

WORK PROGRAMME: PROGRESS UPDATE

Presented by the Chief Executive

SUMMARY

This report updates Members on key projects and initiatives from the Authority's work programme.

Procurement of the Leisure Services Contract is currently the number one priority for the Authority. Two companies submitted tenders in June and the process of assessing the tenders will conclude with a report to the Authority on 17 October 2019.

The Ice Centre project has reached a critical stage. The project team has spent the past few months refining the scheme's design following extensive dialogue with the planning teams at the London Borough of Waltham Forest and the GLA. In addition an extensive community engagement programme was carried out between June and September and this process demonstrated overwhelming support for the new Ice Centre. The planning application for the new Ice Centre will be submitted in November.

The report also updates Members on other major projects such as 'The Wave' (inland surfing venue), a potential hotel development at Eton Manor and the Bittern Information Point redevelopment. Other important work areas reported include commercial partnerships and the London Legacy Development Corporation's transition plan for Queen Elizabeth Olympic Park.

A new business plan for 2020-25 is currently being developed along with a review of the management structure. Members will be engaged on this work over the next few months.

RECOMMENDATIONS

- Members Note:
- (1) the report; and
 - (2) that the Chairman will write to the London Legacy Development Corporation Chair regarding its transition plan as set out in paragraph 25 of this report.

BACKGROUND

- 1 The work programme that officers are currently delivering reflects the Authority's 2016-19 business plan. This business plan is currently being reviewed and a new 2020-25 business plan will be produced at the end of 2019/early 2020. In addition the management structure is being reviewed with the aim of ensuring that the organisation is efficient and has the capacity, skills and structures needed to successfully deliver the business plan.
- 2 There are a number of Member Working Groups which provide oversight and Member input for a number major/complex projects and initiatives: Ice Centre, Leisure Services Contract (LSC) procurement, Land & Property Strategy.

THE LEISURE SERVICES CONTRACT (LSC)

- 3 The procurement of a contractor to operate the Authority's six sports venues from April 2020 is nearing its conclusion. A report to Authority on 17 October will recommend a preferred bidder with whom, if approved, the Authority will enter into contract negotiations. The intention is that these negotiations will be completed by January 2020. A report to the Authority in January 2020 will seek approval for the final ten year management contract and associated building leases.

NEW ICE CENTRE PROJECT

- 4 This project has reached a critical stage. The existing Ice Centre is showing its 34 plus years and is coming towards the end of its productive life. At its meeting on 25 April the Executive Committee approved progression to the detailed design and planning application stage.

The period May-October has involved the following key areas of work:

- finalising the detailed design for the scheme both in terms of building and landscape. This has involved regular dialogue with the London Borough of Waltham Forest and GLA planning teams;
- an extensive programme of community engagement from June to September. This involved an exhibition at the Ice Centre, presentations to stakeholders, attending London Boroughs of Waltham Forest and Hackney community events and using a web platform, 'Common Place', for comments and ideas. A new Ice Centre has very strong support from across the local community and the key sporting bodies such as national governing bodies for the range of ice disciplines plus Sport England and UK Sport
- a socio economic impact study was commissioned by the Authority with support from the London Boroughs of Waltham Forest and Hackney. The final report is expected towards the end of October. This report will form an important part of the planning application;
- the capital funding picture for the Ice Centre has become clearer following submission of the LSC bids. The sums bid to operate the Ice Centre would potentially allow the majority of the funding to be raised through borrowing with the rest of the funding possibly coming from funding partners, such as

the local Boroughs and the London Marathon Trust.

- 5 The planning application for the new Ice Centre will be submitted to the London Borough of Waltham Forest in November.

'THE WAVE' DEVELOPMENT AT PICKETTS LOCK

- 6 The inland surfing venue project at Picketts Lock is in its early stages with the current focus on site investigation works. Works for the extra 170 trial pits required for additional investigations across the southern part of the golf course and campsite, to ascertain the extent of contamination on the site, were carried out over the course of September 2019 and have now completed and the campsite has reopened to the public. It is also anticipated that the golf course will reopen by the end of October 2019.

The full analysis of the whole site will not be known until January 2020. At this point the cost of remediation will be understood along with its impact on the scheme. If the cost of remediation doesn't undermine the viability of the development the next step will be a planning application from the 'The Wave' to the London Borough of Enfield.

In the meantime, The Wave team are progressing with the site's Ecological Survey and Transport Survey and Geo Technical Analysis.

The Wave Bristol is currently preparing for its public opening in the next month.

