

To:	Paul Osborn (Chairman)	Chris Kennedy
	Derrick Ashley (Vice Chairman)	Heather Johnson
	David Andrews	Valerie Metcalfe
	Ross Houston	Syd Stavrou

A meeting of the **EXECUTIVE COMMITTEE** (Quorum – 4) will be held at Myddelton House on:

**THURSDAY, 26 MARCH 2020 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 27 February 2020 (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 **SPORTING VENUES BUDGET 2020/21**

**Paper E/665/20**

Presented by Simon Sheldon, Director of Finance  
& Resources

- 6      **CLOSURE OF COPPERMILL FILEDS CAR PARK  
FOR THE WALTHAM FOREST LIVEABLE  
NEIGHBOURHOOD SCHEME**      Paper E/666/20

Presented by Jon Carney, Head of Parklands

- 7      **AMENDMENT OF STANDING ORDERS AND  
FINANCIAL REGULATIONS ARISING FROM  
INTRODUCTION OF NEW MANAGEMENT  
STRUCTURE**      Paper E/668/20

Presented by Beryl Foster, Director of Corporate Services

- 8      **LEISURE SERVICE CONTRACT MONITORING  
REPORT - Q3 2019/20**      Paper E/667/20

Presented by Simon Sheldon, Director of Finance &  
Resources

- 9      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.

- 10      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)**

- 11      **HOSTILE VEHICLE MITIGATION**      Paper E/663/20

Presented by Dan Buck, Head of Sport & Leisure

Not for publication following the principles of the Local Government Act 1972, Schedule 12A, Part I, Section 3

- 12      **PROPOSED EASEMENT FOR POWER CABLES AT  
OCCUPATION ROAD, MEAD NURSERY, NAZEING**      Paper E/664/20

Presented by Beryl Foster, Director of Corporate Services

Not for publication following the principles of the Local Government Act 1972, Schedule 12A, Part I, Section 3

**13 HODDESDON MODEL RAILWAY CLUB, BROXBOURNE Paper E/662/20  
LEASE RENEWAL**

**Presented by Beryl Foster, Director of Corporate Services**

**Not for publication following the principles of the Local Government Act  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

- 14 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.**

**18 March 2020**

**Shaun Dawson  
Chief Executive**

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## LEE VALLEY REGIONAL PARK AUTHORITY

### EXECUTIVE COMMITTEE 27 FEBRUARY 2020

Members Present: Paul Osborn (Chairman) Valerie Metcalfe  
Derrick Ashley (Vice Chairman) Mary Sartin (Substitute for Syd Stavrou)  
Chris Kennedy

Apologies Received From: David Andrews, Ross Houston, Heather Johnson, Syd Stavrou

In Attendance: John Bevan, Frances Button, David Gardner

Officers Present: Shaun Dawson - Chief Executive  
Beryl Foster - Director of Corporate Services  
Simon Sheldon - Director of Finance & Resources  
Dan Buck - Head of Sport & Leisure  
Jon Carney - Head of Parklands  
Keith Kellard - Chief Accountant  
Brian Daley - Project Consultant  
Stephen Bromberg - Head of Communications  
Sandra Bertschin - Committee & Members' Services Manager

#### Part I

#### 829 DECLARATIONS OF INTEREST

There were no declarations of interest.

#### 830 MINUTES OF LAST MEETING

**THAT the minutes of the meeting held on 23 January 2020 be approved and signed.**

#### 831 PUBLIC SPEAKING

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

#### 832 Q3 REVENUE BUDGET MONITORING 2019/20

Paper E/657/20

The report was introduced by the Director of Finance & Resources.

In response to Member queries regarding ongoing legal actions it was advised that:

- in regard to Abercrombie Lodge the Authority was taking action against the builder and architect. It was anticipated that tripartite arbitration would commence shortly; and
- in regard to the water leak at Picketts Lock, Lee Valley Leisure Trust Ltd and the supplier had agreed an extension of time to allow them to discuss matters further and therefore the request for the Authority to join the case as a third party had been put to one side.

In response to a Member it was advised that officers recommended that car parking charging remain unchanged for the time being and that an electricity supply was being connected to some car parks to enable installation of cameras so that automatic number plate recognition could be utilised.

- (1) the report was noted.**

David Gardner arrived at the meeting.

**833 Q3 CAPITAL PROGRAMME BUDGET MONITORING 2019/20**

**Paper E/660/20**

The report was introduced by the Chief Accountant.

- (1) the report was noted.**

**834 EPPING FOREST ACTS 1878 AND 1880  
ELECTION OF VERDERERS 2020**

**Paper E/661/20**

The Chairman advised that because of the short timeframe the Committee & Member Services Manager had voted by proxy on behalf of the Authority in the election of Verderers for Northern Forest Parishes. The Authority's vote had been cast in favour of Ricki Gadsby. Paul Morris and Michael Chapman had been elected.

The Chairman proposed that delegated authority be given to a senior officer to vote by proxy on behalf of the Authority in any future Verderer elections.

- (1) the process in relation to the nomination and election of four Verderers (two for the Northern Forest Parishes and two for the Southern Forest parishes) set out at paragraphs 5 to 7 of Paper E/661/20;**
- (2) that the Committee & Member Services Manager had voted by proxy on behalf of the Authority due to the timing of the Northern Forest Parishes election;**
- (3) the common seal of the Authority had been applied to proxy authorisation was noted; and**
- (4) delegation to the Director of Corporate Services in conjunction with the Chairman to vote by proxy on behalf of the Authority in any future Verderer elections was approved.**

**835 FEES & CHARGES REVIEW 2020/21**

**Paper E/658/20**

The report was introduced by the Project Consultant.

The Chief Accountant advised that currently the Authority's sporting income was liable to standard rate VAT. However, this could change following conclusion of a lead case in respect of non-business income VAT treatment.

The Director of Finance & Resources advised that a report would be submitted to the next meeting on the Authority's budget following the decision to bring the venues back in-house.

In response to a Member the Vice Chairman commented that the Authority did not apply RPI or CPI when setting fees and charges but used the indices as a reference point.

In response to Member queries it was advised that:

- there was a national decline in velodrome usage but the Authority had seen peaks in usage at Lee Valley VeloPark subsequent to hosting a major championship. It was

hoped that the 2020 Olympic Games would improve velodrome usage with the Authority's marketing activity focused on taster sessions and voucher sales;

- the Authority offered a variety of concessionary fees and charges for specific target groups alongside the Community Access Fund and the new Leisure Services Contract included robust provision for community groups and the disadvantaged;
- car parking charges at Lee Valley VeloPark and Lee Valley Hockey & Tennis Centre had been implemented to keep the car park for venue users rather than the general public and the four hours free car parking had been incorporated into activity fees.

- (1) the Authority's proposed 2020/21 fees and charges as summarised from paragraph 4 and set out in detail in Appendix A to Paper E/658/20 was approved.**

**836 VENUES SUPPLY CONTRACTS**

Paper E/659/20

The report was introduced by the Director of Finance & Resources, including that a monthly report on any such waivers would be provided.

- (1) to waive Financial Regulations in relation to competitive quotes/tendering arrangements for supplies and service contracts to be provided at the Venues returning to the Authority for a period of up to 12 months; and**

- (2) that a monthly report be provided on such waivers was approved.**

**837 UPDATE ON NEW ICE CENTRE PROJECT**

The Head of Sport & Leisure and Head of Communications gave an oral update on the Ice Centre project, including:

- the London Borough of Waltham Forest's consultation phase in consideration of the planning application will conclude on 10 March 2020;
- the stage 4 design process would commence on 1 April 2020;
- briefings with key political stakeholders had been held; and
- following an on-site tour by representatives of the Save Lea Marshes Group with the landscape architects, Save Lea Marshes Group had declined a further meeting.

**838 PROPOSED FESTIVAL EVENT AT THE WATERWORKS ON 22 AUGUST 2020**

In response to a Member's request for more information it was advised that:

- the London Borough of Waltham Forest was considering the licence application submitted by the event promoter, Percolate;
- the event promoter is experienced in putting on events in green spaces;
- there had been considerable ticket sales for this event from residents of the London Boroughs of Waltham Forest and Hackney;
- a number of groups are opposed to the event as they consider it would have a detrimental impact on wildlife.

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Chairman

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Date

The meeting started at 11.05am and ended at 11.50am

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**LEE VALLEY REGIONAL PARK AUTHORITY**

**EXECUTIVE COMMITTEE**

**26 MARCH 2020 AT 10:30**

**Agenda Item No:**

**5**

**Report No:**

**E/665/20**

**SPORTING VENUES BUDGET 2020/21**

Presented by Director of Finance & Resources

**EXECUTIVE SUMMARY**

At its meeting on 23 January 2020 Authority Members approved the temporary direct management of the six main sporting venues from 1 April 2020 at the end of the current contract and while legal matters regarding the new contract are resolved (Paper A/4277/20). This report seeks six months budget approval for those venues and associated support costs.

Appendix A to this report provides a financial summary of the proposed venue budgets which will meet the business requirements of those venues. Any mid-year transfer to the new contractor may reduce the direct budget requirements of the Authority but will most likely be matched by a third party payment to the new contractor.

Members will receive regular reports as part of the revenue monitoring process to ensure that expenditure and income falls within approved budgets and available resources.

**RECOMMENDATION**

Members Approve: (1) the budget and resourcing as set out from paragraph 12 of this report subject to changes based on the developing situation.

**BACKGROUND**

- 1 In January the Authority approved the temporary direct management of the six main sporting venues from 1 April 2020 at the end of the current contract and while legal matters regarding the new contract are resolved (Paper A/4277/20). This report sets out the detailed budget requirements to deliver this change and highlights the financial implications and potential risks over the next twelve months.
- 2 Subject to the budget approval Members will receive regular reports as part of the revenue monitoring process to ensure that expenditure and income falls within approved budgets and available resources. These will identify where

further mitigation is required to ensure overall resource levels are not breached.

- 3 The proposed total net budget for the six sporting venues and direct support costs for 2020/21 is estimated at £2.1 million. With gross estimated expenditure of £11.1 million and gross estimated income of £9.0 million.

### **SPECIFIC FINANCIAL RISK FACTORS**

- 4 The main financial risk and impact on the Authority's budget is business rates. The current provider and any new contractor, assuming they are also a charitable organisation, is able to reclaim 80% charitable rate relief. The Authority is not entitled to this mandatory relief but possibly can receive (and is seeking) temporary discretionary relief. Table 1 below sets out the worst and best case scenarios for rate relief giving a potential annual increase of £1.7m in 2020/21 above that already provided for in the management fee.

**Table 1**

Venue	No Rate Relief 2020/21 (£'000)	80% Relief 2020/21 (£'000)	Progress in seeking rate relief
LV VeloPark	1,164	253	Discussions in progress
LV White Water Centre	399	80	Discussions in progress
LV H&TC	186	37	Discussions in progress
LV Ice Centre	44	8	Discussions in progress
LV Athletics Centre	394	79	Application submitted
LV Riding Centre	40	8	Discussions in progress
<b>Total</b>	<b>2,227</b>	<b>465</b>	

- 5 VAT arrangements for charities differ to public bodies like Lee Valley. Due to the transfer back from Lee Valley Leisure Trust Ltd (the Trust) to the Authority there will be a change in VAT liability, with most fees and charges no longer being VAT exempt. The fees and charges for the six sporting venues were approved at the last Executive Committee (Paper E/658/20) absorbing this VAT implication due to the anticipated short term transition expected - as the Incoming Contractor is a charitable organisation and will be able to apply the VAT exemption on sporting activities in future. This will mean income the venues receive will be lower than previous years and this is estimated at £0.9 million.

