



LEE VALLEY REGIONAL PARK AUTHORITY

SCRUTINY COMMITTEE

29 FEBRUARY 2025 AT 14:00

Agenda Item No:

6

Report No:

S/68/24

SCRUTINY SCORECARD 2023/24 Q3

Presented by the Corporate Director

SUMMARY

This report provides Members with a detailed breakdown of the Authority's performance against its Key Performance Indicators, Corporate Performance Indicators and site/venue performance up to the end of the third quarter of 2023/24.

The report covers actual performance from 1 April 2023 to 31 December 2023. This incorporates financial, customer, internal process and sustainability measures that have been agreed with Members. This performance report incorporates all facilities / venues and parklands currently operated in-house by the Authority and a summary of performance for the six Leisure Service Contract (LSC) venues that passed to Greenwich Leisure Ltd (GLL) on 1 April 2022.

The scorecard is divided into three sections:

- summary of LSC and Authority performance overall;
- LSC reportable KPI's; and
- Authority reportable KPI's.

RECOMMENDATION

Members Note: (1) the report.

SUMMARY OF OVERALL PERFORMANCE

- 1 The following is a summary of the overall performance up to the end of the third quarter of 2023/24 with the specific details within the relevant section of this report.
- 2 For the Authority, reportable KPI's are, in the main, on target, with the majority expected to hit target at year-end.

The LSC venues are on target with the majority of their KPI's, but a few are falling behind.

- 3 5.2 million visits to date to the Park and Facilities against a profiled target of 5.25 million. Though the number of visits to the parklands is slightly lower than last year, it is still an increase on pre-Covid years.

LSC venues have seen 1.2 million visits to the end of Q3. This is an increase on last year's performance.

- 4 Authority customer satisfaction levels are slightly above target at 86%.

LCS venue customer satisfaction levels are slightly below target at 81%. Compliments however have seen a steep increase for LSC venues but a reduction for the Authority. This is attributable to a push by GLL to have more surveys completed.

- 5 Media articles for both Authority and LSC venues are below target but those received are 99% positive.
- 6 The new Lee Valley Ice Centre opened to the public on 17 June 2023. The state-of-the-art centre is offering a range of new biodiversity habitats and increasing visitors to the area.
- 7 Quest Accreditations remain on target with all LSC facilities retaining their Quest accreditation. The Lee Valley White Water Centre is one of only two venues in the country achieving "outstanding" in their assessment. The Lee Valley Ice Centre will undergo Quest in July 2024

The Authority has maintained its Learning Outside the Classroom Quality Badge

8 sites received the London in Bloom Gold Award with Walthamstow Marshes, Lee Valley Ice Centre landscape and Waltham Abbey Gardens also achieving best in category. All 9 Green Flag sites retained their accreditation, with Myddelton House Gardens also retaining its Green Heritage award.

- 8 The approved levy is £10.647m (34.1% of the maximum chargeable).

LSC REPORTABLE KPI'S

9 KPI 1: Overall Customer Satisfaction

Customer satisfaction is 81% with a target of 85%. Increased from 75% last year 1,877 compliments have been received and this is a sharp increase on last year's figure of 705. This is attributable to more customer satisfaction surveys being received. Complaints at 419 to date are also higher than last year's figure of 185. Satisfaction levels by event organisers at 97% and contractors at 93% are exceeding target. However, the net promoter score of 29% is lower than the 50% target.

10 KPI 2: Overall usage

1.15 million visits have been made to the LSC venues to Q3 2023/24. This exceeds last year's figure of 1.07 million. Performance has increased from last year overall. The newly opened Lee Valley Ice Centre is exceeding business plan targets but has not yet been open for a full year.

Regionality of 35% is exceeding the target albeit it is lower than last year's equivalent.

11 KPI 3: External Quality Assessment Scores

Quarterly audits are carried out at the venues by the Authority's appointed Health & Safety Contractor, Right Directions. Performance requires some improvement with the average score to Q3 being 80% against a target of 95%. Quality audits are also carried out by Right Directions and the score to date is 81% against a target of 85%. This gives an overall Quality score of 81% with a 90% target

12 KPI 4: Quality Service

Monitoring of the venues and their contract performance is carried out by Authority officers to ensure standards outlined in the LSC contract are maintained. To Q3 the performance score is just slightly below the 85% target with an 81% score.

Performance of the Active Communities PI's of Delivery Plans and Health & Wellbeing are considerably below target, however there is a delay in reporting due to GLL computer issues and we will need to re-evaluate this at Q4.

13 KPI 5: Environmental Management

Utility consumption is higher than last year but does include the newly opened Lee Valley Ice Centre. Lee Valley VeloPark is showing a 20% reduction in electricity due to LED lighting. Lee Valley White Water Centre shows a slight increase due to increased business, meaning more use of the pumps. However, water consumption is reported as a marked decrease. This figure is being questioned but is more accurately reported at Q4. We can see an improvement in the percentage of waste being recycled at 35% this year compared to 25% last year. This is still below the 40% target set but a plan is in place to meet target in future years.

14 KPI 6: Asset Protection and Maintenance

Performance indicators within this KPI are in place to measure the number of Maintenance Performance Guide (MPG) tasks completed each month and response times to reactive/emergency works. All indicators are reaching or exceeding target. MPG tasks are 95% completed each month. 98% of reactive emergency works are completed in a month and response times are 100% for priority issues.

AUTHORITY REPORTABLE KPI'S**FINANCIAL PERSPECTIVE INDICATORS - (KPI and PI)****15 KPI 1: Levy Contribution**

Members agreed in January 2023 (Paper A/4329/23) that the levy for 2023/24 would be increased by 9%. This equates to 34.1% of the maximum chargeable levy.

16 Total Income Generation PI

A full breakdown of Income and Budget Variance will no longer be reported in

the Authority Scorecard report as it is outlined in the Revenue Budget Monitoring Report included as Appendix B to this report.

17 External Capital Funding PI

In recent years the ability to attract substantial external grant funding to support the larger capital programme projects has remained limited.