HOTEL DEVELOPMENT AT ETON MANOR

- 7 Following a detailed marketing exercise for a leisure development on the Eton Manor site, a hotel development proposal was chosen in March as the preferred option. The proposed development, which will complement Lee Valley Hockey & Tennis Centre and support activities and business in the north of Queen Elizabeth Olympic Park, comprises a 98 bed hotel, a significant fitness gym (for hotel guests, Lee Valley Hockey & Tennis Centre and Queen Elizabeth Olympic Park (QEOP) visitors) and a food and beverage outlet.
- 8 The Authority will gain financially through a capital sum and revenue stream as part of a long term lease arrangement.
- 9 Over the past few months the developer has been working to make the case for a hotel development on the Eton Manor site, recognising that the site is Metropolitan Open Land (MOL). It has produced a stakeholder document which sets out the case for development and outlines benefits for the Eton Manor site as a whole. It has also had informal discussions with the London Legacy Development Corporation (LLDC), in order to understand the bigger strategic picture and the planning authority's planning perspective.
- 10 In parallel to the development of the hotel scheme officers are developing the site wide plan for Eton Manor. The intention is that a detailed planning application for the hotel will be accompanied by an outline application which will cover the Authority's aspirations across the Eton Manor site. This big picture view of Eton Manor will be presented to Members in the next couple of months.
- 11 In terms of the next steps in the process, officers will continue to discuss and agree terms on a number of key documents namely, Heads of Terms,

Exclusivity Agreement and Site Investigations Licence. Member approval will subsequently be sought prior to the signing and sealing of the documents outlined.

THE BITTERN INFORMATION POINT (BIP)

- 12 The existing Bittern Information Point (BIP) is one of the main bird and wildlife watching/information points in the Regional Park. It is located at Fishers Green, within a Site of Special Scientific Interest (SSSI) in the north of the Park. It is 25 years old and the new Park Development Framework (PDF) has identified the modernisation/replacement of the BIP as a key project for the Authority. In September 2018 a £600k budget was approved for the project and officers agreed to bring a more accurate cost plan back to Members when final designs were agreed. A report came to members in April 2019 and the new design was approved. Planning permission was granted in August 2019 on the new design. The main design changes were due to DDA requirements and this has resulted in an increase in the structure size and inclusion of a lift in the tower. This in turn has caused an increase to the required budget if we wish to deliver this design in line with the planning approval. Current cost appraisal is projecting a range between £660,000 and £797,000. A report to release the funds is been presented to the Executive Committee on 17 October. If approved the facility is on course to be opening in June 2020.
- 13 Key features of the design include:
- better accessibility for bird/wildlife watchers, including greater disabled access;
 - introduction of a tower which will provide better views across the lake; and
 - weather proofing and a warmer and more comfortable building;
 - providing greater opportunities to engage with visitors through static interpretation, volunteer involvement and formal activities.

LAND & PROPERTY PLAN

- 14 The Authority's Land & Property Strategy adopted in January 2017 has involved the Authority in disposing, or in the process of disposing, of a number of sites that are considered no longer required for Park purposes. A total of 18 sites have been identified for potential disposal since the Strategy was implemented. A total of 5 of these sites have either been sold or have had the terms provisionally agreed for their disposal approved by Members and are at contract stage together with a further site at present having an identified preferred bidder with which to finalise terms.
- 15 A number of the sites identified in the programme have a more long term time frame for disposal due to either planning or legal constraints attached to them or involve the support of adjacent third party landowners to fully realise each site's development potential. The Authority will continue to progress the disposal of the sites where Members have approved terms up to completion and prepare where possible sites that have certain constraints attached to them in order to maximise their potential value prior to marketing.
- 16 The Land & Property Strategy also involves the potential acquisition of sites as and when they become available and are considered to be of strategic importance to the Authority. Since the Strategy was adopted 2 sites that satisfy the criteria have arisen on the market which the Authority made bids for, one of

which has been accepted and the purchase is proceeding, and the other is still being considered by the vendor and their agents. The Authority will continue to monitor the market to ensure that any third party sites that become available and comply with the Authority's strategic property criteria will be considered and if appropriate Members will be asked to approve that an offer be made to purchase.

COMMERCIAL PARTNERSHIPS

- 17 The Authority has been working in partnership with British Canoeing since 2018 to secure commercial partners for a package of assets across British Canoeing's and the Authority's interests.
- 18 The initiative has secured a range of commercial partner deals, in particular Jaffa as the Principal Partner for the 2019 ICF Canoe Slalom World Cup and 2020 ECA Canoe Slalom European Championships – the first ever commercial rights partner for British Canoeing events. While not securing income, or direct benefits, for the Authority immediately – the process has created relationships with a number of potential partners for Lee Valley White Water Centre itself. These are currently being pursued and officers will update Members as and when opportunities reach a firm negotiation point.
- 19 Naming rights and sponsorship are areas reserved for the Authority under the new LSC. Following recent meetings with the LLDC the Authority is exploring opportunities for joint working with LLDC in this area. The initial discussions have proved fruitful and the Authority is in the early stages of developing an approach with LLDC to jointly market some category rights across QEOP.