As previously reported officers are currently exploring the possibility and impact on the Authority's VAT position of applying the VAT exemption on sporting activities so as to mitigate the £0.9 million loss, but any implementation of this will only be applied retrospectively and is on hold until after our current legal case regarding VAT is heard – this is based on the advice of our VAT advisors (KPMG) so as not to prejudice this long-standing legal claim.

- 6 Insurance costs will be higher than anticipated as the Authority must take on the Public/Employee Liability and Business Interruption insurance previously funded. We are seeking quotes through our existing insurance providers to provide the standard £20 million cover for a period of six months. This will take the Authority to its usual annual renewal date of 1 October each year. The estimated premium cost at this level of cover for six months is £121,000. Officers propose that this

one-off exceptional premium is funded via the insurance fund which currently sits at £700,000. Unfortunately the current insurance market only covers for known diseases and as such Corona virus (CORVID 19) is not coverable.

- 7 Other significant additional costs relating to the temporary transfer back to the Authority are set out in Table 2 below and include:

**Table 2**

Description	£'000	Notes
IT Costs	147	Clarity, Efin and Payroll Licence costs
Marketing	205	Support staff and operational costs
Finance/HR/Performance	222	Support staff and operational costs
Health & Safety	20	External Contract
Venues Management	399	Support staff and operational costs
<b>Total</b>	<b>993</b>	

- 8 With the lack of pre-contract marketing and the outbreak of Corona virus achieving previous levels of usage and therefore income levels within the budget may become more uncertain. Unfortunately, the current insurance market only covers for known diseases and as such Corona virus (COVID 19) is not coverable. Budgeted income levels are based upon previous levels of return less 20% due to VAT (see paragraph 5).

## **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 The estimated annual budget is set out in more detail in Appendix A to this report – in summary the estimated annual cost is set out in table 3 below:

**Table 3**

Description	Budget 2020/21 £'000	Comments for budget 1 April to 30 September
Six Sport Venues (Net)	561	Includes Business Rates at 20%, no VAT exempt income and insurance
Support Cost	586	Six months cost except IT
Six Months Full Rates	649	½ Year Cost less 20% already incl.

Estimated Six Month Cost to Authority	1,796	
50% Management Fee	780	Assume 50% contractor from 1 October 2020
<b>Total Annual Cost</b>	<b>2,576</b>	

- 12 The impact on the 2020/21 budget and reserves is set out in table 4 below:

**Table 4**

Description	Budget 2020/21 £'000	Note
Total Annual Cost	2,576	
Approved LSC Budget	(1,557)	A/4276/20 Budget Paper
<b>Estimated Shortfall</b>	<b>1,019</b>	
Funded by:		
Savings in Small Venue Business Rates	(83)	Subject to criteria being met
General Fund	(816)	Additional resources
Insurance Fund	(120)	Reduces Balance to £580,000
	<b>(1,019)</b>	
<b>General Reserves</b>	<b>(3,881)</b>	<b>A/4276/20 Budget Paper</b>
Estimated Surplus	(313)	
Potential Transition Costs	700	One off transition costs at end of current LSC
Estimated Shortfall	816	
<b>Revised General Fund</b>	<b>(2,678)</b>	<b>Estimated Balance at 31/03/2021</b>

It is important to note that the potential estimated year end general fund is below the £3m to £4m range approved by Members as part of the Budget and Levy setting process. Potentially the Authority can mitigate this risk either through applying the VAT position described in paragraph 5 above and/or achieve some level of certainty regarding business rates described in paragraph 4.

There are however now multiple risks that may skew this positions if/as they materialise and these are described in the risk implications from paragraph 15.

## **HUMAN RESOURCE IMPLICATIONS**

- 13 There are TUPE implications relating to staff who are returning to the Authority

## **LEGAL IMPLICATIONS**

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

## RISK MANAGEMENT IMPLICATIONS

- 15 The main financial risk implications to the budget are set out from paragraph 4. There are now however, multiple risks ahead that need to be managed not least the impact of Corona virus (COVID 19).

Failure to resolve the contract procurement position before 1 October 2020 may have further budgetary implications specifically through increased rates and insurance costs, subject to any rate relief position the Authority is able to resolve before then.

It is recommended that mitigation against the financial impact initially will be to utilise existing cash reserves currently (£9.6 million). This will have the effect of reducing cash backed reserves in the shorter term and may (if the situation deteriorated further) require temporary short term borrowing, for example, as a result of Corona virus persisting and majorly impacting income levels. Longer term the Authority has the ability under section 48 of the Lee Valley Regional Park Act 1966 to issue a supplementary levy at the year-end or it can consider future levy increases from 2021/22 as part of the normal budget round concluding in January 2021 to replenish shortfalls in cash reserves.

Officers are engaging with the boroughs where the key venues are located to seek discretionary relief for one year and mitigate any rate impact. If this is unsuccessful alternative structures for the management of the buildings is being considered to ensure that mandatory rate relief is secured. The bonus of potentially receiving a 100% rate relief on the smaller venues will provide an estimated saving of £83,406.

Officers are also exploring the potential of re-classifying the income as exempt for one year and exceeding our partial exemption limit which is legitimate under current VAT rules. The effect of this could be to improve the net VAT position. This can be applied retrospectively once the impact on income is known and so as not to prejudice our existing claim. Income as a whole (in the Authority generally and the six venues transferring) is vulnerable to the impact of the Corona virus and this will depend largely on how long and how far reaching it turns out to be. There is also the potential for positive returns, especially at the smaller venues, for example campsites may benefit from those holidaying at home due to uncertainties in travelling abroad.

The reduction in interest rates may in the short term impact negatively on our investment returns which are generally achieving about 1% (£80,000). However, this may be more than off-set if the decision to borrow for the Ice Centre is made whilst rates are low. The current medium term financial plan assumes the cost of borrowing £25m at 2.95% (£360K in 2020/21 and £1.4m from 2021/22) may materially reduce if long term rates reduce. Current Public Works Loan Board (PWLB) rates are 2.65% over 40 years giving an annual cost of £1.287m (2021/22 and a part year cost of £322K (2020/21) and are already lower than that included within the Medium Term Financial Plan. Equally Members can decide to defer any decision to borrow next year which would yield a £360,000 saving in the Medium Term Financial Plan.

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## **PREVIOUS COMMITTEE REPORTS**

Authority	A/4276/20	2020/21/Revenue Budget & Levy	23 January 2020
Authority	A/4278/20	Options for management of the Six Sports Venues	20 January 2020
Executive	E/658/20	Fees & Charges Review	27 February 2020

## **APPENDIX ATTACHED**

Appendix A          Summary Budget Six Sporting Venues 2020/21

## **ABBREVIATIONS**

LSC                  Leisure Services Contract

## LSC Venues &amp; Business Support 2020/21 Budget - Objective Analysis

Cost Centre	Proposed Annual Budget	Six Month Budget
<b>SUPPORT</b>		
HUMAN RESOURCES	£31,200	£15,600
CORPORATE TRAINING	£30,500	£15,250
PERFORMANCE MANAGEMENT	£140,300	£70,150
PR/COMMUNICATIONS	£204,600	£102,300
FINANCE	£20,400	£19,200
HEALTH AND SAFETY	£20,000	£20,000
INFORMATION TECHNOLOGY	£147,200	£142,950
VENUES MANAGEMENT	£399,300	£199,650
<b>Total Business Support</b>	<b>£993,500</b>	<b>£585,100</b>
LEE VALLEY VELOPARK	£675,100	£337,550
LV HOCKEY AND TENNIS CENTRE	£412,600	£206,300
LEE VALLEY RIDING CENTRE	(£65,600)	(£32,800)
LEE VALLEY VELOPARK CATERING	(£115,500)	(£57,750)
LV HOCKEY AND TENNIS CATERING	(£54,300)	(£27,150)
LEE VALLEY ICE CENTRE	(£120,000)	(£60,000)
LV ICE CENTRE CATERING	(£11,600)	(£5,800)
LEE VALLEY ATHLETICS CENTRE	£180,400	£90,200
LEE VALLEY WHITE WATER CENTRE	£283,100	£141,550
LV WHITE WATER CATERING	(£61,600)	(£30,800)
<b>Total Venues</b>	<b>£1,122,600</b>	<b>£561,300</b>
<b>TOTAL BUDGET</b>	<b>£2,116,100</b>	<b>£1,146,400</b>

Group	Proposed Annual Budget	Six Month Budget
EMPLOYEE DIRECT	£5,647,000	£2,823,500
EMPLOYEE INDIRECT	£94,200	£47,100
BUSINESS RATES	£466,400	£233,200
BUILDINGS AND ENGINEERING AGREEMENTS	£666,000	£333,000
EQUIPMENT AND MATERIALS	£243,300	£121,650
GROUND'S MAINTENANCE	£31,200	£15,600
CLEANING CONTRACT	£298,600	£149,300
ICT CONTRACTS	£138,700	£138,700
UTILITIES	£1,382,300	£691,150
CONSULTANTS	£96,000	£48,000
MARKETING	£235,700	£117,850
INSURANCE	£242,000	£121,000
RETAIL EXPENDITURE	£646,000	£323,000
RENTS	£33,400	£16,700
OTHER EXPENDITURE	£908,700	£473,350
<b>TOTAL EXPENDITURE</b>	<b>£11,129,500</b>	<b>£5,653,100</b>
FEES AND CHARGES	(£7,262,400)	(£3,631,200)
RENTS	(£13,500)	(£6,750)
RETAIL INCOME	(£1,737,500)	(£868,750)
<b>TOTAL INCOME</b>	<b>(£9,013,400)</b>	<b>(£4,506,700)</b>
<b>TOTAL BUDGET</b>	<b>£2,116,100</b>	<b>£1,146,400</b>



**LEE VALLEY REGIONAL PARK AUTHORITY**

**EXECUTIVE COMMITTEE**

**26 MARCH 2020 AT 10:30**

**Agenda Item No:**

**6**

**Report No:**

**E/666/20**

**CLOSURE OF COPPERMILL FIELDS CAR PARK FOR THE  
WALTHAM FOREST LIVEABLE NEIGHBOURHOOD SCHEME**

Presented by the Head of Parklands

**EXECUTIVE SUMMARY**

Coppermill Fields Car Park is an existing Authority owned and managed car park, a relatively small car park consisting of 20 bays in total, two of which are disabled bays and it is a non-chargeable car park. It has in the past been an access point for Anti-Social Behaviour in relation to raves, but is the only car park visitors to the location wishing to access the Marshes can use without using the busy Lea Bridge Road car parks.

Discussions have taken place between officers and the London Borough of Waltham Forest following them securing funding from Transport for London to enhance the Coppermill area and make it easier and safer for people to get around on foot, by bike or public transport, as one of the Mayor's Transport Strategies for London. The scheme recommends closing Coppermill Fields car park to reduce vehicle movements on Coppermill Lane. If closed the car park will be enhanced under the scheme.

**RECOMMENDATION**

Members Approve: (1) closure of Coppermill Fields car park for parking to enable the London Borough of Waltham Forest to undertake its Liveable Neighbourhood Scheme on the understanding that one of the two options detailed in paragraph 18 of this report are delivered.

