

To: Paul Osborn (Chairman)
David Andrews
Susan Barker
Ross Houston

Chris Kennedy
Heather Johnson
Graham McAndrew
Mary Sartin

A meeting of the **EXECUTIVE COMMITTEE** (Quorum – 4) will be held by remote access on:

THURSDAY, 22 JULY 2021 AT 10:30

at which the following business will be transacted:

AGENDA

Part I

1 To receive apologies for absence

2 **DECLARATION OF INTERESTS**

Members are asked to consider whether or not they have disclosable pecuniary, other pecuniary or non-pecuniary interests in any item on this Agenda. Other pecuniary and non-pecuniary interests are a matter of judgement for each Member. (Declarations may also be made during the meeting if necessary.)

3 **MINUTES OF LAST MEETING**

To approve the Minutes of the meeting held on 24 June 2021 (copy herewith)

4 **PUBLIC SPEAKING**

To receive any representations from members of the public or representative of an organisation on an issue which is on the agenda of the meeting. Subject to the Chairman's discretion a total of 20 minutes will be allowed for public speaking and the presentation of petitions at each meeting.

5 **Q1 REVENUE BUDGET MONITORING 2021/22** Paper E/733/21

Presented by Keith Kellard, Head of Finance

6 **Q1 CAPITAL PROGRAMME BUDGET MONITORING 2021/22** Paper E/731/21

Presented by Keith Kellard, Head of Finance

- 7 Such other business as in the opinion of the Chairman of the meeting is of sufficient urgency by reason of special circumstances to warrant consideration.
- 8 Consider passing a resolution based on the principles of Section 100A(4) of the Local Government Act 1972, excluding the public and press from the meeting for the items of business listed on Part II of the Agenda, on the grounds that they involve the likely disclosure of exempt information as defined in those sections of Part I of Schedule 12A of the Act specified beneath each item.

AGENDA
Part II
(Exempt Items)

- 9 VOLUNTARY REDUNDANCY UPDATE Paper E/732/21

Presented by Victoria Yates, Head of Human Resources

Not for publication following the principles of the Local Government Act 1972, Schedule 12A, Part I, Section 3

- 10 Such other business as in the opinion of the Chairman of the meeting is of sufficient urgency by reason of special circumstances to warrant consideration.

14 July 2021

Shaun Dawson
Chief Executive

LEE VALLEY REGIONAL PARK AUTHORITY

**EXECUTIVE COMMITTEE
24 JUNE 2021**

Members
in remote presence: Paul Osborn (Chairman) Chris Kennedy
Derrick Ashley (Vice Chairman) Valerie Metcalfe
David Andrews Mary Sartin
Ross Houston

Apologies Received From: Heather Johnson

In remote attendance: John Bevan, David Gardner

Officers
in remote presence: Shaun Dawson - Chief Executive
Beryl Foster - Deputy Chief Executive
Dan Buck - Corporate Director
Jon Carney - Corporate Director
Keith Kellard - Head of Finance
Victoria Yates - Head of Human Resources
Sandra Bertschin - Committee & Members' Services Manager

Also in remote presence: Matt Bowmer (S151 Officer, LVRPA and
Interim Director Finance & Commercial, London Borough of Enfield)

Part I

969 DECLARATIONS OF INTEREST

There were no declarations of interest.

970 MINUTES OF LAST MEETING

THAT the minutes of the meeting held on 27 May 2021 be approved and signed.

971 PUBLIC SPEAKING

No requests from the public to speak or present petitions had been received for this meeting.

972 EXEMPT ITEMS

THAT based on the principles of Section 100A (4) of the Local Government Act 1972, the public and press be excluded from the meeting for the items of business below on the grounds that they involve the likely disclosure of exempt information again on the principles as defined in those sections of Part I of Schedule 12A of the Act indicated:

Agenda Item No	Subject	Exempt Information Section Number
7	Voluntary Redundancy Update	3
8	Review of Service Areas and New Structure Proposal	3

973 VOLUNTARY REDUNDANCY UPDATE

Paper E/730/21

The report was introduced by the Chief Executive and Head of Human Resources.

- (1) the redundancy costs relating to the voluntary redundancies as detailed in paragraph 13 of Paper E/730/21 was noted.

974 REVIEW OF SERVICE AREAS AND NEW STRUCTURE PROPOSAL

Paper E/729/21

The report was introduced by the Chief Executive.

- (1) the restructures as outlined in Paper E/729/21 were approved.

975 RETIREMENT OF THE VICE CHAIRMAN

The Chairman thanked Derrick Ashley for his vast contribution to the Authority's achievements over many years. He had been instrumental in moving the Authority forward with various projects which had made a big difference.