- An external funding opportunity through the Levelling Up Fund in partnership with the London Borough of Tower Hamlets for East India Dock Basin was identified and submitted but was unsuccessful; a subsequent Heritage Lottery Fund (HLF) bid was also submitted but was also unsuccessful. Officers are discussing options and progress will continue to be reported to Members through the Capital Programme Budget Monitoring reports and Project Update presentations.
- £150,000 of funding was received from British Canoeing (via UK Sport) as their contribution towards the Slalom Ramp at Lee Valley White Water Centre, the total cost of which is reporting in the Capital Outturn report as £318,000.
- Outside of the capital programme, Active Communities were also successful in obtaining several smaller revenue funding pots, totalling £43,250 from London Marathon, British Canoeing, Herts Sports Partnership, Herts County Council, Lawn Tennis Association and National Grid. This funding supported, among other things, community health initiatives, tennis for people with additional needs and targeting access for girls to canoeing.

CUSTOMER PERSPECTIVE INDICATORS - (KPI and PI)

18 KPI 2: Customer Satisfaction

Customer satisfaction for Q3 of this year is 86%, which equals last year's performance and exceeds target.

19 KPI 3: Usage

5.2 million visits were made to the Authority open spaces and facilities up to the end of Q3 2023/24. This is 209,851 fewer visits (3.9%) than by the same period last year, although figures are still higher than pre-Covid levels. A previous error with the visitor counter at Waltham Abbey Gardens has contributed to this reduction.

The weather this year has been considerably wetter than last year, particularly in the summer months, with a higher than usual number of named storms and associated flooding. Although June was the hottest on record, overall the weather has contributed to the fall in visits to the Regional Park.

20 KPI 4: Stakeholder Perception

This indicator is generated by asking a set of stakeholders questions to assess their perception of the Authority. Surveys had been carried out at the annual London Councils Summit which gave useful data from borough councillors from across the capital. However, because of the timing of elections and the Covid-19 pandemic, the summit has not taken place in recent years. Officers have

costed up options to generate a new stakeholder perception measure and have included the costs in the budget submission for 2024/25 and will – subject to budget approval - carry this out in the next financial year.

21 Usage PI

Usage has decreased by 217,512 (4.1%) compared to the previous year across the open spaces; there has been an increase within Authority facilities and services of 7,661 (7%).

The reduction in open space usage is attributable to an error in the visitor counter at Waltham Abbey Gardens, providing erroneously high figures. This is now rectified. All other open spaces are showing usage comparable to the previous year.

In Q2 we reported a change of process in usage data collection at the campsites. Anomalies are being addressed and will be accurate by end Q4.

22 Customer Satisfaction PI

Customer satisfaction surveys are carried out throughout the open spaces and Authority venues. A customer satisfaction score of 86% at the end of Q3 2023/24 is consistent with the previous year. Figure is updated in Q2 and Q4.

23 Formal Complaints PI

The number of formal complaints received to the end of Q3 2023/24 has increased from 110 last year to 128 this year. A common theme for complaints has been litter and fly-tipping in the open spaces, grounds maintenance across the Park, overgrown vegetation, graffiti, plus the cost of parking or faulty machines and dirty toilets at Fishers Green. These are cleaned daily and any issues are addressed at the monthly contractor meeting.

24 Formal Compliments PI

The number of formal compliments received to the end of Q3 2023/24 has decreased from 59 last year to 48 this year; the majority of compliments are from volunteers, regarding the Volunteer Party, Ranger led tasks, volunteer led walks, volunteer discounts and friendly volunteers at the Wildlife Discovery Centre.

25 Regionality PI

Data from the visitor tracking contractor indicates that the 44% regionality for this year shows that numbers from outside the region (3-mile radius of sites) is lower than the previous year, but still exceeding the target of 38%. This is due in the main to an improved method of data analysis giving a more accurate figure. We are, in addition, taking positive measures through targeted initiatives (such as the Community Access Fund (CAF)), to increase our regional reach, combined with active marketing.

26 Visitor Profiling PI

The profiling for this year shows an increase in visits from black & ethnic minority groups, disabled and the over 60 age group. There is a small decrease

(1%) in the most deprived socio-economic groups, but this figure still exceeds target. Figures are updated in Q2 and Q4.

27 Website Hits PI

A new target was set taking into account the loss of web hits for LSC venues that are now hosted by GLL. In addition, the Authority has reduced from having four websites to two. This is the first year we can compare figures against the new targets and to Q3 2023/24 there has been a 16% increase in web hits compared to the same period last year, attributable to a very successful summer marketing campaign.

28 Media Articles/Percentage Positive Media Articles PI

With the scorecard focussed primarily on the Authority, there is an exception within the Media section. The Authority monitors all media activity for LSC venues, so the Authority and LSC media articles will be reported on separate lines. The number of articles is lower than last year's high figure, some of which was attributable to the Commonwealth Games. The percentage of positive articles exceeds target.

The majority of press coverage to the end of Q3 was positive, however the neutral articles relate to:

- 3 boats set on fire at Stanstead Marina (1 piece);
- 10 Years Ago This Week – objections to the proposed WaterWorks campsite; and
- Speculation about a proposed cycling event at Lee Valley VeloPark.

29 Response Time – Complaints PI

The response time for complaints remains consistent with last year, at 2 days.

30 Response Time – FOI/EIR Requests PI

The response time for FOI/EIR requests has decreased to 10 working days, exceeding the target. This is due to increased capacity in the Legal team. In Q3 there were 3 requests under EIR and 1 request dealt with under the Authority's commitment to deal with other requests in accordance with FOI. The requests received are summarised in the table below.

Information requested on:	EIR/FOI
Information / update on plans for sports facilities at Eton Manor and its collaboration with UCL. Also, information / update on plans for hotel at Eton Manor	EIR
Request for amount and person/entity awarding funding for the Northwall Road re-wilding project	EIR
Request for photographs of Nazeing Meads lagoons showing gravel extraction prior to them being filled with water	EIR
Request for information regarding the procurement of a media monitoring and database system	FOIA

31 Cleanliness PI

The average cleanliness score of 95% is the same as last year and continues to exceed target, which is excellent. The continued use of volunteers as an added resource which has enabled the contractor and Ranger teams to keep abreast of the litter generated. Any areas of unacceptable cleanliness are reported to the grounds maintenance contractor and are monitored using Park Reporter to ensure any concerns are acted upon.