**BACKGROUND**

- 1 The Coppermill area is bounded by Forest Road, the Walthamstow Wetlands to the north, Blackhorse Road, St James Street and Markhouse Road as far as Saint Saviour's Church to the east and the Lower Lea Valley Park to the west.
- 2 Coppermill Fields Car park is located at the junction of Coppermill Lane and Cattle Creep bridge; it provides 20 parking spaces including 2 disabled parking bays. To the north is the Wetlands Centre and to the south the Authority's sites

of Walthamstow and Leyton Marshes. Coppermill Road is used to access Springfield Marina as well as this car park.

- 3 The car park is free and is locked and unlocked through our Grounds Maintenance (GM) contract. The car park is kept locked at night to help reduce Anti-Social Behaviour (ASB), fly-tipping and Traveller incursions, which due to the remoteness of the car park have been issues in the past.
- 4 In July 2018 the London Borough of Waltham Forest (LBWF) launched a perception survey to understand how residents, visitors and businesses felt about the area and how they travel around it. The results of this survey can be found in Appendix A to this report.
- 5 During the autumn of 2018 LBWF piloted their first community comments signs, inviting residents and businesses to write their thoughts about seven key locations identified through the perception survey and held a number of pop-up events in the area to seek local people's views on the ideas. They also hosted guided cycle rides and walks of the area to engage and discuss these proposals at the exact locations.
- 6 In April 2019 they held two co-design workshops with local residents, businesses and accessibility groups where participants were able to give their views on initial concepts for improvements.
- 7 **Coppermill Lane trials**

Throughout May 2019 LBWF trialed two potential new road layouts on a section of Coppermill Lane for two weeks each, to establish whether proposed changes will make the street safer for pedestrians and cyclists and meet the needs of local businesses.

## 8 **Public consultation**

On 24 June 2019 LBWF delivered over 5000 leaflets to addresses within the scheme boundary, informing the local community of the public consultation and inviting them to participate. The consultation ran between 24 June 2019 and 14 July 2019 and was primarily hosted online via the digital engagement platform Commonplace, with hard copies available upon request.

They publicised the consultation by a variety of methods such as flyers, local and social media and during the consultation period held two drop-in sessions for the local community to find out more about the scheme; 96 people attended the drop-in events in total.

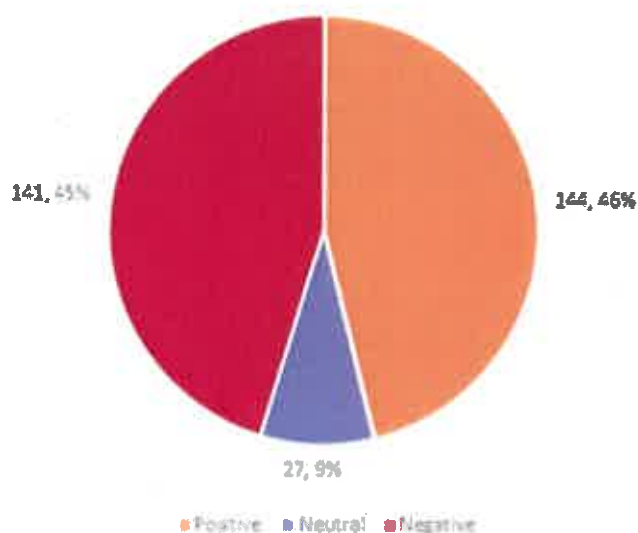
LBWF analysed the feedback received from the public consultation, alongside further technical design development work, to help shape the final design for the area which includes 4 disabled spaces further up Coppermill Lane.

The Authority received the consultation report for the proposed schemes, which included the public response to the potential closure of the car park and its change of usage. There was a mixed response both for and against the potential closure including a number (12) complaints received by the Authority to the plans for closure.

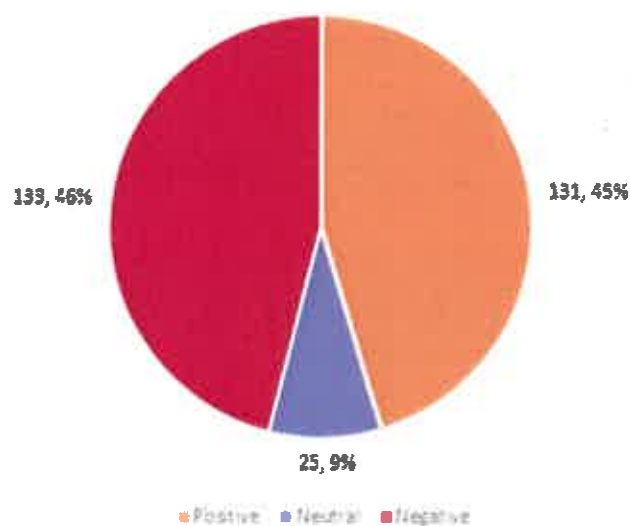
Results were as follows.

Response	All Responses	Averaged per Respondent
Positive	144	131
Neutral	27	25
Negative	141	133

All Responses



Averaged per Respondent



- 9 Present GM cost for the car park is £2,200 per annum: opening and closing the car park on a daily basis £1,900; and GM £300. Officers do not see either of the two suggested options from LBWF (paragraph 18) costing any more than the current figures, less if option 1 is the outcome.
- 10 The Coppermill design was produced to reduce vehicle traffic down Coppermill Lane, the closure of Coppermill car park would help achieve this and will provide a safer environment for pedestrians and cyclists.

- 11 Closure of the car park will reduce air and noise pollution due to fewer vehicles,
- 12 If Members approve closure and the area becomes part of the bigger scheme LBWF will open dialogue with Transport for London about extending the bus route further down Coppermill Lane.
- 13 Closing the car park would increase potential for reactivation and for income generation from a concession or café. The Authority has previously been approached by an operator interested in this site, at the time they were willing to pay for the installation of a facility with a potential rental income of £10,000. Closing the car park would however reduce parking spaces for some visitors to the area and the nearest car parks are quite a distance and chargeable i.e. the Ice Centre as can be seen in Appendix B to this report.

#### **OFFICER VIEW**

- 14 Officers believe that closure of the car park would reduce the number of incidents on site, i.e. lock-ins, therefore freeing up officer time, and will hopefully also reduce potential vehicular access to the area relating to rave incursions.
- 15 The closure of the car park would also reduce the risk of collision at the junction from the car park and Cattle Creep bridge which forms a blind spot between vehicles, pedestrians and cyclists at this point.
- 16 The other wider benefits are covered in Paragraphs 9-13.
- 17 There are also negative elements to closure including that this is the only car park in the locality that allows visitors to access the open spaces; the nearest other car parks serving this location are a 20 minute drive away and some are chargeable. See Appendix B to this report.
- 18 Currently the LBWF plan does not stretch as far down Coppermill Lane as the Coppermill Fields car park, however they have advised that should we agree to the closure of the car park one of the following options would be added to the scheme:
  1. If TfL decide to extend the W12 along Coppermill Lane:
    - a. LBWF can provide design and costs for implementing a turning head area in and around the ex-car park.
  2. If TfL decide not to extend the W12 along Coppermill Lane:
    - a. LBWF can provide design and costs to facilitate general public realm improvements in and around the ex-car park (subject to funding limitations).

#### **ENVIRONMENTAL IMPLICATIONS**

- 19 Environmental implications arising directly from the recommendations in this report are reduction of air pollution, reduction of carbon footprint in the Park and reduction in local ASB.

#### **FINANCIAL IMPLICATIONS**

- 20 There are no financial implications arising directly from the recommendations in

this report.

### **HUMAN RESOURCE IMPLICATIONS**

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

### **LEGAL IMPLICATIONS**

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

### **RISK MANAGEMENT IMPLICATIONS**

- 23 Risk management implications are an increase in complaints from those not in favour of the closure.

### **EQUALITY IMPLICATIONS**

- 24 Equality implications are a reduction in access for less able bodied visitors, although 4 disabled bays will be provided and there is a request from LBWF for the bus route to be extended.

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### **BACKGROUND REPORTS**

LBWF - Coppermill Area Improvement Update

### **PREVIOUS COMMITTEE REPORTS**

None

### **APPENDICES ATTACHED**

Appendix A	Coppermill Area Improvement Update
Appendix B	Map of car park locations

### **LIST OF ABBREVIATIONS**

ASB	Anti-Social Behaviour
LBWF	London Borough of Waltham Forest
GM	Grounds Maintenance

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## LIVEABLE NEIGHBOURHOODS SCHEME

# COPPERMILL AREA IMPROVEMENTS UPDATE



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MAYOR OF LONDON





**In 2018, Waltham Forest Council was successful in securing initial funding from Transport for London (TfL) to develop a Liveable Neighbourhoods scheme in the Coppermill Area. The aim of the scheme is to encourage residents, businesses and visitors to use more sustainable modes of transport in their day-to-day lives, so that together we can reduce congestion, tackle air pollution and improve the health and wellbeing of local people. The scheme adopts a number of TfL's Healthy streets principles which aim to encourage an increase in walking, cycling and the use of public transport; and make the area a great place to live, work and travel around, in line with the Mayor's Transport Strategy.**

The Coppermill Area Liveable Neighbourhoods Scheme encompasses the area bounded by Forest Road and Blackhorse Road Station to the north, St James Street to the east, Argall Industrial Estate to the south/southwest and the Lower Lea Valley/Walthamstow Wetlands to the west.

These are areas of significant investment and growth in the borough and the scheme will help improve accessibility and connections between them for sustainable travel modes, which in turn will enable and support more journeys to be made by foot, bike or public transport instead of motorised vehicles.

### **The Coppermill Area Liveable Neighbourhoods scheme objectives are to:**

- Increase the number of trips made by walking, cycling and public transport
- Improve connections to local places of interest, schools and shops
- Assist in the Mayor of London's aim to see 80 per cent of journeys made by sustainable modes of transport by 2041
- Reduce people's reliance on motor vehicles to help reduce congestion
- Encourage and increase the active use of streets and public spaces
- Create a safer neighbourhood environment, including improving road safety and perceptions of personal security
- Improve air quality to create a more attractive neighbourhood for everyone to enjoy
- Improve the efficiency and safety of freight vehicle movement.

## **SCHEME PROGRESS**

The Coppermill Area Liveable Neighbourhoods scheme was initiated in summer 2018 via an online Perception Survey that ran between 30 June 2018 and 10 August 2018. 339 users registered for the Perception Survey, which received more than 1,600 visitors. These registered users provided 686 written comments to the survey, highlighting key issues, concerns and potential locations for improvement within the Coppermill area. The four most popular responses for improvements in the area were: improved sense of safety and better lighting, cleaner and more attractive streets, less and slower traffic, and safer crossing points.

During Autumn 2018 and early Spring 2019 the Council completed a range of further early engagement activities within the community, including but not limited to:

- 'Community Signs' at key locations identified from the perception survey asking for more specific feedback on ideas on how these areas could be improved
- Pop up events at a number of locations across the area to raise awareness and gather feedback on how the area could be improved
- Community walks and bike rides
- Dedicated regular business and accessibility forums

Analysis of the Perception Survey and other local early engagement activities helped shape and influence the development of an initial concept design for the area. On 23 and 24 April 2019, this concept design was presented at a series of two workshops within the scheme area. These workshops brought together the local community to co-design and further develop proposals in conjunction with the council. The concept proposals put forward were generally well received and many additional suggestions were made by those who were able to attend the workshops.

