22 with the start of stage two which is the development of the substantive HLF bid. This will be completed in the summer of 2022.

Spitalbrook

Spitalbrook is a 200 acre+ site adjacent to Broxbourne station and is owned by the Authority. The site was worked for gravel extraction in the 1980/90s and has been closed off to the public for several decades. Combined with the Leisure Pool site just to the south, there is a great opportunity to develop a new country park and other leisure facilities.

A joint meeting of officers from the Authority and Broxbourne took place in February and it was agreed that an initial evidence based information gathering would take place on an Area Action Plan for the land at Broxbourne station and its environs, including Spitalbrook and the Leisure Pool site to the south.

There is general agreement that Broxbourne and the Authority need to work together to develop a project plan for the Spitalbrook site, which would enable opening up the site to the public whilst tying into development options around the station. The process will need to factor in uncertainty over Cross Rail 2.

14 CORPORATE PROJECTS & INITIATIVES

There is a range of projects and initiatives being developed and delivered over the next year, either by the Authority or by third parties where the Authority has an involvement and/or an interest.

Procurement of the Grounds Maintenance Contract

The procurement of this new 10 year contract is live and interest in the first part of the process, the Pre-Qualification Questionnaire (PQQ) stage has been very strong. The process will run through to the end of the summer with a new contract in place for and operating by 1st November 2021.

Restoration of Abercrombie Lodge for Office Use

Following the resolution of the legal dispute with the Architect, the Authority has begun the tendering exercise for the first phase of repairs to the floor of the building with three other work packages to closely follow behind, roof, decking and internal/external redecorations. The aim is to get the building back into use as office accommodation prior to the onset of the winter months.

London Legacy Development Corporation (LLDC) Transition Plan

Over the next year, the LLDC, in consultation with key stakeholders, including the Authority, will start to look in detail at post 2025 estate management and governance arrangements for Queen Elizabeth Olympic Pa (QEOP). There is an opportunity for the statutory role of the Authority, along with its wealth of experience and expertise, to play a role in the future management and development of QEOP.

Leisure Services Contract (LSC)

The start of the LSC with GLL has been deferred until April 2022 and Authority officer have met with Greenwich Leisure Ltd (GLL) who remain keen to progress as per their tender. The complex process of transferring the venues and staff is due to start in October 2021.

Officers are looking at alternative arrangements for the management of the 6 sports venues to ensure what was tendered is still the best option for the Authority post COVID-19. Discussions with the local rating authorities are currently taking place around possible mechanisms for addressing the business rates matter.

IT

There a number of IT projects taking place in 2021/22. These include website development, review of the intranet and upgrades for Finance and CRM systems, which have reached their end of life.

Commercial Opportunities

Securing commercial opportunities may prove challenging over the coming year. However, there are a few areas that will be explored:

- working with the LLDC to pursue commercial partnerships in QEOP;
- if the Ice Centre project proceeds, naming rights and sponsorship to be looked into; and
- a process is currently underway to establish more catering concessions across the Park. The primary aim is to create more outlets to take advantage of increasingly busy open spaces over the spring and summer months.

Commonwealth Games 2022

Lee Valley VeloPark will be hosting track cycling for the Birmingham 2022 Commonwealth Games. Over the next year the Authority will be working closely with Birmingham 2022 to both ensure a successful event but also to maximize community and PR benefits.

15 2022-2027 BUSINESS PLAN

Whilst the immediate priority for the Authority is recovering and rebuilding over the next couple of years, it is also essential that a medium term business plan is developed. This piece of work will involve a fresh look at the vision and mission of the organisation along with its strategic objectives and financial plan. One area of focus will be a new Environmental/Climate Change Policy and action plan.

The business planning work will start in the autumn and will involve Member input.

ENVIRONMENTAL IMPLICATIONS

- 16 There are no environmental implications arising directly from the recommendations in this report.

FINANCIAL IMPLICATIONS

- 17 There are no financial implications arising directly from the recommendations in this report.

HUMAN RESOURCE IMPLICATIONS

- 18 There are no human resource implications arising directly from the recommendations in this report.

LEGAL IMPLICATIONS

- 19 There are no legal implications arising directly from the recommendations in this report.

RISK MANAGEMENT IMPLICATIONS

- 20 There are no risk management implications arising directly from the recommendations in this report.

EQUALITY IMPLICATIONS

- 21 There are no equality implications arising directly from the recommendations in this report.

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BACKGROUND REPORTS

None

PREVIOUS COMMITTEE REPORTS

Authority A/4294/21 Work Programme Update 21 Jan 2021

APPENDICES ATTACHED

Appendix A Photo of Lee Valley Youth Hostel

LIST OF ABBREVIATIONS

| | |
|------|---------------------------------------|
| EA | Exclusivity Agreement |
| LSC | Leisure Services Contract |
| LLDC | London Legacy Development Corporation |
| QEOP | Queen Elizabeth Olympic Park |
| WW | The WaterWorks |
| EIDB | East India Dock Basin |
| HLF | Heritage Lottery Fund |
| IT | Information Technology |
| VSC | Very Special Circumstances |
| PQQ | Pre-Qualification Questionnaire |
| GLL | Greenwich Leisure Ltd |

Appendix A to Paper A/4299/21

Lee Valley Youth Hostel