INTERNAL BUSINESS PERSPECTIVE**32 Open Space Quality Awards (Green Flag, London in Bloom) PI**

In 2022 all 7 submitted sites for London in Bloom were awarded Gold and Bow Creek was the overall winner in the Conservation Area category. In 2023 8 sites were awarded Gold, with Waltham Abbey Gardens being the category winner and the newly opened Lee Valley Ice Centre was honoured with a special award for Best Biodiversity and Environmental Innovation. The Authority also received nine Green Flag awards and one Green Heritage award.

33 Service Quality Awards (Quest, Learning Outside the Classroom) PI

The programmed Quest assessments for this year have been undertaken, with Quest assessments at Lee Valley VeloPark, Lee Valley Athletics Centre, Lee Valley White Water Centre, Lee Valley Riding Centre and Lee Valley Hockey and Tennis Centre. Learning and Engagement (formerly Youth and Schools) retained its Learning Outside the Classroom (LOtC) accreditation.

34 Staff Turnover PI

Staff turnover to the end of Q3 is 12%. This is on target to not exceed the annual cumulative target of 15%.

For Q3 this equates to 4 staff in total, two resignations and two dismissals. All were permanent staff. The total to end of Q3 is 15 leavers: comprising 9 resignations, 1 retirement, 4 dismissals and 1 end of contract.

35 Staff Sickness PI

Up to the end of Q3 2023/24, there were an average of 2.32 days sickness with a target of 3.0 days. This continues to be lower than the private sector or other comparable public bodies and has been consistently low over the last three years.

Please note that the sickness target for 2023/24 of 3 days per FTE now only includes short term sickness, which is sickness under 4 weeks in length; this is comparable to the method used in 2022/23.

Q1 – 0.9 sick days per FTE – this related to 110 days sickness with the top three reasons being stomach upset, coughs/colds and other.

Q2 – 0.64 sick days per FTE – this related to 81 days sickness with the top three reasons being non-work-related stress, chest infections and Covid-19,

Q3 – 0.78 sick days per FTE - this related to 98.5 days sickness with the top reasons being colds, flu, Covid-19, stomach upset and migraine.

36 Percentage Waste Recycled PI

The amount of waste produced and collected up to the end of Q3 is showing a small decrease on the previous year. The grounds maintenance contractor has recycled 90% of the waste collected. This a decrease on the previous year's recycling figure due to an increased amount of unexpected fly-tipping that had to be dealt with, however the figure is still achieving the 90% target.

INNOVATION AND LEARNING PERSPECTIVE

37 Staff Satisfaction Survey – Annual PI

A Health, Safety and Wellbeing Survey took place in July 2022 (with a follow up in August 2022) and the actions from this are still being worked through with our Health & Safety contractors, Right Directions. Another Health, Safety and Wellbeing Survey will be going out to staff in 2024.

In addition, a number of Focus Groups have been held to discuss with staff their feedback on specific areas such as flexible working and wellbeing. The use of face-to-face focus groups has been welcomed by staff and officers will continue with these for feedback on specific areas/projects.

38 Staff Training PI

To the end of Q3 2023/24, 472 staff attended training. In terms of eLearning, this was 45 staff in Q1, 48 staff in Q2 and 120 staff in Q3. A further 61 staff attended face-to-face training in Q1, 70 attended face to face training in Q2 and 128 in Q3. This figure is higher than previous years due to the introduction of mandatory General Data Protection Regulation (GDPR) training.

A new PI relating to GDPR training has been introduced. This mandatory new course is available to employees and casual staff. By the end of Q3 61 out of 127 permanent and 15 out of 53 casual staff have completed the training. The casual staff will take longer to complete this training as many of them are only at work a few days per year. Those who have not completed their GDPR training will be contacted individually.

39 Health and Safety Audit PI

The average audit score to the end of Q3 2023/24 is 75%. The completed audits were carried out by Right Directions, the Authority's Health & Safety contractor. Right Directions were appointed after a procurement process, with a focus on a forensic approach to audits and a higher level of support and guidance for sites. This has as expected resulted in a lower score than previously due to the improved approach, but scores have improved as the year has progressed.

40 Health & Safety Accidents and Incidents (Internal/External) PI

There has been a decrease in the number of staff accidents and incidents reported to the end of Q3. However there is an increase on last year of external accidents incidents. It is to be noted that this is mainly incidents such

as bye-law offences and accidents remain low. There is a small increase in the number of staff/contractor accidents and incidents. This is also mainly incidents with a low number of accidents.

With Human Resources and Right Directions working closely together to assess training needs, a more comprehensive schedule of health and safety training has been developed both corporately and site/role specific to ensure staff are competent to carry out their roles. For example, every venue/section now has an Institute of Occupational Safety and Health Managing Safely trained member of staff with an in-depth knowledge on assessing risks, controlling risks, understanding hazards and continually reviewing performance in these areas.

41 Data Protection PI

Q2 saw some additional PIs being added, relating to data protection to improve our monitoring in this area. These PIs relate to the percentage of staff having up-to-date training in data protection, the number of subject access requests received, and the percentage of those requests responded to within statutory timescales and the number of personal data incidents, near misses and breaches.

There were two personal data breaches during the period July to September 2023, neither of which were high risk, nor required reporting to the Information Commissioner's Office. They both involved errors in addressing e-mails that resulted in personal data being shared incorrectly. In one case personal information was shared with one recipient incorrectly and in the other 68 e-mail addresses were revealed as a result of an e-mail being copied rather than blind copied to recipients. The recipients of the information were contacted and asked to delete the e-mails sent in error and the data subjects were informed about what had happened. In Q3 there was one subject access request responded to but no further data breaches.