Throughout May 2019 we also conducted trials of two potential alternative road layouts on the section of Coppermill Lane between Rensburg Road and the Thames Water treatment plant site. The purpose was to establish whether the proposed changes would reduce vehicle speeds and make the street feel safer for pedestrians and cyclists while meeting local needs. Following the community workshops and Coppermill Lane trials, we used the feedback received to continue refining the scheme design, which was then consulted on publicly in June and July 2019.



On 24 June over 5000 leaflets were delivered to addresses within the scheme boundary, informing the local community of the public consultation and inviting them to participate. The consultation ran between 24 June 2019 and 14 July 2019 and was primarily hosted online via the digital engagement platform Commonplace, with hard copies available upon request. We publicised the consultation by a variety of methods such as flyers, local and social media; and during the consultation period we held two drop-in sessions for the local community to find out more about the scheme; 96 people attended the drop-in events in total.

Over the last few months we have been analysing the feedback received to the public consultation, alongside further technical design development work, to help shape the final design for the area. As part of this process we have been working with TfL to ensure they support our approach and the proposals that have been developed.

## CONSULTATION RESULTS AND FORWARD PLAN

Overall, 570 people responded to the consultation. Thank you to everyone who participated. Considering all of the responses received across the consultation there was general support for the overall scheme, as shown below:

Positive	287 (50.4%)
Neutral	63 (11.0%)
Negative	220 (38.6%)

In the consultation we asked a number of specific questions about each Series (group) of proposals. A summary of the five key groups of proposals that were consulted on is shown in the tables below, along with the specific feedback received during the consultation to each group. Within each table we have explained which proposals we intend to progress to detailed design and construction, and which proposals we will not be progressing. Where relevant, we have outlined additional information on any design changes to the plans that were consulted on and provided information regarding proposals that still require further investigation and development, including opportunities for further collaboration with the local community.

Series 1 - Modal Filters		
Positive 187 (73%)	Neutral 15 (6%)	Negative 54 (21%)
Location	Proposal	Action
Edward Road (junction with Coppermill Lane)	Modal Filter	Proceed to detailed design and construction
Station Road (junction with St James Street)	Modal Filter	Proceed to detailed design and construction
Low Hall Lane (junction with Markhouse Avenue and South Access Road)	Modal Filter	Proceed to detailed design and construction
Additional Information		
We will continue to work with the local community to finalise plans within the next project stage (detailed design) in early 2020.		

Series 1 - Environmental Improvements		
Positive 134 (73%)	Neutral 23 (13%)	Negative 25 (14%)
Location	Proposal	Action
St James Path	Resurfacing and Improved Lighting	Proceed to detailed design and construction
Elmfield Road	Public realm and landscaping improvements	Proceed to detailed design and construction We will continue to work with the local community to finalise plans within the next project stage (detailed design) in early 2020
Edward Road (outside Coppermill Primary School)	Linear park and raised junction table	Proceed to detailed design and construction We will work with the local community to finalise plans within the next project stage (detailed design) in early 2020

Verulam Avenue (outside St Saviour's School)	Public realm improvements	Proceed to detailed design and construction
Forster Road (junction with South Access Road)	Improve existing modal filter	Proceed to detailed design and construction
Bruncel Road (outside Barn Croft School)	Pedestrian and public realm improvements	Proceed to detailed design and construction
<b>Coppermill Lane Corridor Improvements</b>		
Rensburg Road, Chester Road, York Road, Morland Road, Cassiobury Road, Leucha Road and Haroldstone Road junctions with Coppermill Lane	Blended Copenhagen crossings	Proceed to detailed design and construction
Both ends of Rensburg Road, Chester Road, York Road, Morland Road, and northern end of Cassiobury Road	Rain gardens/landscaping	Proceed to detailed design and construction
Coppermill Lane (near Chester Road)	Sinusoidal speed hump	Proceed to detailed design and construction
Coppermill Lane (junction with York Road)	Raised junction table, rain garden, cycle parking and improved surfaces	Proceed to detailed design and construction
Coppermill Lane (between Leucha Road and St James Street)	Raised tables with kerb build-outs	Proceed to detailed design and construction
Coppermill Lane (junction with St James Street)	Pedestrian and cycle improvements	Proceed to detailed design and construction
<b>Additional Information</b>		
In response to feedback received during the consultation and ongoing discussions with local residents, we will be incorporating additional public realm and junction improvements on Hazelwood Road and Glenhorrie Road junctions with Haroldstone Road.		

<b>Series 1 - Highways and Pedestrian Improvements</b>		
Positive 132 (71%)	Neutral 23 (12%)	Negative 31 (17%)
Location	Proposal	Action
Salop Road/Morland Road Junction	Raised junction table	Proceed to detailed design and construction
Hawarden Road, Edward Road, Lloyd Road, Cornwallis Road and Courtenay Road	One-way system	Proceed to construction in February 2020 (Please see additional information below)
Blackhorse Road (at the Tenby Road and Southcote Road junction)	New zebra crossing	Proceed to detailed design and construction
Blackhorse Road (at the junctions with Hawarden Road, Lloyd Road, Cornwallis Road, Courtenay Road, Southcote Road, Tenby Road and Hazelwood Road)	Blended Copenhagen crossings	Proceed to construction in February 2020 (Please see additional information below)
<b>Additional Information</b>		
Working with TfL we have identified a small number of proposals that could be built early, in advance of the main detailed design and construction programme, to help deliver some immediate improvements in the area. The planned Blended Copenhagen crossings on Blackhorse Road and one-way system will complement the improvement works currently taking place around Blackhorse Station and will be the first part of the scheme to be constructed. Works will commence in February 2020 and further construction information will be sent to the local community in advance.		

<b>Series 2 - Cycleway 27</b>		
Positive 189 (52%)	Neutral 21 (6%)	Negative 155 (42%)
Location	Proposal	Action
South Access Road outside Barn Croft School	Public realm improvements	Proceed to detailed design and construction
South Access Road (adjacent to Dagenham Brook)	Bus Gate (and opening the existing road closure at South Access Road / Argall Avenue)	Proceed to detailed design and construction The Bus Gate will now be located outside Barn Croft school, between Low Hall Lane and Essex Road- further details are outlined below

Argall Avenue - connecting South Access Road to the Black Path	New cycle track and footway	Proceed to detailed design and construction
Argall Avenue - south of the existing Closure	Shared cycle and pedestrian crossing	Proceed to detailed design and construction
<b>Additional Information</b>		
<p>A Bus Gate is a traffic management measure which only allows buses and people walking and cycling to pass through. A Bus Gate does not include a physical restriction or barrier across the street and is enforced using automatic number plate recognition cameras. Any prohibited vehicle using the Bus Gate will receive a penalty charge notice.</p> <p>The Bus Gate will significantly reduce the number of vehicles using Markhouse Avenue and South Access Road, creating a safer, more pleasant environment for local residents, as well as people walking and cycling in the area more generally. The Bus Gate and associated traffic reduction is fundamental to delivering a high-quality cycling environment along the re-aligned Cycleway 27 (formerly Quietway 2) route.</p> <p>Introducing the Bus Gate and opening the existing road closure at the South Access Road/Argall Avenue Junction will also enable the W19 bus route to operate independently of the restrictions currently in place within the council's Low Hall Depot complex. At present the W19 cannot travel through Low Hall Depot after 7pm each evening, which is why the service terminates at South Grove from 7pm onwards.</p> <p>Allowing the W19 to use the entire length of South Access Road to access the Argall Estate instead of using Low Hall Depot will mean that the W19 could run its full-service route throughout the entire day. In the longer term it also opens up the possibility of extending the W19 to Lea Bridge railway station, subject to further investigation and assessment by TfL.</p> <p>TfL will be conducting their own statutory consultation on the W19 route from 24 January 2020 to 8 March 2020. Further details are available on the following pages.</p>		

Series 3 - Coppermill Lane		
Positive 179 (80%)	Neutral 45 (15%)	Negative 75 (25%)
Location	Proposal	Action
Bridge on Coppermill Lane over Dagenham Brook	Create a new gateway including level surfaces, landscaped areas with places to rest and possible public art	Progress to detailed design and construction. The final proposals will be subject to Environment Agency approval and we will continue working with them over the coming months to finalise the design and secure the necessary consents. We will provide a further update once a final design has been agreed
Coppermill Lane overlooking Walthamstow Wetlands Reservoir 5	Install a leisure space featuring a bird hide	This will not be progressed due to concerns over potential antisocial behaviour
Coppermill Lane Walthamstow Wetlands entrance	Improved surfacing, tree planting, landscaping, new street furniture and disabled parking bays	Progress to detailed design and construction. The final proposals will be subject to further design development work and agreement with Thames Water. We will continue working with Thames Water over the coming months to finalise the design and secure the necessary consents. We will provide a further update once a final design has been agreed
Lee Valley Regional Park Authority car park in Coppermill Lane	Lee Valley to decommission their car park	The final decision on whether or not to decommission the current car park is the responsibility of Lee Valley Regional Park Authority. We will continue to work with them over the coming months to agree a way forward. We will provide a further update once a final decision has been made.
<b>Additional Information</b>		
We will be liaising with the local community and key stakeholders to finalise the schemes listed above within the next project stage (detailed design) during early 2020.		

The final set of proposals being progressed are shown on the enclosed Coppermill Masterplan



# COPPERMILL AREA MASTERPLAN



KEY:														
ONE-WAY	BUS GATE	MODAL FILTER	TRAFFIC IMPROVEMENT	REMOVE CAR-PARK	AESTHETIC/ SECURITY	NEW CROSSING	PEDESTRIAN IMPROVEMENT	CYCLE LANE	LEISURE SPACE	POCKET PARK	IMPROVE ACCESSIBILITY	OPEN-UP	STREET ART	COMMUNITY GARDENS

## TRIALS

### Coppermill Lane between Rensburg Road and the Thames Water treatment plant

In May 2019 we conducted trials of two potential alternative road layouts on the section of Coppermill Lane between Rensburg Road and the Thames Water treatment plant site. The purpose was to establish whether the proposed changes would reduce vehicle speeds and make the street safer for people walking and cycling, while also meeting local needs.

At the time of the public consultation in June and July 2019 we were still reviewing and analysing the various surveys and monitoring activities that took place during the May 2019 trials, and so did not include any proposals in the consultation document for this part of Coppermill Lane.

Through assessment of the feedback received during the trials some users felt that the trial layouts helped reduce vehicle speeds and made Coppermill Lane feel safer and more comfortable to walk and cycle along, other users did not. Thames Water also raised a number of concerns about the operational impact on their facility, particularly around large vehicle access.

Overall, our assessment is that the potential benefits do not justify the potential cost. Instead we are developing an alternative scheme that seeks to tackle the key issues raised by respondents during the trials and consultation, which include vehicle speeds and anti-social behaviour. Once alternative proposals have been developed in more detail we will engage locally with local residents, businesses and key stakeholders.

### Parklets

Parklets are generally installed in parking spaces near shops and places of interest to provide seating and spaces for people to spend time, which can help increase footfall for local businesses.

Over the past six months we have trialled a Parklet at various locations within the area; initially in Station Road before being moved to its current location on Coppermill Lane outside The Mill Community Centre.

The Parklet is on trial and we are currently looking into prospective future sites for the Parklet within the Coppermill area and would welcome any suggestions via our email address: [parklets@walthamforest.gov.uk](mailto:parklets@walthamforest.gov.uk)

## WHAT HAPPENS NEXT?

We will now progress the next stage of the project (detailed design), which will include liaison with key stakeholders to assist further development of the designs. The detailed design stage will continue through to early 2020, which will be followed by a statutory consultation exercise. We are aiming to complete the detailed design process by early Spring 2020, at which point we will require final approval from TfL to proceed to the construction stage. Subject to the detailed design process and TfL approval we expect construction will commence from April/May 2020 onwards.

