

 <p><b>LEE VALLEY REGIONAL PARK AUTHORITY</b></p> <p><b>AUTHORITY MEETING</b></p> <p><b>21 JANUARY 2016 AT 14:00</b></p>	<p><b><u>Agenda Item No:</u></b></p> <p><b>6</b></p> <p><b><u>Report No:</u></b></p> <p><b>A/4221/16</b></p>
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## **2016/17-2018/19 BUSINESS PLAN**

Presented by the Chief Executive

### **SUMMARY**

The current 3 year business plan for 2013/14-2015/16 is concluding and a business plan for the coming 3 years needs to be in place from April 2016. A synopsis of the performance of the current business plan is attached as Appendix A to this report.

The proposed business plan for 2016/17-2018/19 has been developed by officers over the past few months and has had input from the Chairman and Vice Chairman. The business plan sets out a varied and challenging work programme for the next 3 years and seeks to continue the ambition and success of recent years.

### **RECOMMENDATION**

Members Approve:                   (1)    the 2016/17-2018/19 Business Plan attached as Appendix B to this report.

### **BACKGROUND**

- 1    In 2010 the Authority produced a ten year business strategy and set out its 2020 vision for the Regional Park:

‘A World Class Leisure Destination’

The Authority’s Mission was also determined:

‘The Lee Valley Regional Park Authority will lead the delivery of a world class leisure destination through a range of private and public partnerships whilst maximising value for money for the taxpayers of London, Essex and Herts.’

- 2    In addition the Authority established a set of values for the organisation:
  - a) Excellence: setting the highest standards and being proud of the quality of our services.
  - b) Creativity: encouraging new ideas, challenging the status quo and considering all options.
  - c) Delivery: setting realistic targets and delivering on commitments.
  - d) Fairness: respect and value our visitors, stakeholders and staff and treat in a

fair and consistent manner.

- e) Business minded: maximise value for money for the taxpayers of the region and all funders through a community focused and commercially driven approach.

## **2010-2020 BUSINESS STRATEGIC OBJECTIVES**

6 The 2010-2020 Business Strategy was based on the policy framework enshrined within the Park Development Framework. The following strategic objectives were set:

- Visitors: A Park that is a high quality and regionally unique visitor destination building on the opportunity of the Olympic Games in 2012.
- Sport and Recreation: A Park that delivers a range of high quality opportunities for active sport and recreation.
- Biodiversity: A Park that delivers high quality biodiversity requirements as an internationally designated resource for the region.
- Social & Community: A Park that helps people improve their well-being.
- Landscape and Heritage: A Park landscape that embraces the physical, cultural and social heritage of the area.
- Environmental Infrastructure: A Park where infrastructure contributes to the sustainability of the region.

## **BUSINESS PLANNING**

7 The Authority's 3 year business plans are set within the context of the 10 year business strategy along with the organisation's vision, mission and values. The business plans set a clear medium term business direction with priorities and targets. The business plan also provides a context for budget setting and levy policy.

## **2013/14-2015/16 BUSINESS PLAN**

8 The current 3 year business plan with its targets and performance is summarised in Appendix A to this report.

9 The last 3 years have been dominated by two business objectives:

- the successful opening and operation of 3 new major sports venues;
- the delivery of a new organisational model with circa £2m revenue budget savings.

Both of these objectives have been achieved.

10 Other areas where there has been good progress:

- Income generating investment in venues
  - Lee Valley Riding Centre
  - Hayes Hill Farm
  - Lee Valley White Water Centre
  - Lee Valley Caravan Park, Dobbs Weir

- Marketing the Park to a regional audience
  - Major events attracting visitors from every Borough and District in the region
  - Annual Schools Festivals at 3 2012 venues
  - New educational programmes leading to increased non-riparian visits (50% of total schools visits)
- Organisational development
  - Setting up of the Trust to manage the Authority's 14 sport and leisure venues
  - A new apprenticeship scheme which has to date seen 42 apprentices across the Authority/Trust
  - Extension of volunteer programme to cover the 2012 venues and the major events