Several Members also expressed thanks to Derrick Ashley for his immense commitment to the Authority for over a decade during which the Authority had overcome many challenges and achieved big successes through a bi-party approach such as the London 2012 Games legacy venues.

On behalf of officers the Chief Executive thanked Derrick Ashley for his support throughout an incredible period for the Authority, he had played an important part in achieving many notable outcomes.

Derrick Ashley thanked Members and officers for their work and wished the Authority every success for the future.

Chairman

Date

The meeting started at 10.33am and ended at 11.03am

Q1 REVENUE BUDGET MONITORING 2021/22

Presented by the Head of Finance

EXECUTIVE SUMMARY

This report summarises monitoring of revenue expenditure to 27 June 2021. It compares actual income and expenditure to the approved budget. It also provides a projection indicating the likely out-turn position against the annual budget for the year ending 31 March 2021. The overall net operational expenditure at the year-end is expected to be an estimated £718,000 under the approved budget for 2021/22. However, there is still uncertainty over the months ahead so this early end of year estimate needs to be treated with caution. The major variations currently projected are summarised in the table below.

Service Description	Final Projected Variance 2021/22
	£000s
Furlough Grant	(500)
Local Restriction Grants	(182)
Smaller Venues	(128)
Sport & Leisure Venues/Support	633
Corporate Insurance	(100)
Events	(60)
Redundancy Contingency	(103)
Contingency/Growth & Savings	(290)
Other	12
Total Estimated Under Spend:	(718)

RECOMMENDATION

Members Note (1) the report.

BACKGROUND

- 1 The Executive Committee recommended a budget for 2021/22 at its meeting in January 2021 (Paper E/708/21). Members approved this at the Authority meeting on 21 January 2021 (Paper A/4292/21). This report compares income and expenditure to 27 June 2021 with the revised emergency budget.

- 2 The summary financial position of each Authority service or facility is shown in Appendix A to this report.
- 3 Currently the year-end position shows a projected net under-spend of £718,000 against the net revenue budget of £94,000, which includes budget carry forwards from 2020/21 of £230,000.
- 4 Where significant over/under spends are projected at the year-end for particular facilities/services a brief explanation is provided below.

GENERAL ECONOMIC FACTORS

- 5 Certain financial and economic factors continue to impact on the budget during 2020/21 and will continue to do so into 2021/22 and future financial years and these are summarised in the following paragraphs. Overall uncertainty still exists due to the impact of Covid-19 on the overall economy; officers will monitor closely developments that may have a direct impact on the Authority's budget, for example, further lock-down, inflation and interest rates.
- 6 Continued uncertainty in the banking sector has had an impact on investment returns and certainty around where investments are deposited. The Authority has significantly adjusted its base level of investment income downwards and this formed part of the budget setting process for 2021/22. The 2021/22 target rate of return agreed by Members as part of the Annual Report on Treasury Management was 0.1% (Paper E/725/21). In 2020/21 the impact of Covid-19 has resulted in the Authority converting its investments into overnight cash to enable it to manage operations through the current crisis. This will continue into 2021/22 and will mean a significant reduction (estimated £10,000) in returns in the year ahead.

The Head of Finance continues to monitor the Authority's cash/investments and the institutions that they are invested in, and will keep Members updated on any variances in this position through quarterly monitoring reports in 2021/22.

7 Pay Award

In February 2021 the unions lodged their pay claim that included a substantial increase with a minimum of 10% on all spinal column points, and the introduction of a homeworking allowance for all staff who are working from home. During March councils were consulted and feedback was relayed to the National Employers. In May the National Employers made a one-year offer to the unions of a 1.5% increase on all NJC points 1 and above.

The Authority provided for a 2% uplift in pay as part of the budget process.

Senior officer pay is a matter for local determination and will be considered in a separate paper to Executive in the Autumn.

- 8 There is still a possibility that a VAT reduction could be applied to local authority sporting income. Our VAT consultants have been using a lead case in respect of non-business treatment and considered the impact of reclaiming VAT on the protective VAT claims previously lodged with HMRC. They believe there is merit in seeking a repayment of the VAT on the basis that this is non-business income (this is a reclaim of VAT for the Authority business pre 2015 with no implications or impact on Lee Valley Leisure Trust Ltd (the Trust) activity/VAT). The value of the potential VAT repayment could result in a

significant windfall for the Authority. Officers have submitted calculations to KPMG for review and they have submitted a claim and appeal to HMRC. The lead case was heard in the First-tier tribunal (FTT) in October 2020, and was found in favour of the local authorities. However, HMRC have applied to the FTT for leave to appeal, and we are still awaiting confirmation on the outcome of HMRC's applications.