FINANCIAL IMPLICATIONS

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

HUMAN RESOURCE IMPLICATIONS

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

LEGAL IMPLICATIONS

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

RISK MANAGEMENT IMPLICATIONS

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

EQUALITY IMPLICATIONS

- 46 There are no equality implications arising directly from the recommendations in this report.
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PREVIOUS COMMITTEE REPORTS

Scrutiny	S/66/23	Scrutiny Scorecard 2023/24 Q2	23/11/23
Scrutiny	S/63/23	Scrutiny Scorecard 2022/23 Q4	22/06/23

APPENDICES ATTACHED

Appendix A	Authority Scrutiny Scorecard
Appendix B	Revenue Monitoring Report and appendices
Appendix C	Leisure Service Contract Scrutiny Scorecard

LIST OF ABBREVIATIONS

KPI	Key Performance Indicator
LWWC	Lee Valley White Water Centre
LVVP	Lee Valley VeloPark
LVHTC	Lee Valley Hockey & Tennis Centre
LSC	Leisure Service Contract
GLL	Greenwich Leisure Ltd.

Financial Perspective	KPI/PI	Annual Target	Qtr 3 profiled target	Last Equivalent	This Period	Direction of Travel	P.A.T.	Expenditure
Levy Contribution	KPI 1	34.10%	34.1%	35.3%	34.1%	↑		34.1%
Total Income generation	PI	£8,062,000	£8,272,000	£7,473,522	£8,793,000	↓		£8,062,000
External Capital Funding	PI	2%	2%	1%	6%	↑		3%
Income (£000's)	PI		Budget Target	Last Equivalent	This Period			
	Abbey Gardens	1	0	2	2			
	Bow Creek / EIDB	2	1	9	4	↔		
	Gunpowder Park	1	0	4	1	↓		
	River Lee Country Park	1	1	7	6	↓		
	Rye House Gatehouse	0	0	0	0	↔		
	Three Mills	0	0	1	0	↓		
	Countryside Areas	171	127	169	144	↓		
	Myd Hee Gardens & Via Cntr	165	120	140	130	↓		
	Myd House	18	12	8	10	↑		
	Hayes the Farm							
	Hoyfield Farm	260	195	455	148	↓		
	Fisherlee	130	97	56	111	↑		
	Learning & Engagement (V&S)	26	20	27	25	↓		
	Events	120	90	220	113	↓		
	Sport and Active Recreation	0	0	37	7	↓		
	Volunteers	0	0	0	0	↔		
	LV Campsite Sewardstone	720	613	463	611	↑		
	LV Caravan Park Dobbs Weir	1094	954	704	828	↑		
	LV Camping and Caravan Park Edmington	659	435	445	524	↑		
	LV Almost Wild Campsite	51	49	43	50	↑		
	LV Golf Course	114	90	76	102	↑		
	LV Marina Stanstead	903	677	630	634	↑		
	LV Marina Springfield	1114	835	841	875	↑		
	LV WaterWorks Centre	2	1	1	6	↑		

Direction of travel

↑	Performance has improved
↓	Performance has worsened
↔	Performance has remained the same

Tolerance

5.10%	Performance against profiled budget (P.A.T)
	Achieving or exceeding target
	Just missed target
	Below target

Customer Perspective	KPI/PI	Annual Target	Qtr 3 profiled target	Last Equivalent	This Period	Direction of Travel	P.A.T. Expectation
Customer Satisfaction (Overall)	KPI 1	85%	NA	86%	86%	↔	85%
Usage	KPI 2	7 million	5,250,000	5,364,625	5,194,774	↓	7 million
Stakeholders Perception	KPI 3	75%	NA	74%	74%	↔	75%
	KPI 4						
Complaints	PI	148	111	110	128	↓	148
Compliments	PI	81	61	59	48	↓	81
Regionality	PI	38%	NA	53%	44%	↓	N/A
Visitor Profiling	PI						
- from the most deprived socio-economic groups	PI	10%	NA	18%	17%	↓	N/A
- from black & minority ethnic groups	PI	30%	NA	35%	38%	↑	N/A
- aged over 60yrs	PI	25%	NA	30%	35%	↑	N/A
- disabled	PI	6%	NA	5%	8%	↑	N/A
Website Hits	PI	130,000	140,000	262,367	312,919	↑	320,000
Media articles for all Authority-led areas (responsibility of LVRPA)	PI	2,800	2,100	3,138	1,501	↓	2,800
%age positive articles	PI	86%	NA	71.6%	86%	↑	86%
Media articles for LSC venues (responsibility of GLL)	PI	1,200	900	1,573	674	↓	1,000
%age positive articles	PI	95%	NA	98.9%	97.3%	↓	95%
Total Media Articles	PI	4,000	NA	4,709	2,175	↓	2,400
Total %age positive articles	PI	95%	NA	81%	96%	↑	97%
Response times to all communications (excluding FOWER)	PI	10	NA	2	2	↔	3
Response Times to FOWER	PI	20	NA	35	10	↑	20
No. of SANS received	PI	NA	NA	NA	1	↔	NA
% SANS responded to within statutory timescales	PI	100%	NA	NA	100%	↔	100%
No. of personal data breaches	PI	0	0	NA	0	↔	0
No. of personal data near misses	PI	0	0	NA	0	↔	0
No. of personal data incidents	PI	0	0	NA	0	↔	0

Direction of Travel	Performance has improved
↑	Performance has improved
↓	Performance has worsened
↔	Performance has remained the same

Tolerance	Performance against profiled target (P.A.T.)
Green	Achieving or exceeding target
Yellow	Just missed target
Red	Below target

Internal Business Perspective	KPI/PI	Annual Target	Qtr 3 Target	Last Equipment	This Period	Direction of Travel	P.A.T.	Expectation
Open Space Quality Awards (Green Flag)	PI	17	NA	17	18	↑	6	17
Service Quality Awards (Quiet, LOTC)	PI	6	NA	6	6	↔	6	6
Staff Turnover	PI	15%	NA	9.65%	12.00%	↓	3	15.0%
Staff Sickness	PI	3	NA	0.7	2.32%	↓	3	3
Waste Recycled	PI	90%	NA	93%	90%	↓	3	90%




Direction of travel	Performance has improved	Performance has worsened	Performance has remained the same
↑	Performance has improved	Performance has worsened	Performance has remained the same
↓	Performance has improved	Performance has worsened	Performance has remained the same
↔	Performance has improved	Performance has worsened	Performance has remained the same