### **A NEW BUSINESS PLAN FOR 2016/17-2018/19**

- 11 Over the past few months officers have been pulling together a fresh business plan for the next 3 years. The draft business plan attached as Appendix B to this report has received input from the Chairman and Vice Chairman.
- 12 There a number of themes which run through the business plan:
  - a) Increase income from existing venues/sites through a range of investment opportunities both directly and with or via 3<sup>rd</sup> parties and pursue the generation of commercial income through Authority owned land and property assets.
  - b) Improve the accessibility of the LVRP to its regional constituency through marketing and community engagement initiatives.
  - c) Continue to develop new operational models for its services as the Authority moves to being more of an enabling organisation.
  - d) Enhance the Park's environmental infrastructure.
  - e) Provide a first rate visitor experience and grow the visitor figure to seven million by 2018/19.
  - f) Continue to reduce the cost of LVRP to the taxpayers of London, Essex and Herts.

### **A 3 YEAR WORK PROGRAMME**

- 13 If Members approve the 3 year business plan officers will then develop a detailed work programme which will apply timelines with milestones and outcomes.

### **ENVIRONMENTAL IMPLICATIONS**

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

### **FINANCIAL IMPLICATIONS**

- 15 The 2016/17 budget and levy proposals and the Medium Term Financial Plan

(MTFP) elsewhere on this agenda incorporate head line figures relating to some of the objectives set out in this proposed business plan. Following the development of the detailed work programme and its subsequent conclusions the financial impact of the business plan will need to be built into the MTFP in future years.

#### **HUMAN RESOURCE IMPLICATIONS**

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

#### **LEGAL IMPLICATIONS**

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

#### **RISK MANAGEMENT IMPLICATIONS**

- 18 The business plan 2016-2019 will drive the MTFP going forward. Failure to deliver the objectives of the business plan may impact on future financial targets set within the MTFP. To mitigate this risk Members monitor the revenue budget quarterly and review the MTFP as part of the annual budget and levy setting process.

#### **EQUALITY IMPLICATIONS**

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

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#### **PREVIOUS COMMITTEE REPORTS**

Authority	A/4162/13	Business Plan 2013/14-2015/16	24 January 2013
Executive Committee	E/251/12	Draft 2013/14-2015/16 Business Plan	13 December 2012
Authority	A/4155/12	Business Planning 2013-15	25 October 2012
Authority	A/4082/10	Developing a Business Strategy 2010-2015	21 October 2010
Authority	A/4095/10	Business Strategy 2010-2020 and 3 year business plan	22 April 2010

#### **APPENDICES ATTACHED**

Appendix A	2013/14-2015/16 Business Plan Performance
Appendix B	2016/17-2018/19 Draft Business Plan

#### **ABBREVIATIONS**

MTFP	Medium Term Financial Plan
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## 2013/14-15/16 Business Plan Performance

Business Plan Target	Progress
<b>1. OPENING THREE MAJOR SPORTS VENUES</b>	
The Lee Valley White Water Centre reopened on the 8 <sup>th</sup> Sept 2012. A circa £5 mill investment project is planned for 2013. Enhanced venue to be delivered by <b>Sept 2013</b>	Achieved
Lee Valley VeloPark: Successfully open the venue for <b>early 2014</b>	Achieved
Lee Valley Hockey and Tennis Centre: Successfully open the venue and the Eton Manor site for <b>spring 2014</b>	Achieved
Produce revised and detailed business plans for each venue - <b>Feb 2013</b>	Partly achieved as part of transfer of venues to Trust. Ongoing work to attain the optimum business model for each venue.
Develop an Events Strategy for the major sports venues - <b>March 2013</b>	Achieved
<b>2. GENERATING INCOME THROUGH INVESTMENT IN EXISTING VENUES AND ATTRACTIONS</b>	
Dobbs Weir Camping and Caravanning Site - <b>2013-15</b>	Delivered stage 2 of 3 stage project. Increased income in line with projections.
Hayes Hill Farm - <b>2014</b>	Ongoing investment with recent investment in Meercat enclosure. Income increasing year on year.
Lee Valley White Water Centre - <b>2013</b>	Following investment in 2013, 2014/15 delivered significant income increase and best return in 4 years of operation.
Water Works Visitor Accommodation - <b>2013</b>	This project has not progressed. With the Lea Bridge Rail Station opening in May 2016 and LBWF looking at masterplan for the LBR now is the time to look at a youth hostel/campsite type development.