Also, we will progress some advance construction works in early 2020, which will be followed by construction of the main works programme in Spring 2020. The full construction phase is anticipated to last for approximately 18 months. Further construction updates will be sent to the local community as the project progresses.

For further information please visit the Enjoy Waltham Forest website, which includes the consultation document and key project information: [www.enjoywalthamforest.co.uk/cln/](http://www.enjoywalthamforest.co.uk/cln/)

To keep up to date with future activities please sign up to the Coppermill Area blog on: [www.coppermill.commonplace.is](http://www.coppermill.commonplace.is)

### TfL W19 bus service improvements

A consultation will be conducted by TfL starting on 24 January 2020 regarding their proposals for changes to the W19 bus route.

To access the TfL consultation please visit: <https://consultations.tfl.gov.uk/buses/w19-rerouting/>

For further information, please email us at:  
[enjoy@walthamforest.gov.uk](mailto:enjoy@walthamforest.gov.uk)

Kind Regards  
Enjoy Waltham forest Team

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**A** Lee Valley Riding Centre  
**B** Lee Valley Ice Centre  
**C** WaterWorks  
**D** Lee Valley Hockey and Tennis Centre

**1** Somerset Road  
**2** Walthamstow Wetlands  
**3** Westerfield Road  
**4** Douglas Eyr Sports Ground  
**5** Misson Grove  
**6** LIDL Superstore  
**7** Walthamstow Station  
**8** Lea Rowing Club  
**9** Argall Avenue  
**10** 91 Lea Bridge Road  
**11** Hackney Marshes



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**AMENDMENT OF STANDING ORDERS AND  
FINANCIAL REGULATIONS ARISING FROM  
INTRODUCTION OF NEW SENIOR MANAGEMENT STRUCTURE**

Presented by the Director of Corporate Services

**EXECUTIVE SUMMARY**

This report asks Members' approval to amend Standing Orders and Financial Regulations as a result of the introduction of a new senior management structure from 1 April 2020 (Paper E/649/19); the new structure was designed to enable the Authority to effectively deliver what is both a challenging and exciting business plan over the next 5 years. In addition, the Director of Finance & Resources will be leaving the organisation early in July 2020. Standing Orders were last amended in 2018 (Paper A/4261/18) and Financial Regulations in 2015 (Paper A/4206/15).

**RECOMMENDATIONS**

- Members recommend to Authority:
- (1) the proposed changes to Standing Orders as detailed in Appendix A to this report;
  - (2) the proposed changes to Financial Regulations as detailed in Appendix B to this report
  - (3) delegation from the 1<sup>st</sup> April 2020 to the Deputy Chief Executive to make any minor changes to Standing Orders to assist in interpretation or clarification or to correct any administrative errors or omissions that have been overlooked;
  - (4) delegation to the Head of Finance from the 1<sup>st</sup> April 2020 to make any minor changes to Financial Regulations to assist in interpretation or clarification or to correct any administrative errors or omissions that have been overlooked.

**BACKGROUND**

- 1 The Lee Valley Regional Park Authority was created by a private act of parliament, the Lee Valley Regional Park Act 1966 (the Park Act), which provides

that the Authority may make Standing Orders with respect to the proceedings of its meetings and Financial Regulations with respect to the operation of its finances.

- 2 The Authority's present Standing Orders were last revised in July 2018 (Paper A/4261/18) although the Director of Corporate Services has delegation to make minor changes to assist in interpretation or clarification or to correct any administrative errors or omissions that have been overlooked.
- 3 The Authority's present Financial Regulations were last revised in April 2015 (Paper A/4206/15) following the establishment and commencement of Lee Valley Leisure Trust Ltd (the Trust).

## **STANDING ORDERS**

- 3 For Members' information, the following are provisions adopted by Authority Members which do not flow directly from the Park Act:
  - the Authority generally adopts the principles of the Local Government Acts (pre-amble to Standing Orders);
  - proportionality in relation to political balance (SO42);
  - Substitute Members (SO73);
  - extra provisions in relation to co-opted Members (SO76);
  - Politically Restricted posts (SO89); and
  - Access to Information provision (SO98).
- 4 The proposed changes fall into the categories below:
  - change in post titles to reflect the new senior management structure;
  - extension of powers delegated to the Chief Executive to include the Deputy Chief Executive; and
  - to incorporate relevant Authority decisions since the last revision.

## **FINANCIAL REGULATIONS**

- 5 Financial Regulations should be relevant and up to date and continue to meet requirements under the Chartered Institute of Public Finance & Accountancy's (CIPFA) Code of Practice.
- 6 Financial Regulations (FR4) requires that the Director of Finance & Resources reviews and updates Financial Regulations with Member approval to ensure that the regulations remain current and relevant. Financial Regulations were last fully reviewed in 2015 and a full review will be undertaken later in the year. This review is to acknowledge changes to the Authority's Management structure and to adjust and update the current Financial Regulations accordingly.
- 7 The proposed changes fall into the categories below:
  - change in post titles to reflect the new senior management structure;
  - minor corrections; and
  - changes in legislation.
- 8 There will be a further full review of Financial Regulations at the end of the current term to pick up any further changes required.

## **ENVIRONMENTAL IMPLICATIONS**

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

## **FINANCIAL IMPLICATIONS**

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

## **HUMAN RESOURCE IMPLICATIONS**

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

## **LEGAL IMPLICATIONS**

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

## **RISK MANAGEMENT IMPLICATIONS**

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

## **EQUALITY IMPLICATIONS**

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

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## **ABBREVIATIONS**

the Park Act	Lee Valley Regional Park Act 1966
LSC	Leisure Services Contract
the Trust	Lee Valley Leisure Trust Ltd (trading as Vibrant Partnerships)

## **PREVIOUS COMMITTEE REPORTS**

Authority	A/4261/18	Review of Standing Orders	5 July 2018
Authority	A/4207/15	Review of Standing Orders	30 April 2015
Authority	A/4206/15	Review of Financial Regulations 2015	30 April 2015
Authority	A/4194/14	Amendments to Standing Orders	23 October 2014
Authority	A/4191/14	Modification of Standing Orders in regard to Substitutes	31 July 2014
Authority	A/4154/12	Financial Regulations Review	19 April 2012
Authority	A/4178/14	Review of Standing Orders	23 January 2014

Executive Committee	E/333/14	Review of Standing Orders	23 January 2014
Authority	A/4172/13	Review of Standing Orders and other related Governance matters	11 July 2013
Executive Committee	E/198/12	Review of Standing Orders	22 March 2012
Authority	A/4079/10	Proposed changes to Standing Orders to provide for the public to ask questions and speak at meetings	21 January 2010
Authority	A/4078/10	Legal position of deputies under the Lee Valley Regional Park Act 1966 and the options for Members to appoint substitutes to committees	21 January 2010

#### **APPENDICES ATTACHED**

Appendix A	Proposed changes to Standing Orders
Appendix B	Proposed changes to Financial Regulations (To Follow)

## PROPOSED CHANGES TO STANDING ORDERS

Change Number	Standing Order Number	Current Standing Order	Proposed Standing Order
1	4	'Chief Executive' means the Chief Executive or, in his/her absence', the Director of Corporate Services, or in his/her absence, the Director of Finance & Resources	'Chief Executive' means the Chief Executive or, in his/her absence', the <b>Deputy Chief Executive</b>
2	5	'Director' where used in these Standing Orders shall mean the Director of Corporate Services or the Director of Finance & Resources	'Director' where used in these Standing Orders shall mean <b>a Corporate Director</b>
3	16	Request for Agenda Item Any Member of the Authority may ask for an item to be placed on the agenda of the next meeting of the Authority, provided that notice of the matter is given to the Chief Executive by the Member concerned at least seven clear working days before the meeting.	Request for Agenda Item Any Member of the Authority may ask for an item to be placed on the agenda of the next meeting of the Authority, provided that notice of the matter is given to the Chief Executive <b>or Deputy Chief Executive</b> by the Member concerned at least seven clear working days before the meeting.
4	17	Scope Motions must be about matters for which the Authority has a responsibility or which affect Lee Valley Regional Park and/or Lee Valley Leisure Trust Limited.	Scope Motions must be about matters for which the Authority has a responsibility or which affect Lee Valley Regional Park. <b>and/or Lee Valley Leisure Trust Limited.</b>
5	40	Subject to order 38 above, the Chief Executive shall have power to take any necessary decisions relating to the day to day management of the Authority, provided that the effect of such decisions is not to alter any existing policies of the Authority.	Subject to order 38 above, the Chief Executive <b>and Deputy Chief Executive</b> shall have power to take any necessary decisions relating to the day to day management of the Authority, provided that the effect of such decisions is not to alter any existing policies of the Authority.
6	54	Any Member of the Authority may ask for an item to be placed on the agenda of the next meeting of a committee or sub-committee, provided that notice of the matter is given to the Chief Executive by the Member concerned at least seven clear working days before the meeting.	Any Member of the Authority may ask for an item to be placed on the agenda of the next meeting of a committee or sub-committee, provided that notice of the matter is given to the Chief Executive <b>or Deputy Chief Executive</b> by the Member concerned at least seven clear working days before the meeting.

7	60	Additional meetings of the Executive Committee shall be called with approval of the Chairman of the Committee, or in the Chairman's absence the Vice-Chairman of the Committee, or in the Vice-Chairman's absence the Chief Executive. In the case of emergency such notice as is possible in the circumstances shall be given.	Additional meetings of the Executive Committee shall be called with approval of the Chairman of the Committee, or in the Chairman's absence the Vice-Chairman of the Committee, or in the Vice-Chairman's absence the Chief Executive or Deputy Chief Executive. In the case of emergency such notice as is possible in the circumstances shall be given.
8	62	Any Member of the Executive Committee may requisition a meeting of that Committee by notice delivered in writing to the Chief Executive.	Any Member of the Executive Committee may requisition a meeting of that Committee by notice delivered in writing to the Chief Executive or Deputy Chief Executive.
9	72	Deputy Members Constituent Councils may appoint Deputy Members to represent one or more of their appointed Members. Deputy Members may only attend in place of one appointed Member at a time. Deputy Members may be appointed or replaced at any time, subject to the proper officer of the Constituent Council notifying the Chief Executive of the Authority accordingly. In the case of non-riparian Members, the deputy must be appointed by another non-riparian council which is not already represented on the Authority. [Section 8]	Deputy Members Constituent Councils may appoint Deputy Members to represent one or more of their appointed Members. Deputy Members may only attend in place of one appointed Member at a time. Deputy Members may be appointed or replaced at any time, subject to the proper officer of the Constituent Council notifying the Authority's Committee Office accordingly. In the case of non-riparian Members, the deputy must be appointed by another non-riparian council which is not already represented on the Authority. [Section 8]
10	83	A Member may enter and inspect Authority premises where it is required in the course of Authority business. Where a charge is made Lee Valley Member Photo Badges will grant entry to the holder. Where facilities are in the course of construction the Chief Executive shall be authorised to arrange visits by Members.	A Member may enter and inspect Authority premises where it is required in the course of Authority business. Where a charge is made Lee Valley Member Photo Badges will grant entry to the holder. Where facilities are in the course of construction the Chief Executive and Deputy Chief Executive shall be authorised to arrange visits by Members.
11	92	The application of the seal of the Authority shall be witnessed by two signatories from the Chairman or Vice Chairman of the Authority or some other Member so authorised by the Authority and from the Chief Executive or Director of Corporate Services or an officer similarly authorised. [Schedule para 10]	The application of the seal of the Authority shall be witnessed by two signatories from the Chairman or Vice Chairman of the Authority or some other Member so authorised by the Authority and from the Chief Executive or Deputy Chief Executive or an officer similarly authorised. [Schedule para 10]