Innovation and Learning Perspective	KPI/KPI	Annual Target	Qtr 3 Target	Last Equivalent	This Period	Direction of Travel	P.A.T	Expectation
Staff satisfaction Survey Annually (six monthly)	PI	75%	NA	75%	75%	↔	75%	75%
Staff Training Attendance	PI	280	NA	257	472	↑	280	280
H & S Quarterly Audit (cumulative annual)	PI	95%	NA	87%	75%	↓	95%	95%
H & S Accidents and Incidents (Internal/External)	PI	322	NA	263	356	↓	322	322
H & S Accidents and Incidents (Staff/Volunteer/Contractor)	PI	30	NA	12	8	↑	30	30
Staff Training - Data Protection	KPI	100%	NA	NA	41.00%	↔	100%	100%

Tolerance	Performance against profiled target (P.A.T)
5-15%	Achieving or exceeding target
15-20%	Just miss of target
20-25%	Below target

Direction of travel	↑	Performance has improved
	↓	Performance has worsened
	↔	Performance has remained the same

 <p>LEE VALLEY REGIONAL PARK AUTHORITY</p> <p>EXECUTIVE COMMITTEE</p> <p>29 FEBRUARY 2024 AT 10:30</p>	<p><u>Agenda Item No:</u></p> <p><u>Report No:</u></p> <p>E/841/24</p>
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Q3 REVENUE BUDGET MONITORING 2023/24

Presented by the Head of Finance

EXECUTIVE SUMMARY

This report summarises monitoring of revenue expenditure to December 2023. It compares income and expenditure to the approved budget and includes a projection indicating the likely outturn position against the annual budget for the year ended 31 March 2024.

The budget was set in the context of high energy prices that were expected to rise again in October, and high inflation and cost of living pressures on customers that were anticipated to negatively impact income. A contingency of £600,000 was included within the budget to mitigate these risks.

The year-end position shows a projected net under spend of £124,000 against the net revenue budget deficit of £456,000. The net deficit for the year is forecast as £332,000. The major variations currently projected are summarised in the table below.

Description	Annual Budget	Forecast Outturn	Variance
Interest Payable	828	1,026	198
Interest Receivable	(30)	(619)	(589)
Campsites	(911)	(691)	220
Marinas	(479)	(392)	87
Parklands and Open Spaces	2,825	2,929	104
Leisure Services Contract	2,274	2,609	335
Minimum Revenue Provision (Ice)	700	646	(54)
Corporate Services	(295)	(327)	(32)
Business Support Services	2,487	2,683	196
Other	3,104	3,115	11
Levies	(10,647)	(10,647)	0
SUB-TOTAL	(144)	332	476
Energy and General Contingency	600	0	(600)
TOTAL	456	332	(124)

RECOMMENDATION

Members Note: (1) the report.

BACKGROUND

- 1 The Executive Committee recommended a budget for 2023/24 at its meeting in January 2023 (Paper E/795/23). Members approved this at the Authority meeting on 19 January 2023 (Paper A/4329/23). This report compares forecast income and expenditure to 31 March 2024 with the budget.
- 2 The summary financial position of each Authority service or facility is shown in Appendix A to this report.
- 3 The net revenue budget was set at a deficit of £456,000. The year-end position is forecast as £332,000 deficit, which is a £124,000 improvement on budget.

GENERAL ECONOMIC FACTORS

4 Inflation

December's inflation for the Retail Price Index (RPI) stood at 5.2% and Consumer Price Index (CPI) at 4.0%. The Bank of England expect inflation to fall to 2% in the Spring before rising slightly (Bank of England Monetary Policy Committee Report February 2024). The Bank of England increased the base rate to 5.25% on 3 August in an effort to try to control inflation, and will keep rates high for long enough to bring down inflation to their target level of 2%.

5 Energy Costs

The Authority purchases energy through the Laser framework that has secured energy prices below market rates and has protected the Authority from the worst of the energy price increases over the last year. The current agreement started in October 2023 and has fixed prices until September 2024.

The 2023/24 energy budgets were built based on actual energy consumption, energy tariffs secured to September 2023, and Laser's forecast at that time for the new tariff from October 2023.

Consumption across Authority venues is being monitored closely and overall there has been reduced consumption compared to last year. The new tariffs from October 2023 to September 2024 were received in early November. Electricity tariffs have increased by less than expected, and gas tariffs have reduced. Overall these tariffs are a 7% saving compared to the budget assumption, and combined with consumption levels we forecast a £60,000 saving across energy budgets, spread across the venues.

As part of the shared risk position for utilities at the Leisure Services Contract (LSC) venues, the Authority takes the risk for tariff and Greenwich Leisure Ltd (GLL) takes the risk for utility consumption. This arrangement is due to end after the first two contract years, however both parties are discussing an amendment to the contract to agree the most beneficial risk profile.

The 2023/24 budget includes £1.43 million to cover this tariff risk. To date consumption savings have been achieved across the LSC venues due to the LED investment at Lee Valley VeloPark and good management practices

across the venues. Consumption savings from the further LED investment projects across other LSC venues, as agreed by Executive in February 2023 (Paper E/802/23), will be fully seen in 2024/25. GLL have also received better than anticipated tariffs, and combined with reduced consumption it is forecast that there will be a saving of at least £120,000 against this budget.

6 Pay Award

In February the National Employers made a full and final offer for the 2023/24 pay award of an increase of £1,925 on all National Joint Council (NJC) pay points 1 to 43, an increase of 3.88% on all pay points above 43, and an increase of 3.88% on London Weighting. Initially the unions rejected the offer, but it was announced on 1 November 2023 that Unison and GMB have accepted the offer and, whilst Unite have refused, a majority decision has been reached to accept the offer.

Members agreed in November (Paper E/826/23) that the Authority should set a pay award for 2023/24 for officers on pay point 44 and above in line with the NJC scale.

The 2023/24 budget included provision for a 4% pay award. The final award represents an approximate 5% increase, which equates to £90,000 additional expenditure against the approved budget.