- 9 May's inflation for the Retail Price Index stood at 3.3% and Consumer Price Index at 2.1%, with future inflation projected to show a temporary rise above the CPI target rate of 2% towards the end of 2021, to reflect a correction due to direct and indirect effects of the Covid-19 pandemic, before remaining around 2% in the medium term (Bank of England Monetary Policy Report May 2021).

10 Covid-19 Support

At the start of the Covid-19 crisis central government set up the Coronavirus Job Retention Scheme (CJRS), which provided a grant to fund employees' wages if they were furloughed whilst businesses were unable to operate. This was to allow employees to retain employment in the longer term once lockdown was eased. Originally this scheme was only available for 3 months to the end of June, but has subsequently been extended to the end of September 2021. When the Authority's budget was set in January there was an expectation that the scheme would end by April 2021. However, this was extended until September in the Chancellors Budget in March 2021. The Authority is expected to benefit by around £500k for the extension of the scheme. The Authority currently has 78 contracted members of staff on furlough, although with venues reopening, many have now returned on a part-time furlough, with some returning to full time working arrangements with the May and June relaxation of restrictions.

In 2021/22 the impact of Covid-19 has also resulted in the Authority receiving business rates relief (100%) for the majority of its venues for the first three months, with an additional 66.67% relief for the remaining 9 months of the year. The saving of £1.7m was accounted for in the budget.

The Authority has been able to access the Local Restrictions Support Grants (LRSB) and Restart Grants that are applied to venues that have been required to close as a result of the Covid-19 pandemic. Restart Grants are automatically awarded to successful applicants for the LRSB and we have now been awarded all the LRSB payments. We are waiting on the outcome of two final venues for the Restart Grant amounts. The total amount received as at 31 March for both grants was £73,039, and included in the previous year's outturn, with an additional £181,000 in the current financial year.

- 11 The Government announced on 8 July 2020 that it intended to legislate to apply a temporary 5% reduced rate of VAT to certain supplies relating to hospitality, hotel and holiday accommodation. The reduced rate was initially introduced to last for a temporary period between 15 July 2020 and 12 January 2021. This period was subsequently extended to 31 March 2021. The Government announced at Budget 2021 that the temporary reduced rate will be extended for a further six-month period at 5% until 30 September 2021.

A new reduced rate of 12.5% will then be introduced which will end on 31 March 2022.

The increased income from the VAT rate change has been included with the venues outturn, with the majority focussed on the campsites and catering

outlets.

12 Lee Valley VeloPark Business Rates Appeal

The Authority has received the outcome of the 2010/17 rating appeal for Lee Valley VeloPark. A more favourable valuation was achieved and this yielded a one-off benefit for the Authority of £135,000 in relation to the 2014/15 financial year. The reduction in Rateable Value from £1.87m to £1.60m also applies to the current rating period of 2017/2023 and will represent a future saving in the 2021/22 financial year.

13 The main variances against this year's budget are described below.

OPERATIONS OVERVIEW

14 During the lockdown period officers have been working to mitigate the impact on the Authority of the reduction in income and to minimise the call on cash reserves at year end. As regulations are eased, and venues are gradually allowed to reopen, we have been reviewing business plans to make sure that we will only open in line with our three key guiding principles:

- the activities generate more income than it costs to run them;
- It is Covid-19 safe to the highest standard; and
- It protects the Authority's reputation.

It is important that we do this safely, meaning that we are adapting programmes, activities and opening hours as we go. The above Covid-19 guiding principles will be amended to reflect the changes made by the government on 19 July onwards. These will ensure there is a continued robust approach to venue operations and controlling of expenditure.

As venues are able to open with increased activities and capacity, business plans continue to be revised and updated to reflect the expected demand. As the operations increase, more certainty over the final outturn will be known.

CORPORATE SERVICES

15 Corporate Insurance (£100,000 surplus)

The Authority budget included the cost of building insurance of the Sport Venues, that was also included as a separate cost within the venues budget. Therefore, additional budget was included that will not be required. This will represent approximately £100,000 saving against the 2021/22 budget.

SPORT & LEISURE

16 Small Venues (£128,000 surplus)

Campsites

Lee Valley Leisure Centre Campsite Edmonton is quiet presently due to London still getting back on its feet. We usually benefit greatly from short term stays as they can commute to events easily; we get a lot of stays from events at Alexandra Palace which are not happening currently. Unfortunately, this is being compounded by the need to complete some essential repairs to the infrastructure which is due to under-investment over the past five years and the age of equipment.

Marinas

The Marinas continue to support boat owners in line with Government guidance, with the chandlery and rechargeable works being able to increase. We are also expecting an increase in commission on boat sales due to a buoyant resale market currently.