12	94	Where any document will be a necessary step in legal proceedings or shall be a legal agreement, contract, notice or otherwise on behalf of the Authority, it shall (unless any other enactment requires or authorises or the necessary delegated authority shall be given to some other person) be signed by the Chief Executive or <b>Deputy Chief Executive</b> .	Where any document will be a necessary step in legal proceedings or shall be a legal agreement, contract, notice or otherwise on behalf of the Authority, it shall (unless any other enactment requires or authorises or the necessary delegated authority shall be given to some other person) be signed by the Chief Executive or <b>Deputy Chief Executive</b> .
13	97	Where the Act or any statute or regulation applied thereby requires some action to be taken by an officer to be authorised or appointed by the Authority that officer shall be the Chief Executive.	Where the Act or any statute or regulation applied thereby requires some action to be taken by an officer to be authorised or appointed by the Authority that officer shall be the Chief Executive or <b>Deputy Chief Executive</b> .
14	101	A Member of the Authority may, for purposes of their duty as Member but not otherwise, on application to the Chief Executive, inspect any document which is under the control of the Authority and shall on request be supplied with a copy of the document or extracts from it as soon as possible but no later than 5 working days following the request:  PROVIDED that a Member shall not knowingly inspect and shall not call for a copy of any document relating to a matter in which they have a professional interest or in which they have had any personal or prejudicial interest covered by the terms of the Code of Conduct adopted by their appointing councils, and that this Standing Order shall not (subject to the decision of the Chairman of the Authority in the event of any disagreement between the Member and officer concerned) preclude the Chief Executive from declining to allow inspection of any document which is or in the event of legal proceedings would be protected by privilege arising from the relationship of solicitor and client.	A Member of the Authority may, for purposes of their duty as Member but not otherwise, on application to the Chief Executive or <b>Deputy Chief Executive</b> , inspect any document which is under the control of the Authority and shall on request be supplied with a copy of the document or extracts from it as soon as possible but no later than 5 working days following the request:  PROVIDED that a Member shall not knowingly inspect and shall not call for a copy of any document relating to a matter in which they have a professional interest or in which they have had any personal or prejudicial interest covered by the terms of the Code of Conduct adopted by their appointing councils, and that this Standing Order shall not (subject to the decision of the Chairman of the Authority in the event of any disagreement between the Member and officer concerned) preclude the Chief Executive from declining to allow inspection of any document which is or in the event of legal proceedings would be protected by privilege arising from the relationship of solicitor and client.
15	Executive Committee Terms of Reference	<ul style="list-style-type: none"> <li>To revise and amend as necessary the salary pay bands for the Chief Executive, Directors and Heads of Service.</li> <li>To agree the individual pay award of the Chief Executive.</li> </ul>	<ul style="list-style-type: none"> <li>To revise and amend as necessary the salary pay bands for the Chief Executive, <b>Deputy Chief Executive</b>, <b>Corporate</b> Directors and Heads of Service.</li> <li>To agree the individual pay award of the Chief Executive.</li> </ul>

16	Leisure Services Contract Review Working Group Terms of Reference	<ul style="list-style-type: none"> <li>To input into the joint (Authority and Trust) 3 year review as required under the Leisure Services Contract which commenced on 1 April 2015</li> <li>To consider any service amendment proposals, i.e., changes to operation of the contract, to be voluntarily agreed by the Trust for the remaining term of the contract</li> <li>To consider the procurement strategy for the future Leisure Services Contract</li> <li>To consider the sustainability of all Authority venues/services in relation to future Leisure Services Contract/s</li> </ul>	<ul style="list-style-type: none"> <li>To consider the procurement strategy for the future Leisure Services Contract</li> <li>To consider the sustainability of all Authority venues/services in relation to future Leisure Services Contract/s</li> </ul>
17	Appendix E Conflict of Interests /Loyalties Protocol	For more detailed advice you can contact Beryl Foster, Director of Corporate Services	For more detailed advice you can contact the <b>Deputy Chief Executive (Monitoring Officer)</b>



 <p><b>LEE VALLEY REGIONAL PARK AUTHORITY</b></p> <p><b>EXECUTIVE COMMITTEE</b></p> <p><b>26 MARCH 2020 AT 10:30</b></p>	<p><b><u>Agenda Item No:</u></b></p> <p><b>8</b></p> <p><b><u>Report No:</u></b></p> <p><b>E/667/20</b></p>
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## **LEISURE SERVICES CONTRACT MONITORING REPORT – Q3 2019/20**

Presented by the Director of Finance & Resources

### **EXECUTIVE SUMMARY**

The purpose of this report is to provide the Executive Committee with a breakdown of Lee Valley Leisure Trust Ltd's performance against its Key Performance Indicators during the third quarter of the final year of the current Leisure Services Contract. This incorporates financial, customer, internal process and sustainability measures that have been agreed with Lee Valley Leisure Trust Ltd as part of the Leisure Services Contract.

The scorecard provides an overview of performance across all facilities within Lee Valley Leisure Trust Ltd; analysing all operational venues with their related performance indicators. Appendix A to this report contains the Lee Valley Leisure Trust Ltd's report and scorecard for Q3 2019/20 – reporting actual performance from April 2019 to December 2019.

A summary of the key achievements (as reported by Lee Valley Leisure Trust Ltd attached as Appendix A to this report) against the Key Performance Indicators following the third quarter of 2019/20:

- a reported shortfall of £612,000 against the Trust's operational budget;
- a high level of customer satisfaction has been maintained across the venues (84%), and above the overall UK customer satisfaction index (UKCSI) of 77% and the individual scores for the UK leisure (80%) and tourism (80%) sectors;
- the net promoter score (NPS) gives an indication of the relationship that customers have with the venues, asking customers how likely they would be to recommend the venue they visited to friends or colleagues. The score can range from -100% to +100%, with a leisure industry average of 24%. Across all venues the average score for 2019/20 is 53% - up from 50% in 2018/19 and is on target;
- 28% of all visits were calculated as regional compared to 29% last year. This equates to 575,000 visits which is a decrease from 657,000 visits last year;
- there were 2,037,000 visits to the venues – a 10% decrease from the same period last year. This is mainly attributed to the Shell Campsite not returning to The

WaterWorks this year, the decline in rafting and track cycling customers and 100,000 less visits at Lee Valley Hockey and Tennis Centre which hosted the World Cup during the summer of 2018.

## RECOMMENDATION

Members Note: (1) the report.

## BACKGROUND

- 1 As part of the Leisure Services Contract (LSC) between the Authority and Lee Valley Leisure Trust Ltd (the Trust) it was agreed that a range of Key Performance Indicators (KPIs) should be used for the Authority to monitor the Trust's performance and that this should act as a method by which the Authority can ensure that the broad standards within the contract are achieved.
- 2 Commencing on 1 April 2015, the LSC included KPIs based on the KPIs originally set and agreed by the Scrutiny Committee as part of the balanced scorecard which provided an overview of performance across the Authority. It was agreed that officers from the Trust would provide an update of the KPIs to the Authority to report to Executive Committee on a quarterly basis.
- 3 The KPI and venue scorecard attached to the Trust report contains data for Q1 to Q3 in 2019/20 from April 2019 to December 2019.

## FINANCIAL IMPLICATIONS

- 4 Performance across the venues is set out in the Trust's report at Appendix A to this report. Based on performance to date and projections to year-end it is anticipated that there may be a potential net budget shortfall of approximately £612,000 to 31 March 2020 before adjustment for any approved clause 14 claims.

Potential clause 14 events for 2019/20 (totalling £269,000) have been identified by the Trust:

Site	Claim £'000	Reason
Lee Valley VeloPark	13	Lost income due to Roof Leak
Lee Valley Hockey & Tennis Centre	46	Water credit withheld by supplier
Legal Fees	82	Water company dispute
Lee Valley White Water Centre	12	Security antisocial behaviour
Lee Valley Golf Course	31	Golf income and remediation costs
Lee Valley Campsite	80	Lost income due to feasibility works
Dobbs Weir	5	Late installation of lodges
<b>Total</b>	<b>269</b>	

- 5 The performance report confirms that the remainder of expenditure variations will be accommodated within the current approved budgets subject to agreement and payment of the Management Fee and the payment of clause 14 claims as set out above. Clause 14 claims will be reviewed and approved by Members as part of the year end and end of contract liabilities between the two organisations.

## **HUMAN RESOURCE IMPLICATIONS**

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

## **LEGAL IMPLICATIONS**

- 7 Clause 14 of the LSC enables adjustments to the approved Management Fee subject to certain conditions, which include the following:

- 14.1.1 (a) The specification may require variation due to elements of the services not being set out accurately in the specification;
- 14.1.1 (b) The Trust may identify that the Management Fee is insufficient to allow the Trust to provide elements of the Services and/or perform elements of its obligations pursuant to the Agreement;
- 14.1.2 The matters in clause 1 (Utilities) may arise;
- 14.1.3 An Adverse Right may arise; and or
- 14.1.4 The circumstances set out in clause 27.7.11 arise. Clause 27.7.1 relates to the Trust's obligation under the agreement to carry out any measure recommended by the Authority's auditor or (as and when relevant) the Charity Commission deemed properly necessary to achieve value for money.

- 14.2 Upon the occurrence of an Adjustment Event the Trust shall issue to the Authority an Adjustment Notice setting out:

- 14.2.1 the proposed amendments required to the Agreement (including but not limited to the Specification);
- 14.2.2 any proposed amendment to the Management Fee
- 14.2.3 any interim amendment to the Management Fee to address the unexpected cost of the Adjustment Event;
- 14.2.4 the steps the Trust can take to mitigate any costs or other consequences of an Adjustment Event which may include (but not limited to) proposals to reprioritise the Services in order to resolve and/or any insufficiency in the Management Fee; and
- 14.2.5 evidence that the Adjustment Event cannot be accommodated on a temporary basis using the Management Fee payments previously received by the Trust.

- 14.3 As soon as reasonably practicable after submission of the Adjustment Notice the Authority and the Trust shall meet and in good faith seek to agree:

- 14.3.1 the extent of the Adjustment Event;
- 14.3.2 which mitigation steps set out in the Adjustment Notice need to be undertaken by the Trust; and
- 14.3.3 the extent of the amendments required to the Agreement and Management Fee (if any) as set out in the Adjustment Notice (including any steps required to be undertaken by the Authority to comply with its own financial regulations prior to any increase in the Management Fee).

## **EQUALITY IMPLICATIONS**

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

## **RISK MANAGEMENT IMPLICATIONS**

- 9 Failure to deliver the contract in all aspects is a major risk for both the Authority and the Trust. As well as Executive Committee, contract compliance and performance is checked regularly and scrutinised through the Authority's own performance monitoring team and through planned audits as part of the internal audit contract.
- 10 Financial performance is a key performance indicator and risk as variations from the agreed Management Fee can result in a negative financial impact on the Authority in the current and future financial years.
- 11 Clause 14 which allows for adjustment in the Management Fee requires the Trust to clearly set out not only the specific "event" that is likely to cause a negative impact on the Management Fee but also those measures it has taken to mitigate the impact of the adjustment event.
- 12 It is therefore important for the Trust to set out clearly at the earliest opportunity how it intends to manage in-year variations within the existing Management Fee and/or evidence that any future adjustment event cannot be accommodated on a temporary basis using the Management Fee payments previously received by the Trust as a pre-requisite of any approved clause 14 adjustment.