<p>Riding Centre - 2013-14</p>		<p>Investment in additional livery stables didn't deliver the hoped for returns in 2014/15 due to delays in construction. Current projection for 2015/16 suggests the planned for return is now being delivered and the budget is on target.</p>
<p>Lee Valley Athletics Centre - 2013-14</p>		<p>Some work has been done on the feasibility for a health and fitness facility and this will be revisited in 2016/17 alongside the Ice Centre exercise and an investment appraisal of the whole site.</p>
<p>Explore other income generation opportunities e.g. Spitalbrook, Gunpowder Park, Marinas, Leisure Pool site, River Lee Country Park – <b>March 2016</b></p>		<p>All to be part of the 2016/17-18/19 business plan</p>
<p><b>3. INCOME GENERATION FROM COMMERCIAL ACTIVITY</b></p>		
<p><b>Sponsorship and naming rights:</b></p>		
<p>Secure naming rights deal for the VeloPark - <b>Sept 2013</b></p>		<p>Not achieved. The Authority and the Trust are looking at this afresh and are aiming to secure a deal in 2016/17.</p>
<p>Secure sponsorship deals across a number of venues and programmes - <b>March 2014</b></p>		<p>Cycle Surgery deal done but more sponsorship deals to be pursued by the Trust.</p>
<p><b>4. MAJOR DEVELOPMENT PROJECTS</b></p>		
<p>Feasibility study for a twin pad Ice Centre in the LVRP - completion of study spring 2014</p>		<p>Stage 3 of the feasibility exercise now proceeding. Decision on way forward for the IC early 2016.</p>
<p>Determine development programme for Picketts Lock - summer 2014</p>		<p>Authority and Trust officers currently looking at the private sector interest for investment in the site. An investment programme for the site will be developed in 2016/17.</p>
<p>Develop a masterplan for the long term development of the Lea Bridge Road area - Sept 2014</p>		<p>Currently working with LBWF 2015/16.</p>

<b>5. REDUCING THE ORGANISATION'S COST BASE</b>	
<p><b>Rates</b> Seek to reduce the rates charged against each major sports venue - summer 2014</p>	<p>Achieved</p> <p>Venues have been reviewed year on year and will now be looked at in the context of the contract and the management fee. Authority services will need to be reviewed over the next couple of years</p>
<b>6. MARKETING THE LEE VALLEY TO A REGIONAL AUDIENCE</b>	
<p>Achieve 60% of visits to the 2012 legacy venues from across all non riparian Boroughs - Dec 2015</p>	<p>40% of visits come from non riparian Boroughs with 30% from riparian Boroughs and 30% from national and international visitors. There is a question around the relevance of a % target when perhaps the level of usage in terms of numbers per non riparian Boroughs might be a better measure. Officers are looking at introducing this additional measure for 2016/17.</p>
<p>Produce a Marketing Plan for attracting increased usage of the Park from non riparian Boroughs – Sept 2013</p>	<p>There has been a plan to increase Park usage from across the region through the events programme, Youth and Schools and Sports Development Programmes. This has led to increased usage from the non riparian Boroughs.</p>
<p>Position the Lee Valley as a major cycling destination capitalising on the VeloPark and cycle routes up and down the valley - June 2015</p>	<p>Good progress with VP opening and 600,000 visits in 2014/15. The development of a wider cycling infrastructure currently subject of Scrutiny review</p>
<p>Develop a new package of educational products for schools and colleges from across the region - March 2014</p>	<p>Good progress made by the Youth and Schools team with new products and increased non riparian take up.</p>
<p>Host an annual Schools Festival involving all of the 2012 venues and including young people from all London Boroughs and every district in Essex and Herts - from 2013</p>	<p>Achieved with great success.</p>