Hayes Hill Farm

Members approved in December 2020 (Paper E/700/20) to officers proceeding with agreeing terms for a 50 year term lease of Hayes Hill Farm. The lease commenced on 26 April 2021 with existing staff employed at the site transferring under TUPE on the same date. The additional cost of employing staff and operating the venue for April was not budgeted, and will result in a net cost of £36,000.

17 Sport & Leisure Venues (£633,000 deficit)

The sports venues have successfully operated in line with Government restrictions. Reopening business plans are in place for each venue ensuring that they generate a positive financial impact, are COVID safe to the highest standard and protect the Authority's reputation. Overall, venues are exceeding the targets within these business plans. However, there is an anticipated £633k overspend against the budget, which was set before further lockdowns and restrictions were announced for this financial year – more detailed explanation is given below:

- Pre-payments carried into this financial year for unredeemed vouchers and bookings are £300k lower than budgeted. This is due to £320k of the pre-payments having been received by the Trust and as this income has not been received by the Authority it cannot be accounted for in this year. The biggest impact is at Lee Valley VeloPark (£175k) and Lee Valley White Water Centre (£115k);
- Closure of Lee Valley Ice Centre to allow construction of the new venue is expected to result in an overspend of £311k against budget, which assumed a full year of operation. Costs have been controlled, with staff redeployed to other venues for the period of closure;
- Lee Valley VeloPark has faced most restrictions on the indoor track, which impacts the biggest income generating areas of the track programme and corporates. As sessions have been introduced they are selling out, with activities running at 90% - 100% capacity, with children's sessions such as Pedal Up and VeloBalance proving particularly popular. Combined with the impact from pre-payments we anticipate £130k overspend against budget;
- Demand for the restricted programme at Lee Valley White Water Centre has been good, with strong bookings for rafting sessions, and lake activities such as paddle boarding and water wipeout running at nearly 100% capacity. Rafts were limited to six customers until restrictions were eased and nine per raft was allowed, which limited income for that period. The café initially offered a take away only service and as restrictions lifted the indoor café has reopened with sales exceeding the business plan targets. Combined with the impact from pre-payments we anticipate £176k overspend against budget;

- At Lee Valley Hockey and Tennis Centre the programme has recovered well and is operating close to previous levels. We anticipate exceeding budget by year end;
- Lee Valley Athletics Centre has recovered well with most activities back in operation, good demand for events and memberships returning close to pre-Covid levels. We anticipate achieving budget by year end;
- The lesson programme at Lee Valley Riding Centre has suffered from restrictions, with only private lessons available for most of the first quarter, with group lessons only recently being reintroduced. This is the largest area of income generation for the venue, and is the main cause for the expected year end overspend of £100k against budget; and
- Business support for the sports venues is expected to underspend due to staff leaving and vacancies being covered through redeployment. The main area impacted is facility management, where a secondment from GLL is being arranged that will provide the best solution for the period up to the LSC commencement.

18 Contingency and Service Reviews

The budget included a £1.2m Covid Recovery Plan provision, split between a redundancy provision of £500k and contingency for loss of income and delivery of service reviews.

The two rounds of Voluntary Redundancies and the various service reviews have identified costs associated with redundancy payments and pension costs of £397,000. These are costs that are not charged directly to operation services and are identified separately.

Other direct costs/savings resulting from the service reviews, and the reduction in income, have been identified within the individual venues, but the budget has not been reallocated to these heads, so as to properly show where the variations are.

19 Leisure Services Contract - Potential Claims

The Authority is currently in dispute with the Trust regarding the 2019/20 Management Fee payment and end of contract liabilities following the Trust commencing litigation in January 2020. The dispute is subject of court action and would result in a potential cost to the Authority if it were unsuccessful in defending the claim brought against it by the Trust. Members have been appraised separately about the options regarding this legal claim.

ENVIRONMENTAL IMPLICATIONS

- 20 There are no environmental 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.

FINANCIAL IMPLICATIONS

- 22 These are dealt with in the body of the report. The overall outturn will leave the general fund balance at £4.2million at the end of March 2022. The approved level of £3-4million (minimum) was agreed as part of the original 2021/22 budget setting process.

The impact on reserves and the cash position is set out at Appendix B to this report. This shows that at 31 March 2022 the Authority's cash holding will have increased from £8.1million at the start of the year to £8.8million.

HUMAN RESOURCE IMPLICATIONS

- 23 There are 78 Authority contracted employees currently furloughed (as per May 2021 claim) either on a full time or part time basis. As venues reopen, staff have been brought back from furlough to cover operations, either in a full time, or part time capacity. The CJRS will continue until 30 September 2021, and the Authority will look to maximise the benefit of this scheme, whilst ensuring that venues operate efficiently.

Staff welfare remains a key priority and will ensure that any members of staff that have been on full time furlough for a long period of time are gradually reintroduced to working on a part time basis, rather than fully return only when the CJRS ends in September.