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## **APPENDIX ATTACHED**

Appendix A Trust Report and Key Performance Indicators Q3 2019/20

## **LIST OF ABBREVIATIONS**

KPI	Key Performance Indicator
LSC	Leisure Services Contract
NPS	Net Promoter Score
the Trust	Lee Valley Leisure Trust Ltd (trading as Vibrant Partnerships)



**VIBRANT PARTNERSHIPS**

**BOARD MEETING**

**25 FEBRUARY 2020**

**Agenda Item No:**

**4**

**Report No:**

**B/127/20**

## **2019/20 Q3 PERFORMANCE REPORT**

**Presentation by the Director of Business Services**

### **SUMMARY**

This report presents Vibrant Partnerships' performance for the first three quarters of 2019/20.

The first three quarters of 2019/20 have been challenging, with resources focused on bidding for the Leisure Services Contract and subsequent legal challenge, the regional restructure and de-coupling from the Authority.

There were 2,037,000 visits to the venues – a 10% decrease from the same period last year mainly due to 100,000 reduced event visits at Lee Valley Hockey and Tennis Centre, which is explained below. Customer satisfaction across the venues has remained stable at 84%, which is above the overall UK customer satisfaction index (UKCSI) of 77% and the individual scores for the UK leisure (80%) and tourism (80%) sectors.

A number of events were held that attracted visitors, generated income and opened the venues to a wider audience:

- The Canoe Slalom World Cup was hosted at Lee Valley White Water Centre in June attracting over 6,000 spectators over three days.
- During April, May and June Lee Valley Hockey and Tennis Centre hosted 12 international hockey matches as part of the FIH Pro League, attracting over 20,000 spectators. However this new event structure, combined with the Women's Hockey World Cup that was held last year, has resulted in 100,000 fewer spectators than last year.
- Six Day London took place at Lee Valley VeloPark in October with 26,000 spectators enjoying another successful series.
- The new Luxury Lodges at Lee Valley Caravan Park, Dobbs Weir were launched
- Summer Bounce was re-launched at Lee Valley White Water Centre

The weather this year has been generally worse than last year, with temperatures 7% colder, 24% more rain and 12% less sunshine. This particularly impacted the start of the busy summer period. The impact of the weather has varied across venues, as explained in the report.

Performance across the venues has generally been good, meeting the majority of contractual performance targets. However financial performance has been impacted by the decline in rafting and track cycling sales - continuing trends from last year. Reviews of the track cycling and rafting products have been completed and were introduced in time for the Christmas voucher campaigns. A new flying lap experience has been introduced at the VeloPark which is proving popular and the current vouchers have been streamlined and a new marketing campaign has been launched. A tiered suite of rafting products has been introduced to improve repeatability, lower price point and lower barriers to entry. Variable costs are also being reduced to help offset reductions in income.

The provisional management fee for 2019/20 is £1.5 million (this is still to be agreed by the Authority). Based on performance to date and projections it is anticipated that there may be a potential net budget shortfall of approximately £612,000 to 31<sup>st</sup> March 2020, before adjusting for Clause 14 events and utilising the annual contingency budget or allocation to reserves.

There are currently six clause 14 claims totalling £269,000, these relate to: increased security at the LV White Water Centre, delays in introducing the luxury lodges at Dobbs Weir, the impact of the exploratory works being undertaken by the Authority at the Edmonton Campsites and Golf Course, Castle Water legal fees, withheld credit from Castle Water at LV Hockey and Tennis Centre and the impact of the roof leak at LV VeloPark. Claims have been submitted to the Authority for these. We have been advised by the Authority that they are unlikely to pay the claim for increased security at LV White Water Centre as they do not believe it is a variation from the specification. We disagree as we believe this is a cost that has not been incurred in previous years and is over and above the security costs we would reasonably include in the budget. In addition, there are increases in business rate valuations at the Waterworks site totalling £15,000 which the Authority has agreed to cover.

Additional commitments include legal costs for the Castle Water liability, which to date total £82,000 for which there is no budget.

It is currently estimated that the projected net budget shortfall can be accommodated within the current approved budgets subject to agreement of the management fee and the payment of the current Clause 14 claims. Four invoices have been raised for quarterly instalments of the management fee, all of which are now due in line with the Leisure Services Contract – to date only two of these have been paid.

Trust officers will continue to work to manage the variances within the agreed budget

RECOMMENDATIONS		
Trustees note:	(1)	The report.

## BACKGROUND

1	Performance of the Lee Valley Regional Park Authority venues has been reported quarterly to its Scrutiny Committee since 2010.
2	This report was based on the Authority's performance framework, which included key performance indicators (KPIs) and a venue scorecard.
3	As part of the Lee Valley Leisure Services Contract, performance of the LVRPA venues

	managed by the LVLIT is to be reported quarterly to Authority Members.
4	The data included in this report to Trustees will form the basis of the report that Authority officers will present to Authority Members. This report to Trustees also includes information previously presented in revenue monitoring reports.
5	The scorecard in Appendix A to this report contains data for the first nine months of 2019/20 (April – December 2019). Appendix B summarises financial performance in the first six months. The following paragraphs summarise the key messages from the data.

#### LV LEISURE SERVICES CONTRACT KEY PERFORMANCE INDICATORS (KPIs)

11	<p><b>KPI 1: Management Fee</b></p> <p>The management fee for 2019/20 is proposed at £1.5m, a reduction from the 2018/19 fee of £2.3m. Four invoices have been raised for quarterly instalments of the management fee, all of which are now due in line with the Leisure Services Contract – to date only two of these have been paid</p> <p>Performance across the venues has generally been good, meeting the majority of contractual performance targets. However financial performance has been impacted by the decline in rafting and track cycling sales - continuing trends from last year. Reviews of the track cycling and rafting products have been completed and were introduced in time for the Christmas voucher campaigns. A new flying lap experience has been introduced at the VeloPark which is proving popular and the current vouchers have been streamlined and a new marketing campaign has been launched. A tiered suite of rafting products has been introduced to improve repeatability, lower price point and lower barriers to entry. Variable costs are also being reduced to help offset reductions in income.</p> <p>Based on performance to date and projections it is anticipated that there may be a potential net budget shortfall of approximately £612,000 to 31<sup>st</sup> March 2020, before adjusting for Clause 14 events and utilising the annual contingency budget or allocation to reserves.</p> <p>It is currently estimated that the projected net budget shortfall can be accommodated within the current approved budgets subject to agreement and payment of the management fee and the payment of the current Clause 14 claims (£269,000 and business rates repayment of £15,000).</p> <p><b>Lee Valley VeloPark</b></p> <ul style="list-style-type: none"> <li>• The majority of income is derived from track taster experiences and vouchers; corporate hires; and events.</li> <li>• Demand for track cycling experiences and vouchers has continued to fall in line with other velodromes, and has not had a major international event to drive wider interest in the sport.</li> <li>• A new flying lap experience has been introduced which is proving popular and the current vouchers have been streamlined and a new marketing campaign has been launched.</li> <li>• Corporate income is down this year as no other major events are planned apart from Six Day.</li> </ul>
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- Income from event catering will be down on last year in line with less events.
- During December a leak above the velodrome track resulted in a number of sessions having to be cancelled. This led to a loss of income of £13,000 from bookings and related food and café sales, and is considered a clause 14 event.

#### **Lee Valley Hockey and Tennis Centre**

- Catering income has been negatively impacted by the new England Hockey event structure. The FIH Pro League holds matches across a number of dates, with one or two matches each day, which attracts less spectators than previous event formats. This, combined with the Women's Hockey World Cup that was held last year, has resulted in 100,000 fewer visitors than last year. This has generated significantly less catering income from major events than previous years.
- The non-event programme is performing well and is forecast to over perform against budget.
- A credit of £46,000 is being held by Castle Water who are unwilling to return this until the dispute at Picketts Lock has been resolved. This is considered a clause 14 event.

#### **Lee Valley White Water Centre**

- The trend of falling sales for rafting products has continued, impacting both public rafting and corporate sales. Cost savings have been achieved in line with the decreased activity and through more efficient management of the programme.
- A review of rafting products has been completed, with new updated products launched as vouchers in line with Christmas gift promotions and for the new season starting in March.
- The new regional approach to sales and marketing is being implemented, with the regional teams in place and updated focus being established.
- Catering is forecast to miss budget, due to the decline in rafting sales and the bad weather impacting Friday Night Live events. The new catering structure is in place and focused on improving this financial position.
- Summer Bounce had a disappointing summer, with a third of sessions having to be cancelled due to the weather, which significantly impacted financial performance.
- There has been an increase in anti-social behaviour on site from local teenagers, which has necessitated increased security expenditure. This is anticipated to cost £12,000 and is considered a clause 14 event.

#### **Lee Valley Athletics Centre**

- Income at Lee Valley Athletics Centre has continued to increase, but is forecast to not achieve the stretch target.
- The Challenge Central gym membership is growing albeit on a more incremental basis than anticipated.
- The new coffee counter is open and being operated as part of the regional catering function.

#### **Lee Valley Ice Centre**

- Public skating has still not fully recovered from the closure in 2017, with junior skating still below historic levels.
- Catering spend is suffering from the reduced visitor numbers.
- A new Ice Centre Manager has been appointed and is aiming to increase visitor



numbers with promotional offers and more focus on secondary spend.

**Lee Valley Riding Centre**

- Having successfully recruited riding instructors, which had been a problem across the industry in previous years, a full programme is now being offered.
- High levels of rainfall over the winter led to flooding in the outdoor ménages that resulted in the cancellation of sessions and lost income. The drainage issues are being investigated with Authority officers to find a resolution.

**Lee Valley WaterWorks Centre**

- A business rates bill has been received which has not been paid in previous years. It is anticipated that this cost will be passed to the Authority in line with the lease agreement.

**Lee Valley Golf Course**

- The Authority's project with The Wave, who are looking to bring a new inland surfing attraction to the Pickett's Lock site, is continuing with further exploratory work. This is having an impact on Lee Valley Golf Course and Edmonton Campsite.
- In order to carry out excavation works the golf course was closed for a two month period in September and October, and remediation was required to repair the course. This reduced income from memberships and casual golf by £14,000. Remediation of the course cost £17,000. A clause 14 claim for £31,000 has been made with the Authority.

**Lee Valley Campsite, Edmonton**

- As above, the Wave project has had an impact on the campsite, which was fully closed for two weeks then partially closed for a further two weeks, with some further impact on the tent field whilst it was remediated. The impact on income is approximately £80,000 which will be a clause 14 claim with the Authority.

**Lee Valley Campsite, Sewardstone**

- Due to a number of caravan sales it is forecast that the campsite will over perform on its budget.

**Lee Valley Caravan Park, Dobbs Weir**

- The luxury lodges suffered some further delays into the year – this has been addressed through a clause 14 claim of £5-10,000.
- Since going live the lodges have proved popular with good booking numbers to date.

**Lee Valley Park Farms**

- The Farm had a successful start to the year, with the good Easter weather particularly helping to increase visitor numbers and income. However the weather worsened over the summer which impacted trading.
- Catering has not performed to budget, but plans are in place to improve this in line with the regional catering structure.