Deliver the Park wide signage infrastructure project - Jan 2013 - Sept 2014	Achieved
Develop a transport strategy for improving transport to and within the Lee Valley and communicate transport options effectively to visitors to Lee Valley - June 2014	Work in progress
Use the 'Major Events' programme as a mechanism to attract and involve a regional audience in activities in the Lee Valley: Canoe Slalom World Championships 2015 <ul style="list-style-type: none"> <li>• Hockey European Championships (Men &amp; Women) 2015</li> <li>• ITF Wheelchair Tennis Masters 2014-16</li> <li>• World Track Cycling Championships 2016</li> </ul>	Achieved with each event attracting spectators from every London Borough and every District in Essex and Herts.
<b>7. ORGANISATIONAL DEVELOPMENT</b>	
Explore new organisational models which consider the most effective structure for maximising income generation and minimising the cost base.	
Options appraisal by Sept 2013	Achieved in relation to the 14 sport and leisure venues. There is a need to look at the rest of the Authority's services.
Develop the volunteer programme seeking to capitalise on the success of the 2012 Games - Dec 2014	Partly achieved with the development of a volunteer resource to support the event programme at the 3 2012 venues.
Develop an apprenticeship scheme working with employment agencies, skills and training organisations and educational establishments - Sept 2013	Achieved with 42 Authority/Trust apprentices over the last 3 years.
Improve the efficiency of the organisation through an IT infrastructure review, in line with the IT strategy. Dec 2013 – Dec 2014	Achieved
Establish an effective strategic and operational relationship with the London Legacy Development Corporation (LLDC) Ongoing	Achieved
<b>8. BIODIVERSITY</b>	
Review the Lee Valley Biodiversity Action Plan in partnership with key	Review taking place in 2016.



<p>stakeholders - 2014</p> <p>With partners deliver regionally significant biodiverse destinations including Rye Meads, Amwell Nature Reserve, River Lee Country Park, Walthamstow Wetlands – 2015</p>	<p>Good progress with the opening of Walthamstow Wetlands.</p>
<p><b>9. FINANCIAL</b></p>	
<p>Develop a Financial Strategy which enables the Authority to reduce its reliance on the levy whilst delivering its statutory remit and ambition for the Lee Valley to be a world class destination – <b>Mar 2014</b></p>	<p>Medium Term Financial Plan has underpinned the 5 years of annual 2% reduction of the levy and will do so going forward.</p>
<p>Continue to reduce the reliance on the levy, stretch target of 99p per head of population per annum for London Essex and Herts by <b>2017</b></p>	<p>98p achieved in 2015</p>
<p><b>10. OTHER KEY AREAS</b></p>	
<p><b>PDF</b></p> <p>Complete the development of area based proposals by <b>2014</b></p>	<p>Completion in 2015/16</p>
<p><b>Contaminated Land Strategy/Action Plan</b></p> <p>Develop 5 year action plan for the implementation of the contaminated land strategy looking at the Authority's land holding across the Regional Park – <b>March 2014</b></p>	<p>Following the production of a Contaminated Land Policy the Authority has now approved the revised Contaminated Land Strategy which has removed the need for a 5 year action plan.</p>

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## 2016/17-2018/19 Draft Business Plan

### 2020 Vision for the LVRP

Lee Valley Regional Park: a World Class Leisure Destination

### The Authority's Mission

The LVRPA will lead the delivery of a world class leisure destination through a range of private and public sector partnerships whilst maximising value for money for the taxpayers of London, Essex and Herts.