LEGAL IMPLICATIONS

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

RISK MANAGEMENT IMPLICATIONS

- 25 Spending of the budget is important in achieving the Authority's corporate objectives. The current net spend at the end of this financial year will impact on the Authority's budget in future years and will be incorporated into the Medium Term Financial Recovery Plan as part of the Budget Planning into 2021/22 and beyond.
- 26 As part of the final accounts process for 2020/21 the external auditor will carry out further analysis of the Authority as a going concern that initially encompassed the financial year 2019/20, but will be for a period up to 12 months beyond the date of signing of the 2020/21 accounts. This again has mainly been brought about by the Covid-19 crisis.

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PREVIOUS COMMITTEE REPORTS

Executive Committee	E/727/21	Q4 Revenue Budget Monitoring 2020/21	27 May 2021
Authority	A/4299/21	Corporate Work Programme 2021/22	29 April 2021
Executive	E/725/21	Annual Report on Treasury	27 May 2021

Committee		Management Activity 2020/21 and Annual Investment Strategy 2021/22	
Authority	A/4292/21	2021/22 Revenue Budget & Levy	21 January 2021
Executive Committee	E/708/21	2021/22 Revenue Budget & Levy	21 January 2021

APPENDICES ATTACHED

Appendix A	Details of the financial position of each Authority service or facility
Appendix B	Projected Reserves and Cash position to 31 March 2022

ABBREVIATIONS

NJC	National Joint Council
the Trust	Lee Valley Leisure Trust Ltd (trading as Vibrant Partnerships)
OJEU	Official Journal of the European Union
LSC	Leisure Services Contract
LLDC	London Legacy Development Corporation
FTT	First Tier Tribunal
CRJS	Coronavirus Job Retention Scheme
TUPE	Transfer of Undertakings (Protection of Employment) Regulations

YEAR 2021/22

PERIOD: 03 (June 2021)

Q1 2021/22 REVENUE MONITORING

	Actual To Date			Annual Net Budget	Proposed Net Outturn	Variance	
	Income	Expenditure	Net			£000s	%
OPERATIONAL SERVICES							
Chief Executive	0	94	94	608	608	0	0%
Corporate Services	(214)	161	(53)	186	186	0	0%
Finance and Support Services	(3)	252	249	2,192	2,091	(101)	(5%)
Sport and Leisure	(68)	147	79	963	909	(60)	(6%)
Parklands and Open Spaces	(71)	479	408	2,639	2,652	13	0%
Small Venues	(870)	492	(378)	(737)	(865)	(128)	(17%)
LSC Venues and Support	(1,061)	1,148	87	934	1,567	633	68%
Budget Growth (Pay Rise)	0	0	0	92	92	0	0%
Job Retention Scheme (Furlough) Grant	0	(359)	(359)	0	(500)	(500)	0%
Local Restrictions Support Grants	(182)	0	(182)	0	(182)	(182)	0%
	(2,469)	2,414	(55)	6,877	6,552	(325)	(5%)
FINANCING							
Interest Receivable	0	0	0	(20)	(20)	0	0%
Interest Payable & Bank Charges	0	0	0	56	56	0	0%
Contributions to/from Earmarked Reserves	0	0	0	1,174	1,174	0	0%
Financing of Capital Expenditure	0	0	0	330	330	0	0%
Financing of Revenue Projects	0	0	0	0	0	0	0%
Minimum Revenue Provision	0	0	0	467	467	0	0%
Levies on Local Authorities	(1,628)	0	(1,628)	(9,768)	(9,768)	0	0%
General Covid Contingency	0	0	0	700	0	(700)	(100%)
Redundancy Contingency	0	0	0	500	397	(103)	(21%)
Service Efficiencies/Growth & Savings	0	0	0	(410)	0	410	100%
Movement in General Fund				(94)	(812)	(718)	(764%)
General Fund Balance b/f				(3,513)	(3,513)		
				(3,607)	(4,325)		
Proposed Budget Carry Forward					0		
Revised General Fund Balance					(4,325)		