**Lee Valley Marina, Springfield**

- Lee Valley Marina, Springfield is forecast to over achieve budget and is realising the anticipated benefits from the regional management structure.

	<ul style="list-style-type: none"> <li>The new chandlery is performing well with sales steadily increasing.</li> </ul> <p><b>Lee Valley Marina, Stanstead Abbots</b></p> <ul style="list-style-type: none"> <li>Moorings are full but there are some hardstanding vacancies because of the limited supply of smaller cruisers.</li> </ul>
12	<p><b>KPI 2: Customer Satisfaction</b></p> <p>In the first nine months of the year our research agency has been undertaking interviews with customers at venues. Feedback has been good and generally in line with last year.</p> <p>Across all venues the average customer satisfaction score has remained stable at 84% and is on target. This is above the overall UK customer satisfaction index (UKCSI) of 77% and the individual scores for the UK leisure (80%) and tourism (80%) sectors.</p> <p>Scores at Edmonton and Sewardstone Campsites have both fallen, with feedback regarding the shower and toilet blocks at all three sites which are in need of investment.</p>
13	<p><b>KPI 3: Net Promoter Score</b></p> <p>The net promoter score gives an indication of the relationship that customers have with our venues, with a higher score potentially indicating positive future business through repeat visits and recommendations. It is generated by asking customers how likely they would be to recommend the venue they visited to friends or colleagues. This categorises customers into 'promoters', 'neutrals' and 'detractors'. The score can range from 100% to -100%, with a leisure industry average of 24%.</p> <p>Across all venues the average net promoter score is 53%. This has increased from 50% last year and is on target.</p>
14	<p><b>KPI 4: Regionality</b></p> <p>The regionality of the venues is measured by capturing postcodes across bookings, memberships and surveys. In the first nine months of the year 28% of all visits were defined as regional – where the visitor lives within the London, Hertfordshire and Essex region, but lives outside of the riparian boroughs whose boundaries cross into the Lee Valley Regional Park. This percentage is in line with last year. This equates to 575,000 visits which is a decrease from 657,000 visits last year, due to the fall in usage explained below.</p>
15	<p><b>KPI 5: Usage</b></p> <p>In the first nine months of the year there were 2,037,000 visits to the venues – a 10% decrease from the same period last year. This is mainly due to 100,000 reduced event visits at Lee Valley Hockey and Tennis Centre, as well as the Shell Campsite not returning to the WaterWorks this year and the decline in rafting and track cycling customers.</p> <p>During April, May and June Lee Valley Hockey and Tennis Centre hosted 12 international hockey matches as part of the FIH Pro League, attracting over 20,000</p>

spectators. However, in the same period last year the venue hosted the Hockey World Cup that attracted 120,000 visits. This has led to the fall-in usage, with use of the venue for the tennis and hockey programme at a similar level.

Visitor numbers at Lee Valley Golf Course and Edmonton Campsite have been adversely affected by the excavation works being carried out as part of the Authority's ongoing work with The Wave, who are looking to bring a new inland surfing attraction to the Pickett's Lock site. Both venues were temporarily closed for periods between August and October as further works were completed.

Due to the visitor counters throughout the Park being replaced by the Authority, some usage numbers have been estimated, based on numbers of bookings and trading compared to the same period last year. All counters have now been installed and where possible data from them has been used for the figures in the scorecard. Where some counters require further calibration estimates have been used.

#### OTHER VENUE PERFORMANCE

##### 16 Compliments and Complaints

In the first nine months there has been a decrease in complaints and decrease in compliments compared to last year, which is in line with the reduced numbers of visits.

The majority of negative comments come from the three legacy venues, in line with their higher visitor numbers. These are balanced by a significantly higher number of positive comments. Most of this feedback is received via various social media channels, where the detail given varies from a simple emoji to full reviews. Across all venues there are a wide range of reasons for negative feedback, with a few issues that can be identified as trends:

At Lee Valley VeloPark car parking charges and fines are the most common complaint. Lee Valley Hockey and Tennis Centre also receives negative feedback regarding car parking charges and fines, and issues that arise during major events that mostly relate to the event management. Lee Valley White Water Centre did receive negative feedback regarding catering early in the season which was impacted during the regional catering restructure. The recruitment process was successfully completed during the second half of the season and feedback has significantly improved in recent months.

##### 17 Utility Consumption

Utility consumption has remained stable, increasing by less than 1% compared with last year.

#### ENVIRONMENTAL IMPLICATIONS

- |    |   |
|----|---|
| 18 | Increased visits and activity, including events, across venues increases utility consumption. |
|----|---|

#### EQUALITY IMPLICATIONS

- |    |  |
|----|--|
| 19 | The impact of attracting a wider audience to venues is that visitors from across all |
|----|--|

	groups are more likely to visit.
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**FINANCIAL IMPLICATIONS**

20	The financial implications are set out in the body of the report.
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**HUMAN RESOURCE IMPLICATIONS**

21	There are no human resource implications arising directly out of the recommendations in this report.
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**LEGAL IMPLICATIONS**

22	<p>Clause 14 of the LSC enables adjustments to the approved management fee subject to certain conditions, which include the following:</p> <ul style="list-style-type: none"> <li>• 14.1.1 (a), The specification may require variation due to elements of the services not being set out accurately in the specification;</li> <li>• 14.1.1 (b), The Trust may identify that the Management Fee is insufficient to allow the Trust to provide elements of the Services and/or perform elements of its obligations pursuant to the Agreement;</li> <li>• 14.1.2, The matters in clause 1 (Utilities) may arise;</li> <li>• 14.1.3, An Adverse Right may arise, and or</li> <li>• 14.1.4, The circumstances set out in clause 27.7.11 arise. Clause 27.7.11 relates to the Trust's obligation under the agreement to carry out any measure recommended by the Authority's auditor or (as and when relevant) the Charity Commission deemed properly necessary to achieve value for money.</li> </ul>
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**RISK MANAGEMENT IMPLICATIONS**

23	Management of the budget is important in achieving the Trust's corporate objectives and ensuring it does not spend outside of the agreed management fee. Venue and Section Managers closely monitor their budgets and Senior Management Team receive regular monthly updates and detailed breakdowns of budgets more regularly if there are issues identified.
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**AUTHORITY IMPLICATIONS**

24	The LVRPA implications arising out of this report are in relation to potential Clause 14 management fee adjustments.
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Author: Michael Sterry, Performance & Information Manager

**PREVIOUS TRUST BOARD REPORTS**

TRUST BOARD	REPORT NO.	REPORT NAME
07-11-19	B/126/19	2019/20 Q2 Performance Report

**APPENDICES ATTACHED**

Appendix A	Trust KPI and Venue Scorecard
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**LIST OF ABBREVIATIONS**

ABBREVIATION	IN FULL
KPI	Key Performance Indicator
LVVP	Lee Valley VeloPark
LVHTC	Lee Valley Hockey and Tennis Centre
LVWWC	Lee Valley White Water Centre
LVAC	Lee Valley Athletics Centre
LVIC	Lee Valley Ice Centre
LVRC	Lee Valley Riding Centre
LVPF	Lee Valley Park Farms

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Reporting Period		2019/20 Q3																					
Venues		Income (£000's)		Usage		Customer Satisfaction		Net Promoter Score		Regionality		Formal Complaints		Formal Comments		H&S Audit		Quality Score		Utility Consumption (000 kwh)		Asset Protection	
		18/19	19/20	18/19	19/20	18/19	19/20	18/19	19/20	18/19	19/20	18/19	19/20	18/19	19/20	18/19	19/20	18/19	19/20	18/19	19/20	18/19	19/20
Overall Target		13,069		2,267,189		80-85%		48-50%		31%		621		85%		80%		8,316		95%			
Venues																							
Lee Valley VeloPark	2,947	2,022	815,643	802,000	83%	93%	80%	89%	35%	35%	196	18	1492	555	88%	Q4	1,248	1,308	n/a	Q4			
Lee Valley Hockey & Tennis Centre	922	844	162,467	83,905	87%	87%	72%	89%	28%	23%	114	51	946	450	98%	Q4	898	871	n/a	Q4			
Lee Valley White Water Centre	3,301	2,895	583,522	505,000	88%	90%	79%	89%	36%	36%	155	65	1007	1231	98%	Q4	3,455	3,554	n/a	Q4			
Lee Valley Athletics Centre	635	910	162,557	100,571	87%	86%	85%	81%	31%	31%	34	10	378	265	94%	Q4	287	319	n/a	Q4			
Lee Valley Ice Centre	839	828	188,786	183,618	84%	84%	82%	81%	37%	37%	11	12	114	103	76%	Q4	1,351	1,406	n/a	Q4			
Lee Valley Riding Centre	751	747	94,871	100,603	88%	88%	61%	77%	37%	37%	22	15	73	66	80%	Q4	149	162	n/a	Q4			
Lee Valley WaterWorlds Centre	146	41	57,423	31,853							0	0	0	0	77%	Q4	117	113	n/a	Q4			
Lee Valley Golf Course	167	101	13,501	4,528	83%	81%	14%	23%	28%	28%	5	16	9	28	61%	Q4	78	89	n/a	Q4			
Lee Valley Camping & Caravan Park, Edmonton	426	342	31,497	29,222	83%	78%	16%	25%	11%	11%	18	15	55	28	70%	Q4	348	353	n/a	Q4			
Lee Valley Campsite, Sewardstone	408	403	21,207	28,069	87%	75%	50%	28%	22%	22%	4	7	87	61	86%	Q4	93	83	n/a	Q4			
Lee Valley Caravan Park, Dobbs Weir	628	893	16,843	16,923	87%	85%	56%	61%	33%	33%	1	7	20	40	88%	Q4	32	34	n/a	Q4			
Lee Valley Park Farms	533	545	108,872	105,233	86%	87%	67%	73%	28%	28%	50	47	300	481	84%	Q4	90	105	n/a	Q4			
Lee Valley Marina, Springfield	739	360			78%	75%	16%	5%	13%	13%	7	2	32	28	91%	Q4	216	251	n/a	Q4			
Lee Valley Marina, Stanstead	626	619			86%	86%	22%	47%	22%	22%	2	1	19	6	94%	Q4	145	218	n/a	Q4			
ALL VENUES	13,069	11,494	2,267,189	2,036,882	86%	84%	50%	83%	28%	28%	621	132	4,513	3,417	86%	Q4	8,316	8,316	n/a	Q4			

Performance against target	
Achieving or exceeding target	Green
Just missed target	Yellow
Below target	Red
N/A for site	Grey

Financial Measure	Blue
Customer Measure	Orange
Internal Process Measure	Pink
Sustainability Measure	Green



Reporting Period		2019/20 Q3					
Key Performance Indicators		18/19 Q3 Actual	Annual Target	Performance	Q3 Actual	Expected at Year End	Comments
Management Fee		£1.2m	£1.5m	↑	£0.718m	£1,500,000	
Customer satisfaction		88%	80-85%	↓	84%	84%	
Net promoter Score		50%	45-50%	↑	53%	53%	
Regionality (non-riparian)		29% (657,000)	30% (810,000)	↓	28% (575,000)	28% (708,000)	
Usage		2,267,189	2.7-2.8m	↓	2,038,882	2,530,000	
Direction of travel		Performance against target					
↑ Performance has improved		Achieving or exceeding target					
↓ Performance has worsened		Just missed target					
↔ Performance has remained the same		Below target					
N/A		Financial Measure					
		Customer Measure					
		Internal Process Measure					
		Sustainability Measure					