### The Authority's Values

- a) We strive for Excellence: setting the highest standards and being proud of the quality of our services.
- b) We value Creativity: encouraging new ideas, challenging the status quo and considering all options.
- c) We Deliver what we promise: set realistic targets and deliver on our commitments.
- d) We treat everyone Fairly: recognise the value of our visitors, stakeholders and staff.
- e) We are Business Minded: delivering the maximum value for money for the taxpayers of the region and all funders through a community focused and commercially driven approach.

### 2010-2020 Business Strategy - Strategic Objectives

- Visitors - A Park that is a high quality and regionally unique visitor destination building on the opportunity of the Olympic Games in 2012.
- Sport and Recreation: A Park that delivers a range of high quality opportunities for active sport and recreation.
- Biodiversity: A Park that delivers high quality biodiversity requirements as an internationally designated resource for the region.
- Social & Community: A Park that helps people improve their well-being.
- Landscape and Heritage: A park landscape that embraces the physical, cultural and social heritage of the area.
- Environmental Infrastructure: A Park where infrastructure contributes to the sustainability of the region.

## **2016/17-2018/19 Draft Business Plan**

**There are a number of themes which underpin the work programme for the Authority over the next 3 years**

- a) Increase income from existing venues/sites through a range of investment opportunities both directly and with or via 3<sup>rd</sup> parties and pursue the generation of commercial income through Authority owned land and property assets.
- b) Improve the accessibility of the LVRP to its regional constituency through marketing and community engagement initiatives.
- c) Continue to develop new operational models for its services as the Authority moves to being more of an enabling organisation.
- d) Enhance the Park's environmental infrastructure.
- e) Provide a first rate visitor experience and grow the visitor figure to seven million by 2018/19.
- f) Continue to reduce the cost of LVRP to the taxpayers of London, Essex and Herts.

## **Business Objectives**

- 1. Improve the visitor offer and increase income through investment partnerships involving private and public sector bodies**

### **Lea Bridge Road**

A masterplan will seek to:

- Look at the Authority's assets and landholdings in the context of the bigger LBR masterplanning exercise being undertaken by Waltham Forest
- Identify the range of uses/developments across the Authority's estate on the LBR
- Identify the necessary infrastructure required to support any new development options

### **Broxbourne Riverside/Spitalbrook**

- Assess the development potential for the 200 acre plus area working closely with Broxbourne BC
- Test the market interest through a marketing exercise
- Put in place an investment project with delivery programme

### **Pickets Lock**

- In the context of the Ice Centre feasibility exercise develop an investment programme for the site
- Assess private sector investment interest through a market testing exercise

### **Ice Centre Project**

- Complete the feasibility exercise for a new 'Twin Pad' ice centre
- Deliver a viable development option to replace or extend the existing ice centre

### **Stonebridge Lock**

- Working with CRT, local agencies and community groups develop a vibrant and sustainable visitor hub

## **2. Market the LVRP as a 'must visit' destination working with partner agencies at a regional and national level**

- Joint marketing with other sport and leisure providers and visitor accommodation in the LV
- Establish the LVRP as 'Centre for Outdoor Activity'
- Maximise Lee Valley outputs from memberships of tourism bodies including London and Partners and Visit Essex, plus relationships with LLDC and other key partners who we will work jointly with to promote the Lee Valley destination
- Use 50<sup>th</sup> anniversary to promote the LVRP destination to new audiences and in innovative ways
- Develop a programme of outdoor events in the Park to attract a regional audience
- Achieve a target of 7 million visits to LVRP per annum by 2018/19
- Tailor new products to attract non riparian visitors
- Improve the visibility of the LVRP in relation to the QEOP with trails, signage and information/interpretation

### **3. Enhance the biodiversity of the LV, working with other agencies and landowners**

#### **Revise the current LV BAP**

- The existing Biodiversity Action Plan (BAP) was published in 2000 and is now due for review with a planned launch date of January 2017, coinciding with the 50<sup>th</sup> anniversary of the Authority.
- Linking into key themes within the Park Development Framework, the 10-year plan will provide an over-arching biodiversity vision for the Authority. The BAP will draw together key partners and communities across the valley to identify targeted action plans for key habitats and species.