	Actual To Date			Annual Net Budget	Proposed Net Outturn	Variance	
	Income	Expenditure	Net			£000s	%
CHIEF EXECUTIVE							
Chief Executive	0	42	42	255	255	0	0%
PR / Communications	0	52	52	353	353	0	0%
TOTAL CHIEF EXECUTIVE	0	94	94	608	608	0	0%
CORPORATE SERVICES							
Legal Service	(7)	37	30	448	448	0	0%
Property Management	(207)	54	(153)	(814)	(814)	0	0%
Planning and Strategic Partnerships	0	21	21	196	186	0	0%
Asset Protection, Maintenance & Development	0	32	32	311	311	0	0%
Committee Service	0	17	17	105	105	0	0%
TOTAL CORPORATE SERVICES	(214)	161	(53)	186	186	0	0%
FINANCE AND SUPPORT SERVICES							
Finance and Human Resources	0	107	107	517	516	(1)	(0%)
Information Technology	(3)	109	106	718	718	0	0%
Corporate Insurances	0	0	0	659	559	(100)	(15%)
Audit / Health & Safety	0	14	14	134	134	0	0%
Non Distributed Costs	0	6	6	69	69	0	0%
Corporate Training / Apprenticeships	0	4	4	21	21	0	0%
Project & Funding Delivery	0	12	12	74	74	0	0%
Sport & Leisure Project Consultancy	0	0	0	0	0	0	0%
TOTAL FINANCIAL SERVICES	(3)	252	249	2,192	2,091	(101)	(5%)
SPORT AND LEISURE							
Events	(65)	22	(43)	129	89	(60)	(47%)
Sports Development	0	7	7	34	34	0	0%
Policy and Performance	0	84	84	555	555	0	0%
Youth & Schools Service	(3)	34	31	215	215	0	0%
Community Access	0	0	0	30	30	0	0%
TOTAL SPORT AND LEISURE	(68)	147	79	963	903	(60)	(6%)

YEAR 2021/22

PERIOD: 03 (June 2021)

Q1 2021/22 REVENUE MONITORING

	Actual To Date			Annual Net Budget	Proposed Net Outturn	Variance	
	Income	Expenditure	Net			£000s	%
PARKLANDS AND OPEN SPACES							
Management							
Operational Management	0	31	31	186	186	0	0%
Myddelton House Management	0	137	137	259	268	9	3%
Parklands							
River Lee Country Park	(1)	29	28	409	408	(1)	(0%)
Gunpowder Park	(5)	3	(2)	87	88	1	1%
Countryside Areas	(26)	126	100	1,118	1,114	(4)	(0%)
Abbey Gardens	(1)	5	4	88	86	(2)	(2%)
Three Mills	0	1	1	27	27	0	0%
East India Dock and Bow Creek	(1)	2	1	48	47	(1)	(2%)
Broxbourne Riverside	0	1	1	19	19	0	0%
Fisheries	0	11	11	(38)	(38)	0	0%
Visitor Attractions							
Myddelton House	(10)	43	33	208	208	0	0%
Rye House Gatehouse	0	1	1	6	6	0	0%
Park Projects							
Volunteers	0	10	10	96	40	4	11%
Biodiversity	0	16	16	101	101	0	0%
Farms							
Lee Valley Farm, Holyfieldhall	(23)	60	37	117	124	7	6%
Initiatives and Partnerships							
King George Reservoir South	(4)	3	(1)	3	3	0	0%
Lee Valley Boat Centre	0	0	0	(28)	(28)	0	0%
Broxbourne Chalets	0	0	0	(7)	(7)	0	0%
TOTAL PARKLAND AND OPEN SPACES	(71)	479	408	2,639	2,652	13	0%
Small Venues							
Lee Valley Marina Springfield	(162)	76	(86)	(400)	(429)	(29)	(7%)
Lee Valley Marina Stanstead	(144)	142	(2)	(31)	(106)	(75)	(242%)
Lee Valley Waterworks Centre	0	7	7	89	100	11	12%
Lee Valley Farm Hayes Hill	0	36	36	0	36	36	0%
Lee Valley Campsite (Sewardstone)	(128)	77	(51)	(57)	(144)	(87)	(153%)
Lee Valley Caravan Park (Dobbs Weir)	(375)	60	(315)	(381)	(452)	(71)	(19%)
Lee Valley Leisure Centre Campsite	(27)	69	42	105	161	56	53%
Lee Valley Leisure Centre Golf Course	(23)	21	(2)	(26)	6	32	123%
Almost Wild Campsite	(11)	4	(7)	(36)	(37)	(1)	(3%)
TOTAL SMALL VENUES	(870)	492	(378)	(737)	(865)	(128)	(17%)