MAIN VARIANCES FROM BUDGET

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

FINANCING

8 Interest Receivable (£589,000 additional income) and Interest Payable (£198,000 additional expenditure)

The increased rates of interest have impacted both the income received on investments, and interest payable on loans. Interest receivable has been significantly increased due to a higher than anticipated cash holding and effective treasury management. This includes money that will be owed to GLL that they have not yet invoiced for (Management Fee, Year 1 Utilities risk share and investment projects at venues). Interest received on the VAT rebate, detailed in paragraph 18, is included within this figure.

9 Minimum Revenue Provision / Contribution to Capital (£54,000 saving against budget)

Under the Prudential Code, we are required to make a statutory provision for repayment of debt, be that external or internal. This is based on a calculation of the Capital Financing Requirement (CFR) as at the prior year balance sheet date.

The redevelopment of Lee Valley Ice Centre is our one area of external borrowing, and the 2023/24 budget was built on the expectation that we would have borrowed, and thus have an obligation to repay, £28 million with the venue coming into operation in February 2023.

Members also agreed (Paper A/4330/23) that £5 million of the capital receipt for Mile and Langley Nursery should be used to finance the Lee Valley Ice

Centre redevelopment scheme rather than using external borrowing. This would have reduced the Minimum Revenue Provision (MRP) to £575,000 for 2023/24.

However, with the delay to the handover until May 2023, the CFR for Lee Valley Ice Centre redevelopment based on the balance sheet was £NIL with no statutory requirement for any MRP. Whilst the CFR for Lee Valley Ice Centre is £0 for 2023/24, we still do have this external borrowing that requires financing. Therefore, we have included the £575,000 as a voluntary contribution to fund capital, and thus reduce the future requirement for external borrowing. Without this voluntary contribution, repayment of borrowing would be extended by a year, along with the associated interest costs.

An additional £71,000 contribution to capital has been funded from the returns delivered by the investment projects at Lee Valley Athletics Centre and Lee Valley Riding Centre, and as agreed by Members (Paper E/797/23) is a contribution to replacing the capital the Authority directly invested in the schemes.

BUSINESS SUPPORT SERVICES

10 Financial Management (£174,000 additional expenditure)

Additional consultancy support has been required which includes support from KPMG that resulted in the VAT rebate detailed in paragraph 18.

PARKLANDS AND OPEN SPACES

11 Countryside Areas (£137,000 additional expenditure)

The retendering of the security contract with Parkguard, reported to Executive in November (Paper E/831/23), has resulted in increased costs for the remainder of this year. Meadow cuts sit outside of the main grounds maintenance contract and actual costs for this year have come back higher than anticipated in the budget.

Ranger staffing has been brought back up to the required level this year. Due to long term staff illness there has been a requirement for additional staffing expenditure to maintain service delivery. Higher than usual instances of fly tipping and arboriculture works following storms have also increased expenditure.

SMALL VENUES

12 Marinas (£87,000 overspend)

The cost of living is having an impact at the marinas, with a higher turnover of moorers than in previous years. There is demand to replace these moorings, with just a few vacant hardstanding moorings at Stanstead during the summer. Demand for rechargeable works is down on previous years. This is mainly attributed to the cost of living, with customers looking to delay works, carry them out themselves, or use cheaper competitors where available for smaller jobs.

The lease for land rented at Rye House for moorings has been completed. The rent to be paid this year is £20,000, which was not included in the budget.

We are currently carrying out a review at both marinas, and following a presentation to Members in November, a report will be brought back to Executive in the Spring.

13 Campsites (£220,000 overspend)

Across the campsites occupancy levels for touring and rental accommodation have generally been in line with last year. However, the introduction of the extended ULEZ zone from August has had an impact. Edmonton Campsite is inside the zone and Sewardstone is just outside. Touring bookings have dropped at Edmonton and although we have been able to redirect most impacted bookings to Sewardstone, where we have seen increased occupancy, there is a risk that overall income will be down.

Income from new investment projects at Dobbs Weir and Sewardstone (Pods, customer Wi-Fi and Holiday Homes) is not expected to achieve budget targets. We have experienced some delays in delivery, and demand is building more slowly than hoped. Marketing campaigns are being used to push these products and demand is expected to pick up during the year.

Caravan sales are forecast to achieve budget, with sales expected for the five new plots at Dobbs Weir.

LEISURE SERVICES CONTRACT

14 Management Fee (£47,000 additional expenditure)

The second year of the LSC commenced on 1 April 2023. The Authority is due to make a management fee payment to GLL this year, then from year three onwards this becomes a payment to the Authority. Adjustments to the management fee and other payments to GLL are explained below.

The Executive Committee (Paper E/743/21) approved the capital project to build a new Kayak Slalom Ramp at Lee Valley White Water Centre. This was completed in May 2023. The ramp was used for the Kayak Cross events at the 2023 Canoe Slalom World Championships held at the venue in September 2023. During the build there were restrictions to the programme on the Olympic Course, and a loss of income payment of £16,745 was agreed by Authority (Paper A/4341/23).

The contractors were required to return to site in January to carry out remedial work which meant that the Olympic Course could not be used for four days. A further loss of income payment is due to GLL, and a figure of £7,500 has been agreed.

Additionally, Members approved (Paper A/4341/23) an additional £23,400 be added to the Leisure Operators Base Trading Account (LOBTA) for an engineer at the Lee Valley Ice Centre to ensure that the building and plant is maintained to a high standard.

15 Efficiencies / Increased Income (£113,000 savings not achieved)

The Authority is working with GLL on a number of planned investment projects across the venues. Members approved two projects in January 2023 (Paper E/796/23). The health and fitness redevelopment at Lee Valley Athletics Centre and the mechanical horse at Lee Valley Riding Centre have both been

completed. These projects will generate an additional income which will adjust the management fee by £75,000 this year. Once these two projects have reached full maturity, the annual return will be around £220,000.

Following investment in the LED lighting project at Lee Valley VeloPark, Members approved further spend to save LED investment at Lee Valley Hockey and Tennis Centre, Lee Valley Athletics Centre, Lee Valley Riding Centre and Lee Valley White Water Centre (Paper E/802/23). These projects are underway and consumption savings will benefit future years' utility risk share expenditure. There is also an associated saving on lighting lifecycle replacement costs, with a £10,000 saving this year.