#### **Walthamstow Wetlands**

- The Authority will work closely with London Wildlife Trust and Thames Water, to enable a successful opening of this important wetland site within the valley in 2017
- The Authority will pursue joint ventures around the area that will increase the sites sustainability in regards to travel and transport matters e.g., car parks, cycle paths and permissive walking routes

#### **Bittern Information Point**

- The Bittern Information Point and viewing area, is the Authority's flagship conservation facility as such its offer to visitors needs to be reviewed in light of facilities age and design
- The objectives are to:
  - Improve the current facilities, more weatherproof, warmer in winter and cooler in summer
  - Enhance the facilities around the area e.g. toilets and car parking. Improve the whole visitor experience and broaden the areas appeal

#### **East India Dock Basin**

- The EIDB is an important conservation site at the strategically important point where the Lee Navigation meets the River Thames which forms part of the proposed Lea River Park. There is the potential to greatly enhance this key site both as an important wildlife habitat and visitor destination and to improve connections with the Thames pathway.
  - Complete feasibility exercise and technical studies for the site
  - Work with the Heritage Lottery and other partners to develop an investment scheme for the EIDB site

#### **4. Organisational and Service Development**

- Review Authority services with the aim of achieving economies and greater effectiveness:
  - Parks Management
  - Community Outreach
  - Property
  - MH Gardens & Visitor Centre
  - Senior Management
- Work with neighbouring Boroughs and similar organisations such as CRT and EF (CoL) looking at further potential for shared services and partnership opportunities
- Review IT infrastructure along with office accommodation, with the aim of developing mobile technology for the workforce
- Establish a Learning & Development strategy which supports the development of a more business-like and flexible workforce

#### **5. Increasing the value of the LVRP to its Regional Communities**

- Initiatives and programmes designed to enable schools and community groups to access the range of sport and leisure offers in the Park
- Work with the Youth Hostel Association and other accommodation providers including the LV Leisure Trust
- Create new products which will appeal to visitors from further away – with offers strong enough to attract people from 90 minute travel time

#### **6. Maximising the return on the Authority's Estate**

This to be achieved through:

- a) A review of any land acquisition policies that the Authority has previously adopted.  
All current land acquisition policies to be reviewed and considered against current relevance and needs with criterion to be developed
- b) Review the Authority's land and property portfolio and develop a plan

- for how these assets can further support its business and statutory objectives (including sale)
- c) Develop a scheme to make use of the barns at Holyfield that are currently underutilised. Scheme to look at potential for holiday and staff accommodation plus ranger offices
  - d) Develop a land and property acquisition and disposal strategy
  - e) For land that has already been acquired develop plans for bringing into Park use

## **7. Leisure Services Contract**

- Develop the optimum contract structure for the LSC ahead of going to the market
- Review LV venues and benchmark against similar venues in the UK

## **8. Stakeholder Engagement**

- Increase overall perception of Lee Valley Regional Park from 59% to 70%
- Prioritise stakeholders who have most impact on the Authority in all communications, using major events, visits to the park, policy initiatives and contacts to maximise effectiveness
- Use 50<sup>th</sup> anniversary in 2017 to promote the value of the park to key stakeholders and to further raise the profile of the Authority

## **9. Continue to reduce the cost of the LVRP to the taxpayers of London Essex and Herts**

- Continue to reduce the budget contribution from the levy from its current level of 48% of the maximum chargeable
- Maximise the external capital funding leverage for all Authority capital schemes
- Secure new commercial income through Authority owned and run assets
- Release value from the disposal of assets no longer required for Park purposes