	Actual To Date			Annual Net Budget	Proposed Net Outturn	Variance	
	Income	Expenditure	Net			£000s	%
LSC VENUES AND BUSINESS SUPPORT							
Management and Support							
PR/Communications	0	13	13	50	50	0	0%
Finance & Health/Safety	0	0	0	0	0	0	0%
Information Technology	0	36	36	70	75	5	7%
Human Resources	0	0	0	30	15	(15)	(50%)
Performance Management	0	15	15	106	93	(13)	(12%)
Venues							
Venues Management	0	65	65	289	286	(3)	(1%)
Lee Valley Velopark	(226)	334	108	446	575	129	29%
Lee Valley White Water Centre	(548)	319	(229)	(137)	39	176	128%
Lee Valley Athletics Centre	(68)	94	26	149	149	0	0%
Lee Valley Hockey And Tennis Centre	(133)	92	(41)	83	20	(63)	(76%)
Lee Valley Ice Centre	(14)	78	64	(103)	208	311	302%
Lee Valley Riding Centre	(72)	102	30	(121)	(15)	106	88%
Growth & Contingency	0	0	0	72	72	0	0%
TOTAL LSC VENUES AND BUSINESS SUPPORT	(1,061)	1,148	87	994	1,567	633	68%
OTHER OPERATIONAL SERVICES COSTS/INCOME							
Budget Growth (Pay Rise)	0	0	0	92	92	0	0%
Redundancy Costs	0	0	0	500	397	(103)	(21%)
Job Retention Scheme (Furlough) Claim	0	(359)	(359)	0	(500)	(500)	0%
Local Restrictions Support Grants	(182)	0	(182)	0	(182)	(182)	0%
s106 Expenditure/Income	(7)	0	(7)	0	0	0	0%
TOTAL OPERATIONAL SERVICES	(2,476)	2,414	(62)	7,377	6,949	(428)	(6%)

LEE VALLEY REGIONAL PARK AUTHORITY
 QUARTER 1 - BUDGET MONITORING 2021/22
 MOVEMENT IN RESERVES

	Opening Balance £000s	Revenue Budget £000s	Redundancy Contingency £000s	Fund Movements £000s	Capital Financing £000s	Capital Expenditure £000s	Other Income £000s	Fund Expenditure £000s	Closing Balance £000s	Emergency Budget £000s
Usable Reserve										
General Fund	(3,513)	(3,293)	397	1,287	797		0		(4,325)	(3,612)
Insurance Fund	(450)			0				10	(440)	(440)
Repairs/Renewals	(1,654)			(233)				100	(1,787)	(1,787)
Major Repairs	(615)			(1,054)	0	1,350	0		(319)	(296)
Capital Fund	0				(330)	330	0		0	0
Capital Receipts	(11,732)				0	345	0		(11,387)	(11,359)
Capital Grants Unapplied	(61)								(61)	(61)
Total Usable Reserves	(18,025)	(3,293)	397	0	467	2,025	0	110	(18,319)	(17,555)
Creditors/Debtors	(1,723)	0	0			0		0	(1,723)	(1,700)
Capital Financing Requirement	11,674				(467)				11,207	11,207
TOTAL AVAILABLE CASH	(8,074)	(3,293)	397	0	0	2,025	0	110	(8,835)	(8,048)
FROM REVENUE OUTTURN										
TOTAL OPERATIONAL SERVICES		6,552								
Less R&R Contributions in Services		(113)								
Interest Receivable		(20)								
Bank Charges		56								
Levies on Local Authorities		(9,768)								
GENERAL FUND		(3,293)								

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Q1 CAPITAL PROGRAMME BUDGET MONITORING 2021/22

Presented by Head of Finance

EXECUTIVE SUMMARY

This report summarises capital spending in 2021/22, estimates financial commitments to the year end and compares this to the approved annual budget

Appendix A to this report provides a financial summary of current schemes within the capital programme and shows that overall net capital expenditure for the year end is currently projected to be £18.025 million and in line with the approved budget.

RECOMMENDATION

Members Note: (1) the report.

BACKGROUND

- 1 Executive Committee approved a capital programme for 2021/22 at its meeting on 17 December 2020 (Paper E/703/20). This report compares the actual spend with that approved programme and any slippage carried forward from the 2020/21 budget (reported as part of the capital outturn report, paper E/726/21.)
- 2 Where there is a significant variance, resulting in a projected under or over spend for a particular project, a brief explanation for the variance is provided below by the Accountable Officer for that scheme.
- 3 The annual budget for 2021/22 is £18.076 million net expenditure. The projected net capital position for the year is £18.025 million and in line with the approved budget.
- 4 Where slippage is projected and reported, those resources remain earmarked for the particular schemes in question in future years. Where an under spend is reported these savings are added back into capital funds.

SPECIFIC SCHEMES

- 5 The review of major schemes in 2021/22 is detailed below.

6 Lee Valley Ice Centre Redevelopment

The Ice Centre redevelopment project has progressed well considering the volatility of the market in regards to materials availability and price increases. The past three months have focused on finalising the contract, agreeing material price variances (in accordance with the agreed risk profile), finalising the ground investigation work (which have come back positive), securing the ice specific equipment which mainly comes from Canada and discharge of the pre commencement planning conditions.

The contract with Buckingham Group Contracting Ltd (BGCL) is now signed, the venue closed its doors to the general public on 27 June and to all clubs and coaches on 18 July. From 19 July strip-out of the building will commence, the hording will start going up and the car park will close. On 16 August the site will be formally handed over to BGCL with a planned completion date of 22 October 2022. Communications have gone out to residents, local interest groups and stakeholders informing them of the project's progress.