COLLEGE WORLD OF SPORT AT LEE VALLEY VELOPARK

- 20 The planning application for the change of use was received in June 2019. Due to ongoing negotiations on some of the lease terms, it is anticipated the lease will now commence on 1 December 2019. Once concluded, Secretary of State approval will be sought. The original plan was for undergraduate studies to begin in October 2019, but unfortunately, the College's verification partner and governing organisation cannot allow courses to be released and advertised without all of the formal agreements in place and this will delay the undergraduate intake from 2019 to September 2020. The College will advertise for post-graduate students with the first intake in February 2020. This will have an impact on the budget estimate for the current year as the rental income was anticipated to start in October and will now be received in the next financial year. Officers are continuing to liaise and negotiate with the College regarding a rent deposit to satisfy the security of the lease and a further rent free period requested by the tenant. The additional attraction of the College is an arrangement with the leisure operator for use of some of the rooms when not in use for education, at weekends and during holiday periods together with use during larger events and international events hosted by the Authority.
- 21 Securing the College, and having Bikeworks on site will offer very exciting opportunities for the students and a key area of the courses is learning through volunteering with the great opportunities on QEOP and within the Authority's other venues through the leisure contractor and Governing Body events and activities. It is expected that the new College would be bespoke and maintain a modest size, offering more teaching time to be distinct from larger Universities, and student numbers annually would be around 200-300 once established. This

will also provide direct benefits to the operator for catering income on site and sports and related bookings across venues together with the rent agreed and payable to the Authority.

2020-25 BUSINESS PLAN AND REVIEW OF MANAGEMENT STRUCTURE

- 22 The Authority's 2016-19 business plan is near conclusion so officers have started the process of developing a new 2020-25 business plan. This plan will determine the organisation's priorities for the 5 year period and set out the key projects and initiatives to be delivered. In addition the business plan will comprise financial and marketing plans.
- 23 Alongside the business planning work the Chief Executive has started a review of the management structure. It is essential that the Authority has the capacity, skills and effective structures in place to deliver the business challenges over the next 5 years.
- 24 A Member briefing on the proposed new management structure and outline 2020-25 business plan will be held on 31 October 2019.

LONDON LEGACY DEVELOPMENT CORPORATION (LLDC) TRANSITION PLAN

- 25 The LLDC is a sunset organisation and discussions are currently taking place between the LLDC and key stakeholders as to what the future arrangements for QEOP should be and the timescale. The LLDC will present its proposed Transition Plan to the Mayor early in 2020.

The Authority owns 40% of the land plus two major venues within QEOP, so it therefore has a significant interest in any future arrangements for QEOP's governance, management and development.

The Authority's statutory remit combined with its experience and track record suggest that it could potentially have a wider role to play in the future across the following areas:

- commissioning the management of other venues on QEOP;
- commissioning the grounds maintenance arrangements (alongside arrangements across the Lee Valley Regional Park);
- activating QEOP through events and other activities; and
- parks management - conservation management and Ranger services.

Officers are in discussion with LLDC officers and officers from the 4 local London Boroughs - Waltham Forest, Hackney, Newham and Tower Hamlets.

The LLDC Board will be discussing the Transition Plan at a Board meeting at the end of October. It is proposed that the Chairman writes to the LLDC Chair setting out the Authority's position ahead of LLDC's meeting. The letter will set out the Authority's current interests in QEOP, outline its statutory role and present the areas where it could play a wider role in the future. A proposition for the LLDC Transition Plan should be produced November/December. At this point the Authority will need to adopt a formal position. A Member session will be arranged at this time to discuss the proposed Transition Plan.

ENVIRONMENTAL IMPLICATIONS

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

FINANCIAL IMPLICATIONS

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

HUMAN RESOURCE IMPLICATIONS

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

LEGAL IMPLICATIONS

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

RISK MANAGEMENT IMPLICATIONS

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

EQUALITY IMPLICATIONS

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

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BACKGROUND REPORTS

None

LIST OF ABBREVIATIONS

LSC	Leisure Services Contract
LLDC	London Legacy Development Corporation
BIP	Bittern Information Point
PDF	Park Development Framework
the College	College of World Sport Holdings
QEOP	Queen Elizabeth Olympic Park

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