16 Utilities (£120,000 reduced expenditure)

As explained earlier in this report we forecast a £120,000 saving against the LSC utilities budget. However, this still represents a payment of £1.31 million in respect of the tariff risk element of total LSC utility costs.

17 Lee Valley Ice Centre (£270,000 additional expenditure)

The new Lee Valley Ice Centre opened to the public in June 2023, later than originally planned. A management fee adjustment of £520,000 has been agreed that reflects the loss of income associated with the delay. This reflects the longer than expected delay assumed at the time of setting the £250,000 budget provision.

Members received a report in October 2023 (Paper A/4341/23) that detailed this and a number of other management fee adjustments and approved the values for payment to GLL. This additional expenditure will be covered by the budget contingency.

FURTHER ISSUES

18 VAT Claim on Sporting Income

Following conclusion of the legal case around VAT on local authority non-business income, the Authority received a refund from HMRC along with accrued interest, which after fees for KPMG have been deducted results in a net receipt of £1.8 million.

In January Members approved the 2024/25 Budget (Paper A/4346/24) and for the £1.811 million refund to be held in the General Fund. The accrued interest and KPMG fees are included within the outturn within Investment income, and Business Support Services appropriately.

ENVIRONMENTAL IMPLICATIONS

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

FINANCIAL IMPLICATIONS

- 20 These are dealt with in the body of the 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 There are no risk management implications arising directly from the recommendations in this report.

EQUALITY IMPLICATIONS

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

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PREVIOUS COMMITTEE REPORTS

Executive Committee	E/827/23	Q2 Revenue Budget Monitoring 2023/24	23 November 2023
Executive Committee	E/816/23	Q1 Revenue Budget Monitoring 2023/24	21 September 2023
Authority	A/4329/23	2023/24 Revenue Budget & Levy	19 January 2023
Executive Committee	E/795/23	2023/24 Revenue Budget & Levy	19 January 2023

APPENDIX ATTACHED

Appendix A Detailed outturn forecast

LIST OF ABBREVIATIONS

LSC	Leisure Services Contract
GLL	Greenwich Leisure Limited
NJC	National Joint Council
CFR	Capital Financing Requirement
MRP	Minimum Revenue Provision
LOBTA	Leisure Operators Base Trading Account

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YEAR 2023/24

PERIOD: 09 (December 2023)

	Actual To Date			Annual Net Budget	Proposed Net Outturn	Variance	
	Income	Expenditure	Net			£000s	%
OPERATIONAL SERVICES							
Chief Executive	(5)	449	444	609	607	(2)	(0%)
Corporate Services	(1,554)	1,019	(535)	(295)	(827)	(32)	(11%)
Business Support Services	(46)	1,768	1,722	2,487	2,683	196	8%
Sport and Leisure	(282)	918	636	988	1,010	22	2%
Parklands and Open Spaces	(646)	2,591	1,945	2,825	2,930	105	4%
Small Venues	(4,224)	3,160	(1,064)	(1,253)	(958)	295	24%
Leisure Services Contract	0	9	9	2,274	2,609	335	15%
	(6,757)	9,914	3,157	7,635	8,554	919	12%
FINANCING							
Interest Receivable	(437)	0	(437)	(30)	(619)	(589)	(1963%)
Interest Payable & Bank Charges	0	504	504	828	1,026	198	24%
Contributions to/from Earmarked Reserves	0	0	0	940	942	2	0%
Financing of Capital Expenditure	0	0	0	0	646	646	0%
Minimum Revenue Provision (Pre-2007)	0	0	0	430	430	0	0%
Minimum Revenue Provision (Ice Centre)	0	0	0	700	0	(700)	(100%)
						0	
Levies on Local Authorities	(7,985)	0	(7,985)	(10,647)	(10,647)	0	0%
Income And Energy Contingency	0	0	0	600	0		
Movement In General Fund				456	932	(124)	(27%)
VAT refund - allocated to General Fund					(1,811)		
TOTAL MOVEMENT IN GENERAL FUND					(1,479)		

YEAR 2023/24

PERIOD: 09 (December 2023)

	Actual To Date			Annual Net Budget	Proposed Net Outturn	Variance	
	Income	Expenditure	Net			£000s	%
CHIEF EXECUTIVE							
Chief Executive	0	172	172	234	234	0	0%
PR / Communications	(5)	277	272	375	373	(2)	(1%)
TOTAL CHIEF EXECUTIVE	(5)	449	444	609	607	(2)	(0%)
CORPORATE SERVICES							
Legal Service	(2)	329	327	539	585	(4)	(1%)
Property Management	(1,552)	284	(1,269)	(1,406)	(1,490)	(24)	(2%)
Planning and Strategic Partnerships	0	77	77	155	117	(38)	(25%)
Asset Protection, Maintenance & Development	0	232	232	292	321	29	10%
Committee Service	0	97	97	125	130	5	4%
TOTAL CORPORATE SERVICES	(1,554)	1,019	(535)	(295)	(327)	(32)	(11%)
BUSINESS SUPPORT SERVICES							
Financial Management	0	500	500	502	676	174	35%
Human Resources Management	0	177	177	217	229	12	6%
Information Technology	(29)	597	568	871	880	9	1%
Corporate Insurances	0	217	217	489	489	0	0%
Audit / Health & Safety	(17)	108	90	206	199	(7)	(3%)
Non Distributed Costs	0	48	48	62	63	1	2%
Corporate Training / Apprenticeships	0	45	45	42	47	5	12%
Project & Funding Delivery	0	76	76	98	100	2	2%
TOTAL FINANCIAL SERVICES	(46)	1,768	1,722	2,487	2,683	196	8%
SPORT AND LEISURE							
Events	(248)	253	5	41	66	27	66%
Sports Development	(7)	34	26	89	82	(7)	(8%)
Policy and Performance	0	499	499	682	690	8	1%
Learning & Engagement Service	(24)	112	88	136	133	(3)	(2%)
Community Access	(3)	20	16	40	37	(3)	(8%)
TOTAL SPORT AND LEISURE	(282)	918	636	988	1,010	22	2%

YEAR 2023/24

PERIOD: 09 (December 2023)