The Client team is now also fully in place following novation of some of the original design team to BGCL and meetings between all parties are now being undertaken and scheduled in for the duration of the build. Due to the time it has taken to finalise the agreement (because of the market issues detailed above) the completion date is a month later than originally planned, but the project remains on budget and broadly on programme.

7 Asset Maintenance

Asset Maintenance spend is currently on target for the approved budget.

With regard to the repair and refurbishment works on Abercrombie Lodge, these have been split into four phases – floor and sub floor; roofing; decking and landscaping; and internal redecoration and repairs. The contract for the flooring works has largely been completed, and will fall within the contract sum, and the contract for the roofing works has just been awarded. The final two phases will commence once the roofing works have been completed.

Planned works at the sports venues have been slow to commence due to resourcing issues, but these should start to progress over the coming months.

8 Landscape and Open Space Projects

Officers have been reviewing the Landscape and Open Space project list (Paper E/711/20) for any schemes that may progress. Whilst some work is still involved in the delivery and funding strategy for these projects, we have specifically included a number that may be able to progress over the next few years. This does not mean other schemes will not progress, and all are still subject to review on their individual feasibility.

ENVIRONMENTAL IMPLICATIONS

- 9 There are no direct environmental implications arising from the recommendations in this report. However, within each project a full evaluation of environmental implications is undertaken and reported to Members as part of the overall project brief.

EQUALITY IMPLICATIONS

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

FINANCIAL IMPLICATIONS

- 11 A variance during the year on the capital programme can result in additional/reduced investment income being earned in the year as cash balances deposited in the Authority's approved bank accounts change.

HUMAN RESOURCE IMPLICATIONS

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

LEGAL IMPLICATIONS

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

RISK MANAGEMENT IMPLICATIONS

- 14 Failure to deliver a capital project within an agreed timescale could lead to adverse publicity. It may also mean that the Authority fails to achieve its corporate objectives within the time span that was originally anticipated and/or result in revenue budget variations as part of the Medium Term Financial Plan where the investment is intended to generate new income streams.

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PREVIOUS COMMITTEE REPORTS

Executive Committee	E/726/21	Q4 Capital Programme Budget Monitoring 2020/21	27 May 2021
Executive Committee	E/713/21	Q3 Capital Programme Budget Monitoring 2020/21	25 February 2021
Executive Committee	E/703/20	Proposed Capital Programme 2020/21 (Revised) to 2024/25	17 December 2020
Executive Committee	E/692/20	Q2 Capital Programme Budget Monitoring 2020/21	22 October 2020
Executive Committee	E/681/20	Q1 Capital Programme Budget Monitoring 2020/21	30 July 2020

APPENDIX ATTACHED

Appendix A Capital Monitoring 2021/22 Q1 Outturn

LEE VALLEY REGIONAL PARK AUTHORITY
CAPITAL PROGRAMME MONITORING 2021/22 QUARTER 1

Project Name	Accountable Officer	Project Manager	Approved Budget 2021/22 £000s	Actual to 27 Jun 2021 £000s	Projected Outturn at 31/03/2021 £000s	Projected Variance £000s	Comment
Land Acquisition & Remediation	Deputy Chief Executive	Head of Property	0	0	0	0	-
Biodiversity Action Plan	Corporate Director	Head of Parklands	81	6	80	-1	On budget
IT Infrastructure & Communications	Corporate Director	Head of IT	250	0	250	0	On budget
Asset Management	Corporate Director	Head of Asset Maint.	1,373	115	1,350	-23	On budget
Olympic Park Hostile Vehicle Mitigation	Chief Executive	Head of Sport/Leisure	245	1	245	0	Scheme budget £495k
Dobbs Weir Campsite Final Phase	Director Finance	Head of Asset Maint.	27	0	0	-27	Budget carry forward
Lee Valley Ice Centre Redevelopment Phase 1	Chief Executive	Corporate Director	100	24	100	0	On budget
Lee Valley Ice Centre Redevelopment Phase 2	Chief Executive	Corporate Director	16,000	0	16,000	0	Scheme budget £30m
Landscape and Open Space Projects	Corporate Director	Head of Project/Funding	tbc	0			Subject to approval
East India Dock Basin - Feasibility/De-silting			tbc	0			Subject to approval
Middlesex Filter Beds Sluice			tbc	0			Subject to approval
NET PROGRAMME			18,076	146	18,025	-51	
Total Capital Expenditure			18,076	146	18,025	-51	
Total Capital Income			0	0	0	0	
NET PROGRAMME			18,076	146	18,025	-51	