	Actual To Date			Annual Net Budget	Proposed Net Outturn	Variance	
	Income	Expenditure	Net			£000s	%
PARKLANDS AND OPEN SPACES							
Management							
Operational Management	0	221	221	294	295	1	0%
Myddelton House Management	(10)	311	301	371	368	(3)	(1%)
Parklands							
River Lee Country Park	(6)	239	233	356	333	(23)	(6%)
Gunpowder Park	(1)	67	66	89	92	3	3%
Countryside Areas	(146)	1,009	863	1,250	1,387	137	11%
Abbey Gardens	(2)	63	61	81	82	1	1%
Three Mills	0	19	19	25	26	1	4%
East India Dock and Bow Creek	(4)	19	15	27	23	(4)	(15%)
Leyton Marsh	0	0	0	0	0	0	0%
Broxbourne Riverside	(20)	15	(4)	18	18	0	0%
Fisheries	(111)	18	(94)	(72)	(86)	(14)	(19%)
Visitor Attractions							
Myddelton House	(130)	242	112	178	176	(2)	(1%)
Rye House Gatehouse	0	2	2	5	5	0	0%
Park Projects							
Volunteers	0	36	36	46	47	1	2%
Biodiversity Management	0	87	87	118	119	1	1%
Farms							
Lee Valley Farm, Holyfieldhall	(154)	229	76	93	99	6	6%
Initiatives and Partnerships							
King George Reservoir South	(11)	14	3	(1)	(1)	0	0%
Lee Valley Boat Centre	(41)	0	(41)	(41)	(41)	0	0%
Broxbourne Chalets	(10)	0	(10)	(12)	(12)	0	0%
TOTAL PARKLAND AND OPEN SPACES	(646)	2,591	1,945	2,825	2,930	105	4%
Small Venues							
Lee Valley Marina Springfield	(875)	537	(339)	(391)	(872)	19	5%
Lee Valley Marina Stanstead	(634)	599	(34)	(88)	(20)	68	77%
Lee Valley Waterworks Centre	(6)	53	48	84	81	(3)	(4%)
Lee Valley Campsite (Sewardstone)	(611)	417	(194)	(154)	(119)	35	23%
Lee Valley Caravan Park (Dobbs Weir)	(826)	570	(256)	(391)	(223)	168	43%
Lee Valley Leisure Centre Campsite	(524)	375	(149)	(108)	(89)	19	18%
Lee Valley Leisure Centre Golf Course	(102)	119	16	53	44	(9)	(17%)
Almost Wild Campsite	(50)	24	(26)	(15)	(19)	(4)	(27%)
Caravan Sales	(596)	466	(130)	(243)	(241)	2	1%
TOTAL SMALL VENUES	(4,224)	3,160	(1,064)	(1,253)	(958)	295	24%

	Actual To Date			Annual Net Budget	Proposed Net Outturn	Variance	
	Income	Expenditure	Net			£'000s	%
LEISURE SERVICES CONTRACT							
Management Fee	0	0	0	561	608	47	8%
Efficiencies / Increased Income	0	0	0	(200)	(87)	113	57%
LSC Support	0	0	0	0	0	0	0%
LSC Venues Direct Costs	0	9	9	233	258	25	11%
LSC Contingency (Utilities)	0	0	0	1,430	1,310	(120)	(8%)
LSC Operations (Ice Centre)	0	0	0	250	320	70	28%
TOTAL LSC VENUES AND BUSINESS SUPPORT	0	9	9	2,274	2,609	335	15%
TOTAL OPERATIONAL SERVICES	(6,757)	9,814	3,157	7,695	8,554	859	11%

PI	KPI	ANNUAL TARGET	LAST EQUIVALENT	THIS PERIOD	DIRECTION OF TRAVEL	PERFORMANCE AGAINST TARGET
KPI 1 Overall Customer Satisfaction						
How users rate their satisfaction with visit						
1	Customer Satisfaction	85%	75%	81%	↑	↔
2	Formal Complaints	250	185	419	↓	↔
3	Formal compliments	1,200	705	1,877	↓	↔
4	Net Promoter Score	50%	12%	29%	↑	↔
17	Active Communities- User Satisfaction	>75%	NA	88%	↔	↔
20	Events- Organiser satisfaction	90%	84%	97%	↑	↔
21	Events- Contractor-supplier satisfaction	90%	NA	93%	↔	↔
22	Events- Spectator satisfaction	75%	NA	NA	↔	↔
KPI 2 Overall Usage						
number of people using the facility						
5	Regionality	30%	42%	35%	↓	↔
6	Usage	2.5m	1,074,620	1,155,038	↑	↔
KPI 3 External Quality Assessment Scores						
score obtained from a combination of quality assessments at facilities						
KPI 3 overall average score (average of PI7 and PI 8 below)						
7	H&S audit	90%	95%	81%	↓	↔
8	External Quality Assessment	85%	63%	81%	↑	↔
KPI 4 Quality Service (internal)						
score obtained from monitoring facilities and contract performance						
KPI 4 overall average score (average of PI9, 18 and 19 below)						
9	Quality Service Score	85% overall	84%	71%	↓	↔
18	Active Communities- Delivery Plans	85%	88%	81%	↓	↔
19	Active Communities- Health and Wellbeing	90%	63%	63%	↔	↔
KPI 5 Environmental Management						
score obtained from measurement of range of environmental factors						
10	Utility consumption	85%	5,356,923	score at Q4		↔
11	water usage	6,549,327	5,356,923	6,499,934	↓	↔
12	waste recycled	87,417	79,025	27,878	↑	↔
KPI 6 Asset Protection and Maintenance						
% of jobs completed on reactive/emergency works						
13	MPG tasks completed each month	>95% completed	93%	95%	↑	↔
14	number reactive/emergency jobs raised and number completed in month	90% completed	87%	98%	↑	↔
Response times within agreed limits for reactive works. Priority 1-4						
Priority 1- 100%						
Priority 2- 95%						
Priority 3- 80%						
Priority 4- 80%						
16	Number of customer complaints related to asset condition	<10 p.a. / 1000 visitors	24	16	↑	↔

To Performance against target (P.A.T)

Achieving or exceeding target

Just missed target

Below target

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